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(HANSARD)

Thursday, October 22, 1998

Speaker: The Honourable Gilbert Parent

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HOUSE OF COMMONS

Thursday, October 22, 1998

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

• (1000)

[*English*]

INTERPARLIAMENTARY DELEGATIONS

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, pursuant to Standing Order 34(1), I have the honour to present the fifth report of the Canadian NATO parliamentary association which represented Canada at the 1998 spring session of the North Atlantic Assembly of NATO parliamentarians, held in Barcelona, Spain from May 22 to 26, 1998.

• (1005)

Mr. Joe Comuzzi (Thunder Bay—Superior North, Lib.): Mr. Speaker, pursuant to the rules of the House, I have the honour to present a subcommittee report.

As the House will recall, the last time I was here we talked about section 110 of the United States Immigration Act. This report reflects the ongoing work that the Canada-United States interparliamentary group is doing with respect to alleviating the effects of that act on Canadian citizens crossing into the United States.

As the House will know, in the last week there were some very important results, to the benefit of all Canadians, and I have the honour to submit this report.

* * *

COMMITTEES OF THE HOUSE

PROCEDURE AND HOUSE AFFAIRS

Mr. Peter Adams (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I have the honour to present the 39th report of the Standing Committee on Procedure and House Affairs regarding the membership of the Standing Committee on Natural Resources and Govern-

ment Operations and the associate membership of the Standing Committee on Public Accounts.

If the House gives its consent, I intend to move concurrence in the 39th report later this day.

* * *

MANITOBA CLAIM SETTLEMENTS IMPLEMENTATION ACT

Hon. Andy Scott (for the Minister of Indian Affairs and Northern Development, Lib.) moved for leave to introduce Bill C-56, an act respecting an agreement with the Norway House Cree Nation for the settlement of matters arising from the flooding of land and respecting the establishment of certain reserves in the province of Manitoba.

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

* * *

NUNAVUT ACT

Hon. Andy Scott (for the Minister of Justice and Attorney General of Canada, Lib.) moved for leave to introduce Bill C-57, an act to amend the Nunavut Act with respect to the Nunavut Court of Justice and to amend other acts in consequence.

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

* * *

[*Translation*]

CANADA LABOUR CODE

Mr. Richard Marceau (Charlesbourg, BQ) moved for leave to introduce Bill C-447, an act to amend the Canada Labour Code (application of part I to members of the Royal Canadian Mounted Police who are peace officers).

He said: Mr. Speaker, the purpose of the bill I am introducing today is to give members of the Royal Canadian Mounted Police the right to form a union. RCMP officers are the only peace officers in Canada denied the right to collective bargaining.

• (1010)

The purpose of the bill I am honoured to introduce today, seconded by my NDP colleague and by my friend and colleague, the House leader of the Conservative Party, is to put right this injustice.

Government Orders

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

* * *

COMMITTEES OF THE HOUSE

PROCEDURE AND HOUSE AFFAIRS

Mr. Peter Adams (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, if the House gives it consent, I move that the 39th report of the Standing Committee on Procedure and House Affairs presented to the House earlier this day be concurred in.

(Motion agreed to)

* * *

[English]

PETITIONS

PEDOPHILES

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, I have three major groupings of petitions that I would like to present to the House today, the first bearing 606 signatures.

The petitioners call upon parliament to enact two-strike legislation requiring anyone who is convicted for the second time of one or more sexual offences against a minor to be sentenced to imprisonment for life without any eligibility for parole or early release, and also, with respect to anyone awaiting trial on such offences mentioned in this petition, the petitioners pray that such a person be held in custody without eligibility for bail.

The second grouping of petitions, bearing 573 signatures, calls upon parliament to bring about a pedophile registry to register those persons who are sexual offenders and pedophiles who cannot be cured or rehabilitated. The petitioners call upon parliament to enact such legislation.

The third grouping of petitions, bearing 526 signatures, again calls upon parliament to eliminate the right of a convicted pedophile to be let out of jail on bail pending an appeal. This would thereby ensure the protection and safety of the victims and the community from such a convicted offender.

CRIMINAL CODE

Mr. Leon E. Benoit (Lakeland, Ref.): Mr. Speaker, it is a privilege to present a petition on behalf of my constituents regarding section 43 of the criminal code which says that every school teacher, parent or person standing in the place of a parent is justified in using force by way of correction toward a pupil or child under their care as long as it is reasonable force.

The petitioners are concerned that section 43 may be removed and are further concerned that government is funding groups which are studying the removal of this section. The petitioners therefore request that parliament reaffirm the duties and the responsibilities of parents to raise their children according to their own conscience and beliefs.

* * *

[Translation]

QUESTIONS ON THE ORDER PAPER

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

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

Some hon. members: Agreed.

GOVERNMENT ORDERS

• (1015)

[English]

PERSONAL INFORMATION PROTECTION AND ELECTRONIC DOCUMENTS ACT

The House resumed from October 19 consideration of the motion that Bill C-54, an act to support and promote electronic commerce by protecting personal information that is collected, used or disclosed in certain circumstances, by providing for the use of electronic means to communicate or record information or transactions and by amending the Canada Evidence Act, the Statutory Instruments Act and the Statute Revision Act, be read the second time and referred to a committee.

Mr. Reg Alcock (Parliamentary Secretary to President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs, Lib.): Mr. Speaker, I am particularly interested in this topic. I have had the honour since 1987 to be associated with the program on strategic computing in the public sector at Harvard University. I have worked with a research group there headed by Dr. Jerry Mechling who is acknowledged to be one of the two most knowledgeable people in public sector information management in the world. It is a personal honour to know Jerry and to be able to work with him and with the team of faculty and researchers he regularly assembles from all over world to consider these issues of how our policy and use of information technologies needs to evolve in order for the citizens of the world to derive the most benefit.

The process we utilized was that three times a year we would call together senior practitioners from the state, federal and local

governments in the U.S., from Canada and other countries around the world. We would then draw together experts from the vendor communities like IBM, Dell, Microsoft, et cetera, and from the user communities.

At a conference last year a cross-section of about 120 chief information officers and faculty from schools all over the U.S., with a substantial representation from Harvard, considered the question that is addressed in this legislation. We wrestled with the question and asked people how we should move this forward. We asked how we could build a sense of comfort to encourage the average person who may not be technically adept or who may not have a lot of familiarity or facility with computers to become involved in and adopt electronic commerce.

Since 1987 we have had a great deal of these research meetings. In the initial stages we always talked about technological issues. We needed better case tools. We needed to refine object embedding. We had to sort out the whole process for prototyping. We needed to constantly improve the way in which we built our various services. We needed more bandwidth. We needed better routing.

The consensus from some of the most senior people in the field last year was that the problems in e-com at that point were 2% technical and 98% policy. The technical side of the networks had advanced to a point where there were still some technical problems. There are some issues that still need to be resolved and there always will be because this field is evolving incredibly fast. For the most part those issues were addressable.

What was lacking was a policy and legal structure that would allow us to take the next step. We asked what that question meant, what would a government or a business have to do tomorrow in order to take the next step. A whole list of issues arose which we worked down to a dozen.

The number one and number two issues were that we had no choice but to deal with the privacy regime and we had to do it proactively. We could not sit back and wait, let a bunch of disasters happen and then have the public rise up and push us to do it. Governments around the world needed to be proactive in putting in place privacy legislation which stated very strongly to everybody that this is important and they are going to protect it. There are a lot of ways to do that but that was considered to be a critical factor in allowing e-commerce to advance.

• (1020)

One of the participants gave an interesting example. This was IBM but it is typical of a lot of high priced consultants. He was part of an IBM group doing a workshop with technicians, people who are very comfortable, very familiar with the use of technology. IBM was there to sell its new commerce server. At the start of the workshop he asked the some 200 experienced practitioners, users of the technology, how many of them had bought something on the

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Internet. About three hands of the 200 people went up in the air. That is what he wanted.

He launched into a discussion about how the new server was going to protect them and how they were going to deal with cryptography and how they were going to deal with the protection of the persons. He went through a whole exercise and at the end of it asked with all of that, how many people would purchase on-line. One more hand went up. Even in that community, which was adept and comfortable and knowledgeable with the technology, there was still an emotional and personal resistance to engaging too much on-line.

The second point raised in that discussion was the issue of leadership. There is an interesting conundrum throughout the world and certainly we see it here. The technologies that are driving business, driving commerce, driving daily life are all technologies that were not in existence when most of the members of this House were in their training years.

When I went through university, the computer was something which sat in a building somewhere and I interacted with it with a series of punch cards. I am not the oldest member in this House. The first IBM PC appeared on a desk in 1980 when a lot of us were well into our working careers.

The people who have evolved into the legislative leadership positions, people in cabinet and senior administration, are people who have grown up and gone through life without the individual comfort with these technologies that someone growing up and going through school and university today will have. I suspect there are lots of examples. My son is four years old. He has been using his computer for a year and a half. My daughter at age six thinks nothing of accessing her Disney programs or other things on the Internet.

Our children are growing up with a completely different relationship to these technologies from what we have, yet we are the people who are in control of the decisions about what they can and cannot do. It creates a problem because some of the fears about the technology are the traditional fears about black boxes and mystical powers that may arise from them. I say that without wanting to be too facetious.

One of my jobs a few years ago was to train senior managers in data analysis on computers. I noticed something early on particularly with people in this age range. There is almost an equation. If someone does not know how to use a computer, then they are somehow stupid. I do not know how to use woodworking tools very well but I do not consider myself stupid. Yet somehow if a person cannot use a computer, a fear arises.

I remember once a gentleman was highly frustrated. He was having trouble getting the model to work and was having trouble with a simple keyboarding thing. I pulled him back from the computer and told him to relax. He said he could not deal with computers. I asked him what he did. He was a jet pilot, a brigadier

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general in the Israeli air force. He flew a machine every day that had nine computers in it and thought nothing of it. However, his interaction with that box angered him.

The reason I even bothered mentioning this is that there is an element of that kind of fear when we approach these technologies.

We are charged in this House, and I say exactly the same thing to our Prime Minister and others, with doing what we can to put in place all the protections that are necessary for every person in Canada. I frankly believe that our legislation is going to serve as a model for other parts of the world.

We must say to every person in Canada that we take their privacy seriously and that we are going to protect it. We are going to ensure that their information is handled as safely and securely as it is possible to make these systems function. At the same time we are going to say it is going to improve their quality of life.

• (1025)

I read the submissions by the four opposition critics who spoke on the bill when the minister introduced it. I was rather pleased. I think in all four of them we see a recognition of the necessity for doing this and an acceptance of the issue.

We see in it some traditional fears about change. Will there be disillusion? Anytime we produce a change in the market there will be some disillusion. People can create enormous scenarios about how serious those may be but that is an area that needs to be considered. I would argue it is also the reason we need to be proactive and move quickly rather than wait and have the rest of the world make these changes while we have to play catch-up.

On the issue of leadership I would point out, without wanting to be too self-congratulatory of the government, the Minister of Industry and his deputy Michelle d'Auray, the leader of the e-commerce unit.

We Canadians are modest and we tend to be almost a little shy about talking about how good we are. People in Canada are not aware of exactly how far ahead of the rest of the world Canada is.

John Manley since the day he assumed his office has been providing exactly the kind of leadership the professionals I was talking about want to see happen. Manley is the—

The Acting Speaker (Mr. McClelland): I am sorry to interrupt the hon. member because he is in full flight. We know the member means the Minister of Industry and we just wanted to clarify that.

Mr. Reg Alcock: Mr. Speaker, yes of course I mean this innocuous person the Minister of Industry.

In this House we often get into these partisan debates, that my guy is better than your guy, but I do not mean it that way. I genuinely want all Canadians to be proud of the government, and I am going to talk about the provincial governments in a minute too. They are very much partners and players in this. All Canadians benefit and all Canadians support anything that is done in this way. There has been enormous consultation. This has been worked on for years. Literally thousands of Canadians have been involved in the work leading up to this kind of policy decision.

Getting back to my example, what was coming out of the expert community was that we have to have leadership. People outside Canada are amazed at what Canada has been able to do. That has come about because the Minister of Industry has been so enormously engaged and proactive on these issues from the day he assumed that office.

The minister is a representative of the department. There are people in the department who predate this government and have made it possible for us to be as much in the forefront as we are. We should take time to recognize the hard work, intelligence and thoughtfulness of all the civil servants who support us. These people spend a lot of time and energy helping us be as prepared as we are for what is coming down the road.

I want to come back to the issue of the legislation in general. The detailed legislation has been talked about by the minister and others. It is available for everyone to see. What is important for us to think about is what needs to occur now. In thinking about electronic commerce, there is a very real example.

• (1030)

A group in one city in one province in Canada operates an electronic transaction server. That is the piece of equipment on which the transaction is completed. It is a secure environment where a consumer having decided to purchase something and a vendor having decided to sell something meet electronically so that sale is consummated. The money is transferred to the vendor and the good is transferred to the seller.

That transaction server is in a traditional sense the cash register in the store. It is where the bills have changed hands. It is located in one province. The vendor could be, and increasingly is, located anywhere in the world. The purchaser is also potentially anywhere in the world.

I go on the Internet in the morning and call up *Economist* magazine which I subscribe to. I am calling up a server that is located in London. I pick up the article I want. The article makes reference to a book. If I hit on that book it takes me to a server in the U.S. and asks if I want to buy the book. I can simply click on a button and buy the book because I am registered with the book seller.

That sale is cleared by a Visa clearance office in Vancouver. That is not in the future. That is today. It happens right now. The company that runs the transaction service in that case is in New York. The vendor is in the central United States. The magazine is in London and my Visa transaction clearance is in Vancouver.

Who pays the tax? How are we taxed on that? There are a variety of legislative regimes that govern all of those areas that are different. If we are to begin to feel the benefits from this, that we believe we can feel, I and I think most who are close to this file believe that we need to look for universal legislation. We need to look for policy that transcends not just a city, province or country but that eventually becomes global.

It becomes global because information is no longer static. Information on me and I suspect on everybody here resides in the U.S. on a variety of machines if we have any interactions, travelled down there or bought something. It will reside in Europe or in China.

When I first came into this House I had the privilege of representing the former house leader and now Deputy Prime Minister in London. Walking through the basement of Westminster I saw a bank machine. Just for fun I pulled out my local bank card, stuck it in and withdrew pounds. It shocked me that they could clear that thing so quickly.

I want the protection of my privacy to exist whether I use that bank machine in London, Paris or Beijing. It is to all our benefit.

Canada is fortunate given our federal structure and the very activist nature of our governments. Quebec has had privacy legislation for a very long time and privacy legislation that covers both the public and private sector. Other provinces are moving now to engage on this issue by bringing in legislation, looking at ways of dealing with the regulations.

We need to be careful. We do not want to impose a heavy handed regulatory environment on commerce. We have had enough experience over the last few decades with the positive and negative sides of that. But I as a consumer want my information protected.

E-commerce in a sense is a funny word because it invokes the issue of commerce, of a sale, of a transaction, but the same technology works in an information transaction. If I want to send secure information, my medical records, and I want a doctor here to be able to call up on his computer my medical record from my doctor's office in Winnipeg, which would be an enormous benefit to me and to the system, I want to make sure that transaction is done securely and in a way that protects my privacy.

• (1035)

What I would argue and what this bill provides for is a regime that supports the very thing that we talk about in this House, a

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partnership between all the provinces of Canada, all working together to develop a system of law and policy that provides equal protection for all Canadians no matter where they are at any time in any part of this country. I believe the rest of the world is watching what we are doing here in Canada. I believe that we will find that our law, our approach will form the basis for law and policy right around the globe.

[*Translation*]

Mr. Ghislain Lebel (Chambly, BQ): Mr. Speaker, I have listened to the hon. member's speech, and congratulate him on his moderation and lucidity.

There is one doubt I have after hearing him, however, and I would like to hear his answer on this. He is in favour of protecting personal information, and so am I, but he seems to have qualified that protection somewhat. He also wants to see commerce protected. It is a balancing act that may be problematical.

There is one practice we see regularly. A person buys a car at the local dealer, giving his social insurance number and a whole lot of other details. Suddenly, he finds himself the target of mail solicitation for all manner of products. Until quite recently, I thought the dealer one had done business with gave that information to others, but no. He sold them to companies specializing in this type of mail or phone soliciting.

I would like to know whether the bill we are discussing this morning contains a ban on the selling of information which is no longer confidential because one has had to disclose it when preparing to enter into a legal transaction, a purchase or sale contract, and so on. I do not consider this to be in the public domain, but neither is it really personal any more, once the information has been disclosed.

Does the bill forbid businesses from selling this type of information? I believe that this is the point that will make or break this bill, if it is not addressed specifically. I would like the hon. member to clarify this.

Mr. Reg Alcock: Mr. Speaker, I regret that I cannot respond in French.

[*English*]

I will not respond in French because it would cause more pain for the questioner than is necessary for the answer right now. But I am practising and I will soon.

The member raises two really important points. I will deal with the second point first because I think it is possible to respond to that fairly quickly. The member is absolute right. It is a sale. There is a great value in collecting that information, organizing it and selling

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it and there are huge industries that have grown up around that. It raises interesting questions about information that is collected by governments. There is a debate to come on that which I will be very interested in down the road.

We have been giving that information away individually for a very long time, for example every time we give our credit card to someone for our Christmas shopping. I have a blue card in my pocket that we use in my province. Every time we buy our groceries they swipe this card and we can get air miles for that. When it first came out I thought that is kind of nice, I can get some air miles. But what they are really doing is getting my consumption profile so they can do exactly that. They know that I buy a lot of goods for babies because I have a new baby. Those guys who sell to new parents will all of a sudden start sending me the stuff.

• (1040)

There are 10 principles in the bill. Accountability is the first one. An organization is responsible for personal information under its control. The organization now has a responsibility.

The second principle is the purposes for which personal information is collected shall be identified by the organization at or before the time the information is collected. The knowledge and consent of the individual are required for collection, use or disclosure. I invite members to go on to the Internet and look. Almost universally the larger companies that are more advanced in the use of this ask that. If we give them information there will be a box at the bottom saying in a cute way, because they want to encourage us, would we like to receive other information from other suppliers of this product. If we click that box we are going to get exactly what we are talking about.

This legislation gives the control over your information to you. It says you can determine every time your personal information is dealt with electronically. You will know what it is for and you can determine whether it can be disclosed. The choice rests with you.

The other issue where the difficulty lies is the balancing act. We have experienced a number of dreadful examples. This is not a statement about any particular philosophy. When governments become too heavy handed and controlling they slow everything down. They limit the ability for organizations to be innovative. They limit the ability for pricing to move quickly. There are a lot of negative consequences that come from that.

On the other hand, we know that if we do not have some regulation, control or penalty then we could be subject to all sorts of abuses. This is one of the problems we face in the House all the time, trying to effect that balance, how much regulation versus how much protection. That will be very much part of the debate.

Mr. Paul Forseth (New Westminster—Coquitlam—Burnaby, Ref.): Mr. Speaker, looking at the area of compliance costs and the climate the government creates for the commercial world, an

article in the *Financial Post* which is very timely by Neville Nankivell says the Fraser Institute has just delivered another withering report on the consequences of overregulation in Canada. It estimates compliance costs to the economy could now be as much as \$83 billion compared to the \$58 billion in the mid 1970s. He concludes his article by saying regulatory business is a growth industry in Canada but not the kind that is good for the economy and jobs.

Will the member reassure us that this piece of legislation is going in the right direction and is setting the appropriate regulatory climate? It is certainly not the proper role of government to artificially puff up businesses or the creation of interventionist government or unreasonable controls as they are very costly to the taxpayers. It has been shown in study after study and often these types of efforts are largely ineffective and do not give a good dollar value for measured outcomes.

Will the member reassure us that the controlled climate we are entering into is one of balance and also cognizant of the fact that we are in a world of competition? Where will this place us in the world community of competition?

Mr. Reg Alcock: Mr. Speaker, I will try to deal with what is a very important and complex question.

The first thing I would ask members to think about on issues like this is the spectrum. We have people who are driven philosophically at one end of the spectrum who believe we should have no compliance. We have people at the other end who believe we should not have electricity. I am not being extreme. Always we have to sit somewhere in the middle.

The reason I gave the example about the practitioners saying we had to have privacy legislation is that in order to have the commerce at the level we want, in order to have my mother buying her groceries via TV, we have to guarantee her we are going to protect her. There is no question about that.

• (1045)

It is in the interest of business to have a good privacy regime. It is in the interest of everybody. In the consultations the minister had with the industry this is exactly what was said. This is broadly supported by industry because industry knows it needs it in order to get the competition and action it wants. The bigger the system, the more people who play and the better it will be.

Unfortunately, while I have read the Fraser report, it is too much driven by philosophy and not enough by research.

[Translation]

Mr. Antoine Dubé (Lévis-et-Chutes-de-la-Chaudière, BQ): Mr. Speaker, I am pleased as a member of the Standing Committee

on Industry—of which the member for Mercier is also a member—to take part in this debate at second reading.

The debate is on the bill's principle, and on this point I may well disappoint the parliamentary secretary by saying that the Bloc Québécois totally disagrees with this bill. I will explain why.

The title of the bill represents a long and fairly complex paragraph, which I will read:

An Act to support and promote electronic commerce by protecting personal information that is collected, used or disclosed in certain circumstances, by providing for the use of electronic means to communicate or record information or transactions and by amending the Canada Evidence Act, the Statutory Instruments Act and the Statute Revision Act.

Beside me sits the member for Chambly, who has worked for a long time on the Committee on Scrutiny of Regulations. He was saying that there are some 200 fairly concise but complex clauses.

We must always be careful, for even a bill with a long title is easier to understand when it is a measure to enact. However, when it is an amending bill that also requires regulations—like this bill, which amends the Canada Evidence Act and the Statute Revision Act—things start to get complicated. This is one of the weaknesses of the bill.

I would not go so far as to say that the long title of Bill C-54 represents a catch-22 situation, but it does contain a sort of trap, because clause 1 contains no mention of electronic commerce.

I was listening to the parliamentary secretary and, in his initial arguments, he said it must be recognized that society has changed. He said that, with personal computers, we have come a long way from the era of the perforated card. The parliamentary secretary is very nice, but this is not what the bill is about.

Clause 1, which gives the short title of the bill, reads as follows:

1. This Act may be cited as the Personal Information Protection and Electronic Documents Act.

Earlier, when the hon. member for Chambly asked whether the commerce and sale of personal data collected by businesses would be prohibited, I listened attentively to the reply by the parliamentary secretary, but he did not answer the question.

This is another problem with this bill. It includes the usual provisions contained in an act, but the core of this particular bill is found in its schedule. That schedule is a document provided by members of the industry, who agreed on a code of discipline and are trying to apply that code to their industry on a voluntary basis.

• (1050)

Because journalists, editorial writers and consumer groups expressed concern about the issue, the government tried to meet

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their expectations and finally decided to pass a law. But, as we can see, this knee-jerk response was not adequately prepared. The government's attitude was "if legislation is necessary, so be it". A close look shows that the core of this bill is a series of principles drafted by the private sector, by the industry concerned.

Do you think for a moment that the businesses concerned would purposely propose to the government measures that could create problems for them? Of course not! It would not be in their best interests. I am not saying there are terrible things in the bill, but there is at least that aspect. It seems to me that, as legislators, we should have a reasonable doubt and make sure that this is what everyone wants, including consumer groups and individuals.

Again, it is essential. The Privacy Act applies to everyone, even babies. They cannot read yet but, as the parliamentary secretary mentioned, his grocery store uses a point system whereby some businesses know that he has a baby at home. Companies already have personal information on the baby of the hon. member opposite. They already know what kind of diapers, brand of milk or type of food are being used. They know everything.

We are talking about personal information, not only on those who know how to read, but even on those who cannot read yet. We could also mention the case of children who use computers. This is fine but we already know that confidentiality is not guaranteed.

The parliamentary secretary also said that we must have a global approach, because electronic commerce knows no boundaries. This is true. Two or three weeks ago, I had the opportunity, as a member of the Standing Committee on Industry, to attend an OECD meeting, here in Ottawa, on electronic commerce. I was not able to attend all the sessions, but I discussed the issue with the hon. member for Mercier, who did attend.

I read the documents and the information that were circulated at the meeting. I am not saying this is right, but it was clear from the start that the primary concern of OECD members and their finance ministers was not so much personal information as how governments could enact a tax on transactions.

Indeed, transactions ought to be taxed. That is something the GST is trying to take care of. It would appear that a great many electronic transactions might elude us because of this international dimension. This must be dealt with.

Personal information or absolute privacy does not seem to be the main concern. But it was a concern for a number of European countries, which did not think that all OECD nations were technologically advanced enough to protect personal information.

Quebeckers tend to think that everything is better elsewhere, and this may be true of Canadians too: if the Americans do something, it must be good, they have such a great country. However, I have met Europeans and had discussions with them. My English is not the

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greatest but we managed to communicate. They told me “You are lucky in Quebec, you have excellent privacy legislation”. Excellent legislation that applies not only to government agencies but also to the private sector.

• (1055)

These European countries would like to model their legislation on the Quebec legislation. I would have expected, a few weeks later, that the legislation debated in this House to at least incorporate the same features as the Quebec legislation. I appreciate the international considerations involved.

In Quebec, we consider trade to be a provincial jurisdiction. As members know, while this bill deals with electronic trade, we are here to look after Quebec’s interests. We may still be in the federal system, as we are not yet sovereign, but for the time being we are looking after our interests. That is only normal; nobody can blame us for that.

People from other countries, foreign parliamentarians, foreign delegates, told us in private—and one of them even had a copy of the act with him—that it was an excellent one and they hoped to get the same thing passed in their countries. This is not necessarily an easy thing to do, because some interest groups are not anxious to see things changed.

For instance, there is the fact that the core of the bill is to be found in the schedules, and that it reflects proposals by one sector concerned. I would draw to the House’s attention to clause 5(2). I have read it and thought I could reassure the hon. member for Chambly, but I see it will just add to his doubts. This clause reads:

(2) The word “should”, when used in Schedule 1, indicates a recommendation and does not impose an obligation.

This caught my attention. I then turned to the schedule, and the word “should” is just about everywhere. This is not just a fluke, nor is it surprising, because this is a code of ethics they worked out amongst themselves. Would a given sector deliberately set out to cause itself problems? No, so everything is expressed with “should”. “But that it is what a recommendation is”, they counter.

Now I have seen everything. It is not often a person sees legislation that, instead of forbidding something, as the hon. member for Chambly would like, limits its language to saying “we would really like it to be this way”.

I do not think legislation like this is long for this world. It will not stand up to the rigours of life in Quebec or in Canada for very long. It needs to be a lot more substantial than it is, particularly because it is aimed at the future. If I understood the hon. member for Winnipeg Centre correctly, he said that something had to be done, even though it is not perfect. He is candid enough to admit that, and rightly so. He said “Something had to be done”, and since they were anxious to get at it—although he did not say

that—“people were calling for it, so we went ahead and drafted a bill. We did a rush job and did not do our homework”.

The party over there did not do its homework. Instead of thinking of something on its own, it let the sector concerned suggest a bill. This is not the usual way of doing things. I hope it will not become a habit with this parliament, because that would be dangerous.

Reading the objectives, one would think the bill is a complex one because it is multi-dimensional. Yes, there is an international dimension.

I will make an aside here. This morning, I was reading in the newspaper that the OECD has finally given up on making the MIA official, more or less. The question was whether this would be done within the World Trade Organization, the WTO, instead. I agree international organizations should be involved.

Yes, there are international dimensions to it, and yes this needs to be watched. At the same time, careful thought is required before an approach that will take on very broad proportions is given free rein. It would be out of the control of the countries involved. Once an agreement like the MAI is signed, it will be in place for a while. For 20 years in some cases and 10 in others.

Mr. Speaker, I would ask you to please let me know when I have only one minute left so I can move an amendment at the end of my remarks.

The member for Lac-Saint-Jean was concerned about parliamentarians’ loss of control of the powers to legislate and to control.

• (1100)

I think there is some truth to what he says in this case. It will take a while for all the OECD countries to reach agreement, but once they do, it will be for a long time. Why will it take a while? Because the interests of the OECD countries vary. However, they are not the poorest countries. Even the richest countries have reservations. Why? Are they about protecting the ordinary citizen internationally? Do ordinary citizens have a lobby powerful enough to raise their interests in these meetings, which may not be secret, but are nevertheless open to only a few? Parliamentarians can do that.

I cannot really agree with having the heart of a bill in the schedule and including in it a provision saying that everything not foreseen as well as changes will be decided by the commissioner with the approval of the governor in council. The governor in council, as we know, is cabinet.

This would be totally beyond the control of the members of Parliament, who are duly elected to represent the people. This is another element that gives rise to serious concerns, which oblige us to say that the bill is half-baked and has not had the full scrutiny

of the people in the department. The sector concerned is being allowed to propose legislation; the usual provisions go into the bill, and we are told what is in the schedule—the standards established by the sector concerned—will have force of law.

I gave the example of the question of the member for Chambly earlier. The bill does not answer his objection since it does not specify what is prohibited. The penalties are not clearly defined either, should such a thing occur. Also, even the best legislation in the world is useless if it cannot be enforced, because it becomes mere rhetoric.

Some say “this is a modern era. We have computers and systems that allow us to do transactions and e-commerce. This is a new venture. It is high technology. It is extraordinary”. I am all for modern technology, but the privacy of personal information must be protected.

In Quebec, we have a good act that applies to every sector, including government services, businesses and even non profit organizations. Every type of organization is included. As I said earlier, it is an act which is being used as a model by European countries interested in doing the same.

My other concern is that we are dealing with commerce, which is a provincial jurisdiction. But we will monitor the situation.

The new member for Sherbrooke did not waste any time. He reviewed the bill and he thinks it makes no sense. In fact, he will tell us about it in the coming days. He also supports my motion. I move:

That the motion be amended by deleting all the words after the word “That” and substituting the following:

“Bill C-54, Personal Information and Electroinic Documents Act, be not now read a second time but that the Order be discharged, the Bill withdrawn and the subject matter thereof referred to the Standing Committee on Industry.”

This was the substance of my comments.

Mr. Ghislain Lebel (Chambly, BQ): Mr. Speaker, I congratulate the member for Lévis-et-Chutes-de-la-Chaudière for the magnificent speech he has just given.

• (1105)

It was certainly an eye-opener for me. It will go down in the history of the House as a landmark speech on the topic of personal information protection. It calls to mind events in the House in 1916 when politicians opposed Ontario’s legislation on language of instruction. It will undoubtedly set a precedent in the House.

I am somewhat surprised. Earlier, I put some questions to the member for Winnipeg Centre, who tried to quell my concerns about the bill. However, because, as members of parliament, we try to

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look at bills from the viewpoint of our constituents and find out whether a bill might affect them or us, and given what my colleague, the member for Lévis-et-Chutes-de-la-Chaudière has just revealed, the bill would be far more aptly named “An act to pay lip service to personal information protection”. That would be a far better description.

I would like to know whether the member for Lévis-et-Chutes-de-la-Chaudière received, or knew of, any comments from experts in this area. I am thinking of Quebeckers, who are also—I hope for as short a time as possible—still Canadians. Were there any particular Quebeckers who filled him in and contributed to his position on this topic?

I would like him to tell us what these people have to say about the bill before us this morning, with its pretentious and lengthy title. I would like him to give us his views on this.

The Acting Speaker (Mr. McClelland): Before we move on to the hon. member’s answer, I want to indicate that the amendment is in order.

Mr. Antoine Dubé: Mr. Speaker, as usual, the member for Chambly raises very pertinent questions. He probably knew I could respond. In fact, I have a quote and I hope he will find it satisfactory.

I am referring to the 1997-98 annual report of the Quebec access to information commission. I shall skip comments on other issues, but here is what it says about privacy on the information highway.

About the CSA code proposed by the Canadian Standards Association, it says:

The commission has examined the consequences of introducing Canada-wide standards and legal principles regarding privacy on the information highway. Under the terms of a proposal submitted to the ministers responsible for setting up this highway, this protection would be based on the voluntary code of practice developed by the Canadian Standards Association, or CSA, and adopted in 1990.

It is the commission’s contention that, if implemented, this proposal would represent a setback on the privacy issue in Quebec.

This contention is based on a comprehensive review of the CSA code. There is good reason to be pleased with the Canadian industry adopting such a code. This marks quite a breakthrough, stemming from an interesting analysis of the OECD guidelines on privacy.

• (1110)

The report goes on:

However, the CSA code does not meet the objectives of the personal information protection system established under the two Quebec laws, namely to guarantee to all citizens an impartial and fair solution to any problem or conflict that may arise with regard to the protection of this most important aspect of one’s privacy.

Therefore, the Commission suggested to the Quebec Minister of Culture and Communications that she remind her counterparts that Quebec has such a statutory

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system in place. According to the Commission, the Quebec system is the only response to the challenges of the information highway that respects the rights of citizens.

In other words, it is better to keep what one already has than to change it for something worse.

[*English*]

Mr. Walt Lastewka (Parliamentary Secretary to Minister of Industry, Lib.): Mr. Speaker, I listened intently to the speech of the member from Lévis and the accolades between the two members of the Bloc. I am a little disappointed the member would say that the legislation was drafted in hurry and that there was not enough consultation.

The bill took into account the privacy bill that is now used in Quebec, which does not apply outside Quebec. Many stakeholders provided information in the development of the bill. It was patterned not only on the model of the bill in Quebec but on the Canadian Standards Association model code for the protection of personal information.

Many things were taken into account as the bill was being drafted, for example, accountability; identifying purpose; consent; limiting collection; limiting use, disclosure and retention; accuracy; safeguards; openness; individual access; and challenging compliance.

I do not know how we got on to MAI and all those other things that have nothing to do with the bill. One of the problems in the House is that we want to debate other things while we have a bill of substance before the House. Hopefully in the future we could find a better way to debate the intent of a bill in the House and not those other things.

The member from Lévis talked about not being able to have reviews and parliament not being part of them. I want to go over what the privacy commissioner's role will be. In addition to handling complaints, remedies and public information, an annual report will be brought to the House by the privacy commissioner. It already states, five years after the implementation of the bill, that the House will have an opportunity to review in full progress of the bill.

I know computers in this electronic age will change. Is the member from Lévis saying that the review of the annual report and the thorough review after five years are insufficient? I would ask him to speak to those two items rather than going all the way around the world.

[*Translation*]

Mr. Antoine Dubé: Mr. Speaker, I will try to say two things in one minute. First, the Parliamentary Secretary to the Minister of Industry—for whom I have a lot of respect—said that, in his view, under the bill, the commissioner will be accountable to parliamentarians. That is one of the problems. I would like him to tell me that could be changed. I would be willing to make the correction.

However, under the bill as it stands now, I believe the commissioner is accountable to the governor in council, that is to cabinet, through the minister concerned.

Moreover, the former Minister of Justice, who is now the Minister of Health, said that, when people talk about personal information, he wished they would do just that and not imitate the Minister of Industry who has become a promoter. The title of the bill talks about promoting electronic commerce.

• (1115)

That is the main purpose of the bill. It is the minister's main objective. But I say we must be careful, the real purpose of section I should be the protection of personal information. That is not what they are trying to do. It is something else. The government is willing to discuss that other thing, but it wants to do it in the context of the promotion of electronic commerce.

As far as personal information is concerned, I want to be protected and I want all Quebecers and Canadians to be protected as well.

[*English*]

Mr. Scott Brison (Kings—Hants, PC): Mr. Speaker, it is with great pleasure that I rise today to speak to Bill C-54. I typically speak on financial issues and I sit on the House of Commons finance committee.

I am intrinsically interested in the whole issue of e-commerce. I do not think we can deal with financial issues without considering the importance of e-commerce technology. This is particularly important when we are considering issues such as the MacKay task force because increasingly the global financial industry is being dominated by e-commerce.

We should consider how the world is changing and recognize that the changes are largely driven by information technology. We need to recognize that Canada can become a leader in cyberspace. To become that world leader and carry the title of the most connected nation, the government must conduct itself accordingly. We must be visionary. We need to strike a balance between the privacy of Internet users and the legitimate marketing efforts of Canadian businesses. If we make the right decisions Canada could be a leader in e-commerce.

Trust is at the centre of this entire exercise. Internet users need to trust the security safeguards put in place by online marketers. Canadian industry needs to trust that legislation will permit them to responsibly do business on line. Canadian taxpayers need to be assured that they are getting value for their money from their elected officials and that our work will develop a comprehensive, state of the art electronic commerce policy.

It should come as no surprise to anyone that Canada is poised to become a world leader in e-commerce. As a large country with a huge geographic mass and a sparsely populated geographic mass

we have developed many ways and means to service that mass. The Canadian banking industry, for example, is largely dominated by electronic commerce and has done a capable job of meeting the needs of communities across the country.

It should not be lost on our colleagues in the House today that Bill C-54 is in many ways the first step in our developing a regulatory infrastructure for electronic commerce. In many ways this is the 21st century equivalent of the first spike.

The first spike was the free trade agreement supported and spearheaded by my party back in 1988 when members opposite tended to be more Luddite in their approaches. We understand that was not necessarily dominated by their convictions economically but instead was driven by their convictions of political survival and what was politically palatable at the time. Hypocrisy being only half a mortal sin, I guess we should be tolerant of these transgressions.

The Internet continues to grow exponentially with implications for every Canadian business, government department and Canadian resident. The industry committee must continue to work in a diligent and, I would argue, non-partisan effort to achieve responsible legislation.

The issue goes well beyond the boundaries of the industry department. As I mentioned earlier I sit on the finance committee. The issues we are dealing with today, including the emerging changes to the Canadian financial services sector, are largely dominated by technology and information technology. Just as the Y2K bug issue impacts on every facet of government, we must recognize that the legislation we are debating today will impact on every level of government and all types of business.

E-commerce will have far more implications than just privacy issues. The government needs to come up with a comprehensive plan, one which addresses uniformity in the digital marketplace, online eavesdropping by security forces, public-private online relationships, competition, the role of small and medium enterprises, and Canadian heritage and culture. The list goes on and on.

● (1120)

I am in the process of reading a book by David Brin called *Transparent Society: will technology force us to chose between privacy and freedom*. Another book I read recently was the *Death of Distance* which is focused on the death of distance as a determinant in the cost of telecommunications.

These global forces are shaping our economy. It is extremely important for all of us in the House to be familiar with these forces so we can ensure Canadians are prepared to prosper in that economy.

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One Canadian executive made an interesting observation on the issue. I think it bears repeating in the House. He said that a fax machine was only valuable when the rest of the world has a fax and that value explodes exponentially with membership.

Extending this advise logically, the corollary would be that the government must be very careful so as not to allow the Internet industry to falter. There is a fine line between too little oversight over issues of privacy and too much oversight. A tremendous regulatory burden exists now for Canadian business. It could threaten to stifle its potential to compete and prosper in an emerging e-commerce industry if the government were not rigorous in ensuring that the costs of regulatory burden would not exceed the purported benefits of the regulations.

Many industries are immune to Internet competition. When a family in Wolfville, Nova Scotia, which is in my riding, decides to have a Saturday night barbecue, it is unlikely they would turn to the Internet to supply their hamburger buns. It is probably more reasonable to assume that given the choice they would rather step into the warmth of a bakery to purchase their rolls.

Many consumer choices remain which can be reviewed and ordered in a visual pleasing format on a computer screen. Perhaps the message is that the butcher and baker are safe but the candlestick maker should beware.

There is no doubt that my analogy is somewhat simplistic, but it leads me to a discussion of the pending showdown between downtown and cybertown. As we balance our policies to protect the interests of downtown, we need to ensure that we do not prevent Canadians from participating in opportunities in cybertown.

There is a fine line between protecting Canadians against the risk of a global knowledge based society and preventing Canadians from participating fully in the opportunities of a global knowledge based society.

Incentives are a very intricate balance in the marketplace. Some are intrinsic such as the desire to be self-employed. Some are dominated by quality of life issues. For instance, with the death of distance as a determinant in the cost of communications, communities in places like rural Nova Scotia become increasingly attractive for people to live in.

People can choose where they work and where they shop. We must recognize they do not have to be in those places physically. I would promote that this represents an unprecedented economic development opportunity for remote communities. Information technology for Atlantic Canada could be the equivalent of what the shipbuilding industry was to Atlantic Canada during the age of sail, if we make the right policies.

The important issue to note is that where artificial incentives are created by legislation there is almost certainly an equal and opposite disincentive. The law of unintended consequences kicks

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in as government policy kicks in. The job of legislators should be to determine the disincentive and to debate it rationally.

Recently the federal revenue minister announced that the government was not interested in creating new taxes for e-commerce. Tentatively I wish to commend him on that position. Canadians have spoken loudly and clearly that we do not have a stomach for new taxes. Instead we should be looking for ways to reduce taxes and reduce the complexity of our current tax system.

The question we must ask ourselves is how we apply existing tax legislation in a fair, predictable and revenue neutral fashion. At the present time the situation exists whereby online retailers who are set up in Prince Edward Island and ship to provinces like Ontario are not required to collect sales taxes. Instead it is the consumer who is responsible to remit the sales tax to the province in which they reside. This may come as a shock to the revenue minister so I ask him to brace himself if he is listening. By and large I suspect these taxes are not being remitted.

• (1125)

This is not an insurmountable problem, however. Time and time again Canadian industry has shown its willingness to comply with the necessary regulations which allow government to collect the revenue needed to provide the services Canadian demand.

At issue is the interim situation. There appears to exist a marketplace where those who open storefronts, employ sales clerks and pay commercial property taxes will also have to endure a competitive disadvantage. They will be required to collect sales taxes that their online competitors may be able to escape. This situation should be addressed sooner rather than later. There should not exist a timetable for when tax regulations will be fair. Fairness must come as an inherent fundamental cornerstone in tax policy.

I have dealt with a purely domestic Internet tax issue. Now I want to turn our attention to taxation in the international marketplace. At the recent OECD e-commerce ministerial conference held in Ottawa much of the focus was on the principles of e-commerce taxation. There was fundamental agreement in five following areas.

The first was neutrality. This would see that the taxation would seek to be equitable and fair as it pertained to both e-commerce and traditional forms of commerces.

The second was efficiency. This would target compliance to ensure that it would meet the dual objectives of limiting costs and administration.

The third was certainty and simplicity. This would ensure that taxation levels and collection procedures are transparent and predictable.

The fourth was effectiveness and fairness. This would limit the potential avoidance and evasion and guarantee that the right amount of tax was collected at the right time.

The fifth was flexibility. This provision is included to assist legislators as they attempt to keep pace with emerging technologies.

These principles do not only apply to e-commerce but should apply to all types of taxation. Consistent with the Mintz report presented in June to the finance committee, we need to develop a fairer, flatter, simpler tax system in Canada and help to eliminate what I consider to be a regulatory burden, that is an egregiously excessive tax burden and a complex tax system that penalizes legitimate businesses. Fair minded, far reaching in their scope, these high brow goals could be used to describe the principles necessary in taxation to create not only fairer e-commerce but any area of business.

These principles seek to equalize a world of incongruent tax regimes. Perhaps they could not be implemented by a single nation state or even negotiated over a long term phase-in within the realm of a free trade agreed. However that is not the world we live in today. As borders become less and less consequential in global trade in many ways we need to demonstrate consistency and co-operation between countries both in terms of tax policies and tax co-operation to avoid avoidance.

At this time there is no international formula for taxation to balance the playing field. If we tried to negotiate such a treaty it would take a long time. It would be a very long and arduous process. It would entail the same pitfalls that have currently been encountered with the multilateral agreement on investment. While the agreement is not necessarily inherently bad, the process of its negotiation has been far too exclusive. As such Canadians and other citizens around the world have not been effectively engaged in the discussion.

The House is charged with the duty of protecting and fostering Canadian interests. As far as I can see we have to choose to be a player in a liberalized trading world, or we can follow the path of protectionist policies, a trail that will most assuredly lead us to a dead end. The PC Party is the author of or a founding partner in the most successful trade agreement in the nation's history. It is not about to turn its back on free trade.

• (1130)

However, we must be realistic about the competition that exists out there. The cold reality is that Internet commerce cannot help but be brutally efficient. Price comparisons will be performed in a matter of minutes, eliminating what used to be an entire Saturday of window shopping. Price as a determinant will become the overriding decision maker in the Internet.

When we understand this, coupled with our knowledge of our completely uncompetitive situation, we must recognize that our

tax system, our regulatory burden and the inherent structural deficiencies that we have in the Canadian economy need to be addressed.

Improving productivity needs to be the goal for every government policy, not only for Bill C-54. Any government policy debated in this House needs to have as its principal goal the improvement and the augmentation of Canadian competitiveness in the global environment in the 21st century.

By and large, regulation of the Internet has been a failure in every jurisdiction that has ever tried to overstep the boundaries of common sense.

On November 23 the CRTC will begin hearings on what kind of regulation, if any, is needed for new media and the Internet. The commission has been vilified for this and has been accused of empire building.

We believe that this is exactly the kind of exercise we must engage in. That is not to say we will support any move to censor the Internet. In fact, quite the opposite is the case. The private sector must determine what the future holds for the Internet and the public sector has a role to facilitate this debate.

One of the realities we must accept is that the Internet is expanding at a rate which far exceeds our ability to respond with legislation. In fact, if we were to promote and pass legislation that creates an excessive regulatory burden, I would argue that we would not be able to put in place a regulatory infrastructure that would be capable of enforcing legislation passed in this House or developed by a committee. We have to be careful that we not only create a regulatory structure that is fair, but that is in fact enforceable.

Government will have to rely, frankly, on the private sector to produce new technologies which individuals can use to access or eliminate specific Internet content as they see fit.

The role of government will be greatly curtailed in this exercise if we do our jobs properly. In fact, we can create a relatively self-regulating e-commerce industry that can both achieve the goals of helping Canadians access the levers of economic opportunity in the global environment while at the same time protecting their privacy.

The expansion of technology that was originally devised as a research tool for academics has surprised all of us. Recently an IBM executive referred to the phenomenon as the digital revolution and labelled its impact as being no less in scope than that of the industrial revolution. Like the industrial revolution, the Internet and e-commerce have the ability to change the way business is done, the way governments are organized and the way economies are structured.

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Let us think for one moment of how the Internet and technology have changed our role as parliamentarians. Twenty years ago we would have had as parliamentarians greater access to information than our constituents. Today our constituents have access to the same information that we have and at the same time that we have it due to the Internet and technology.

I would argue that for us to remain relevant individually as parliamentarians and collectively as a parliament and as a government that we need to become more rigorous. We will not be judged on what information we have, but increasingly we will be judged on the quality of the decisions we make with that information.

That is very exciting because I think the demand will be on us to become more relevant and to make decisions that are sound and not necessarily purely politically palatable in the short term sense, but the right decisions from a public policy perspective in the long term.

This represents a significant democratization of democracy. It will affect the way we do our jobs. It is another way that technology is changing the way we are living as Canadians and the way we do our jobs.

The challenge is to ensure that we balance these various goals, as we pursue these somewhat inherently incongruent goals, treating the complexity of what is an extremely complicated public policy issue, with the maturity that I believe our constituents deserve. We cannot relegate this to three-second sound bytes. It is not going to be reduced to that if we pursue this in a mature way.

• (1135)

The subject of global e-commerce should not fill us with fear. Many people would urge that we move in a Luddite way. One of those individuals is running for the leadership of my party at this juncture, but hopefully that will be put to bed on Saturday and Mr. Orchard will continue to destroy windmills or to pursue Luddite-type activities in other parties. I would suggest that he has a natural home in a party that now sits on the far right in this House, ironically.

In any case, there is no basis for the fears of the Luddites in my opinion. The only fear that can be legitimized is if governments and members of this House lack the courage to attach Canadians to the levers of a global economy which can provide unprecedented—

The Acting Speaker (Mr. McClelland): This seems like a good point to interrupt.

Mr. Walt Lastewka (Parliamentary Secretary to Minister of Industry, Lib.): Mr. Speaker, I want to thank the member for Kings—Hants for his speech. I know he spends more time on the finance committee than the industry committee, but his fellow member for Markham is a valuable member on that committee, having had a lot of experience in the computer field.

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I want to bring something to the member's attention. I am not sure whether he mentioned it or not, but the Minister of Industry has been very involved in leading in this area. In fact he took the leadership role at the recent OECD conference where they tried to set goal posts. It is important that we not set narrow goal posts. We must leave them in a wider arena and make continuous improvements.

I am sure the member realizes that the Maritrain group in Digby, Nova Scotia received a special contract with HRD in the area of e-commerce and the human resources field. I know the member is aware of the great facility in Aldershot, a \$30 million investment in computer training and valuable tools for the Internet and future technology.

I would like the member to expand a bit more on the fact that when we talk about e-commerce, the Internet and computers there are no provincial or state borders. We must look at it in the global context and we must be leaders.

When we discuss this bill at the industry committee we should set aside partisan politics. We must have concern for our constituents, the people who are affected by privacy, and all of the stakeholder groups. I know that about 36 sectors have been mentioned already. Is it not more important to set those goal posts and then make continuous improvements in a non-partisan way for the good of the people of our country?

Mr. Scott Brison: Mr. Speaker, the member is quite right in recognizing that our member for Markham has a tremendous background in the computer industry, an inherent knowledge of e-commerce and in fact contributes on an ongoing basis at the industry committee.

The member raises an interesting issue with respect to provincial borders, state laws and the importance of working to eliminate these barriers.

• (1140)

I would argue that electronic commerce has the ability to do what governments have lacked the will and courage to do, and that is to reduce and eliminate interprovincial trade barriers in Canada. Interprovincial trade barriers cost Canadian jobs in a tradition sense. In fact, an increase of 10% in interprovincial trade would bring about 200,000 much needed jobs to Canadians. The whole concept of there being more trade barriers between Newfoundland and Nova Scotia than exist between Nova Scotia and Israel is absolutely absurd.

Yes, we do need to engage in an ongoing dialogue with other jurisdictions. Yes, we need to bring down trade barriers. But although e-commerce and the Internet will force the government's hand in a lot of areas, I suggest there is still no replacement for leadership. We need to move proactively as opposed to being

moved by where the industry is going to take us. I think we should be looking ahead and actually trying to develop policies that reflect where we want to be taken by these industries.

I would also reflect briefly on what the member was saying about the growth of knowledge based industry in Nova Scotia. There is one company in Windsor, Nova Scotia, Orion Electronics, which is currently planning an expansion. Hugh Roddis of Orion Electronics chose Windsor because of the quality of life, the cost of living and the fact that he wanted his daughter to have the best education, and Kings-Edgehill, a private school in the area, offers an international baccalaureate program. He chose Windsor because he is in information technology. He does not have to be in Toronto, Boston or New York.

I would appreciate the member's feedback on this. Our entire economic development strategy for Atlantic Canada must be increasingly cognizant of the opportunities that we have, focusing on the depth of distances as a determinant in the cost of telecommunications argument and focusing our efforts on New England, New York, Boston and companies in other areas where people are looking for a better quality of life.

I would like to see from the government, frankly, an industrial strategy that is more holistic, that is more inclusive and that in fact represents economically sustainable long term vision for Atlantic Canada as opposed to a stop-gap approach.

Mr. Walt Lastewka: Mr. Speaker, I do not want the issue that the member for Kings—Hants brought forward on interprovincial trade to pass. I am not sure that he is aware that the co-chair of that committee is a member of his party, the premier of this province, and that Mr. Al Palladini is the co-chair. I agree with him 100%. The sooner those two gentlemen start working on interprovincial trade the better it is going to be for this country. But maybe he should have talked about it last weekend at his conference. I encourage him and I plead with him to discuss that with members of his party and to move on interprovincial trade.

On the other item, I want to say that the government has been working more and more in the maritime provinces and the member knows that. I visited many businesses and organizations in the Atlantic provinces this past summer in order to make sure that we get more examples like the one we have in Digby, Nova Scotia with the Maritrain group.

Electronic commerce can be anywhere in this country. Travel is very quick. Movement through the Internet is very fast. That is the advantage we are going to have in this country.

I just wanted to make sure that the member understood that issue with respect to interprovincial trade and I would hope that he would continue to encourage the members of his party to work on interprovincial trade.

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Mr. Scott Brison: Mr. Speaker, the hon. member is quite right to recognize that if any leadership is to be provided on issues like interprovincial trade that leadership will come from provincial premiers due to the current vacuum at the federal level on leadership issues. He is quite right to recognize that we need a greater participation of the province in these areas, that the provinces must grab hold of these issues and make the changes necessary to guide us into the 21st century. Clearly his government has abdicated that level of leadership on the federal-provincial stage. I appreciate his input, his vision and his observation of this important trend. I hope he continues within his own caucus to urge this type of participation at the federal level in interprovincial trade issues, constitutional issues and taxation issues.

• (1145)

There was a time not that long ago when federal governments provided significant leadership on these types of issues. When that happened there was a very active policy and legislative agenda. It was place in the late eighties and the early nineties under Brian Mulroney who is deservedly receiving an Order of Canada today. That included a set of structural changes for the Canadian economy, changes like free trade, the elimination of the manufacturers sales tax and the deregulation of financial services and transportation. These changes led to this government's ability to eliminate the deficit.

I appreciate his recognition of the important role of federal leadership in many of these areas. I am optimistic that at some point as things change, and Saturday's events may be pivotal in this, there will be a time when the federal government may play this type of active role in making the required decisions and in working with the provinces by taking a leadership role. The government can cut spending to the provinces, it can offload many responsibilities but it cannot offload or downsize leadership.

[*Translation*]

The Acting Speaker (Mr. McClelland): We will now proceed to 10 minute speeches without questions or comments.

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ): Mr. Speaker, you are saying that we are now entitled only to 10 minutes and that the 20 minute speeches are over. It is unfortunate because I think it is important to debate this bill in principle, to ensure that the people really understand why the hon. member for Lévis-et-Chutes-de-la-Chaudière moved an amendment providing that the bill to promote electronic commerce:

be not read a second time but that the order be discharged, the bill withdrawn and the subject matter thereof referred to the Standing Committee on Industry.

Why does the Bloc Québécois want to have this bill withdrawn? A personal information protection act has been in the works for

some time now. The former justice minister made statements in which he said that it was important and crucial to have in Canada a personal information protection act.

He was probably reacting to the fact that Quebec has had one in effect for the last four years which deals with the private sector, is operational and has worked out very well. So, this was the purpose of the federal government's strategy.

Then, the whole matter was transferred to the industry minister. It was decided that all that was needed was an act to promote electronic commerce. The protection of personal information was no longer an important issue to be dealt with.

To show how important this issue is I will give a few examples of electronic commerce in everyday life.

For instance, on a typical day as you drive out of the garage in your building, your exit may be captured by a surveillance camera or even on a card. This is a type of electronic transaction.

Later in the day you send an e-mail to a friend, another one to a colleague. Both e-mails can be read by your employer. Even if you erase them, they will remain on the server's hard drive.

As you buy a present for someone's birthday, the credit card reader keeps track of the details of your transaction and the store's loyalty card assigns points or targeted rebates to your purchase. Your bank may establish your profile with great precision from the trends revealed by the review of your purchases. Likewise with the drugs you purchase.

• (1150)

These things have an impact on our daily lives. Contrary to a traditional trade transaction, where there is a direct interaction between the vendor and the buyer, electronic transactions have a direct impact on bank accounts, consumer lists and various other things, allowing the information to be used for other purposes. The government was expected to introduce a bill that would rectify the situation.

This is the reason why today we are moving an amendment to send the bill back to committee so that the government can go back to the drawing board.

We are not the only ones to think this way. In his 1996-97 annual report, the privacy commissioner referred to the House of Commons Standing Committee on Justice and Human Rights and the Status of Persons with Disabilities, which stated: "The committee stressed the importance of privacy as a fundamental human right. The charter of privacy rights it is proposing would have quasi-constitutional status and, as such, would take precedence over any act

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of Parliament and ensure the protection and integrity of body, mind and property, in a word privacy”.

The report raises an important issue. It went so far as to recommend that it be included in a charter that would have quasi-constitutional status. But the federal elephant has given birth to a mouse. This report has been totally overlooked. I think that the current Minister of Industry is indeed in the habit of bowing to business lobbies instead of seeking a balance between electronic commerce and consumers. We all agree that electronic commerce ought to be promoted; this is an important industry that should be allowed to develop. But at the same time, it should not be allowed to grow unchecked, for it affects people in their everyday lives, when it comes to personal information that may have an impact on future choices. This is therefore a very important issue.

There is another important reason why we think this bill should be amended. In Quebec, we have had legislation in force for four years in this respect. In fact, it is a world model in terms of privacy in the private sector. We would have liked to find in the bill what was announced in the minister's press releases, namely that, a province that already has legislation in this area would be allowed to substitute it for the federal legislation.

But that is not the message the minister is conveying. The federal government did not feel it necessary to include this formally in the bill, and this is a key area to amend. The Bloc Quebecois members can certainly not afford to operate on the basis of something that is not written down. All it would take is a new industry minister with a much tougher approach to Quebec in any given situation who would force it to foot the bill. This is not acceptable. It must be resolved.

This is all the more important because Quebec's access to information commission, which administers this legislation in Quebec, evaluated the CSA code. The CSA code is contained in one of the schedules to the bill and defines the conditions for determining the rules of the game. These rules were arrived at after consultation, but this consultation was primarily with industry representatives. There was far less consultation of consumers.

In its 1997-98 annual report, Quebec's access to information commission had this to say:

The CSA code, however, in no way meets the objectives of the personal information protection regimes established by the two Quebec statutes: ensure that citizens have access to an impartial and equitable resolution of problems and disputes that may arise in the increasingly important area of respect for this dimension of privacy.

Quebec's commission, which has been administering the law for four years, tells us that the code does not meet the necessary requirements. We are looking at a bill containing a code that is basically the linchpin of the entire bill. The government is reserving the right to amend the legislation and the code without further recourse to Parliament. At the same time, this code is unsatisfactory for Quebecers. It is therefore not acceptable to us.

Since Quebec is ahead of the rest of Canada, we cannot take a step backwards and accept something that will provide less protection for personal information. This is one of the things that is different about our society. If Quebecers are in the vanguard in this respect, they are entitled to benefit from their wisdom, particularly as this is legislation that was passed by the former Liberal government.

● (1155)

Surely, no one can claim that it was an act adopted by sovereignists to annoy the federal government, since it was passed by the previous provincial government. It was adopted after wide consultations and it works very well.

In fact, Quebec's access to information commission also says in the same report that “in the opinion of the access to information commission, the Quebec system is the only response that is respectful of the rights of citizens, in the context of the challenges arising from the creation of the information highway”.

The commission specifically said “the only response that is respectful of the rights of citizens”. It did not say “one of a number of respectful responses”. This is the basic reason why we are asking that the bill not go any further. In our opinion, it is not sufficiently respectful of the rights of citizens, in the context of the challenges arising from the creation of the information highway.

Earlier, the parliamentary secretary said that the Department of Human Resources Development had shown how personal information can be used. Considering what was done with the data on the jobless on vacation, which were matched with Revenue Canada's data, without considering the core of the issue. Since the department did that without having first obtained a ruling confirming that it was legal and that it could go ahead, one can hardly consider this to be a good example.

It appears to me that the legislation before us is a botched job. If this were a bill that concerned only 2% or 3% of the population, we would judge it at face value. But it will affect people in all manner of daily transactions. Today in our society, more and more people are involved in e-commerce transactions. More and more people are providing information about themselves.

After what the federal government did with SIN numbers, do members not think people are considerably concerned about getting even more assurance, once things get to the private sector, that management of this information would be properly monitored.

Today the federal government has decided to proceed with a position the sole purpose of which is to encourage commerce in what I would call a dog-eat-dog marketplace, where there will not be sufficient protection of personal information. There is some imbalance here. I believe these are grounds for withdrawing this

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bill and that the hon. member for Lévis-et-Chutes-de-la-Chaudière was justified in proposing an amendment along those lines.

I feel it would be important for the federal government to be aware of the obstacles facing it.

Mr. Speaker, I am asking the consent of the House to continue for about another 10 minutes, since I have other comments to make.

The Speaker: Is there unanimous consent?

Some hon. members: Agreed.

An hon. member: No.

The Speaker: There is no consent.

Mr. Pierre de Savoye (Portneuf, BQ): Mr. Speaker, I am sorry my colleague from Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques could not continue. I know he had some interesting and important things left to say.

I find it also regrettable that certain members of this House refused consent. I fear they did so for lack of interest in the subject. They do not realize the importance of the issue. They do not realize the issue is the proper protection of the personal information of Canadians, because the bill does not provide this protection.

In the past two days, I have had the opportunity to examine this illusory bill in greater depth. It is an illusion because, to be really protected, the public, consumers, will have to indicate directly, voluntarily and clearly that they do not want this information revealed.

• (1200)

If, by chance, the consumer fails to say “No, I do not want this information released”, it can be. When we buy something, we do not take the time to read all the details on the bill. We look at the cost and pay the bill.

If we are not careful, with this bill, there will be a little box we will forget to tick, and our information will be free to circulate.

This bill, I repeat, provides the illusion of protection. In fact, it exists explicitly to promote electronic commerce. It is not there to protect personal information. Protecting personal information is only of secondary importance. This is a kind of encouragement that the bill gives consumers by telling them: “Do not be afraid of using electronic commerce, everything will be okay. Your transactions will not be intercepted. You do not have to fear that the information you will give might be disclosed. You have nothing to fear.”

Unfortunately, reality is quite different. The main part of this bill is contained in a schedule. The bill refers constantly to Schedule 1

containing an ethics code essentially dictated by a group of industry, business and trade representatives.

The problem is that the schedule uses the word “should” and that the bill expressly states that the word “should”, when used in Schedule 1, indicates a recommendation and does not impose an obligation. This means that the bill gives a false sense of security and amounts to wishful thinking, as it can be circumvented by those who wish to do so. Worse yet, Schedule 1 can be amended according to the wishes of industry and business.

Some things are appalling. We talked about this on Monday. For four years now, Quebec has had an act which protects personal information given by citizens to a private business, not only in a commercial context but in any context. This act makes Quebec a leader in this area.

On Monday, I heard a government member declare in this House that Canada would be on the cutting edge with Bill C-54. On the contrary, it is Quebec which has been on the cutting edge for the last four years. Canada will not even be a close second because the European Community has much better provisions than what is found in Bill C-54.

This is why I said, on Monday, that the bill should be sent back to the drawing board. This bill should be withdrawn. The minister should go back to the drawing board with the protection of citizens in mind. This could only enhance electronic commerce.

Things have been turned upside down. Fortunately, an amendment was put forward today suggesting that the minister go back to the drawing board. We are not asking the minister a favour. The citizens of Canada are not, through us, asking the minister a favour. They are simply asking that Canada be served as well as we are in Quebec. But it is more than that. Should this bill be enacted, Quebec could face some significant problems.

• (1205)

As we all know, federal laws often have precedence over provincial laws. There are federally incorporated companies in Quebec and in the rest of Canada. These corporations would prefer without a doubt to be subject to a toothless law like this bill rather than to a strong, well structured law made to protect all citizens.

This is a major problem. This bill is ill-conceived and misdirected. The government thinks it can help electronic commerce by giving illusions to consumers. This will not work. Worse, we might jeopardize a good situation which has existed in Quebec for the last four years and which could and should have guided the minister. Our amendment gives the minister an opportunity to review this bill, to rework it and eventually, to resubmit it to this House.

The other day I heard an honourable member—from the government benches, obviously—claim that, if even if we accepted this

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bill, we could send it back to committee and improve it. You know, and I know and most of the members in this House should know that a bill cannot be modified in committee beyond its original scope. Its objective is to promote electronic commerce.

If we try to give additional dimensions to this bill, for example the protection of personal information given to non-profit organizations, or the protection of medical, tax and other information, we are completely altering the framework of the bill before us by giving it a scope that it does not currently have. This is unacceptable and not allowed under the Standing Orders of the House when we work in committee.

So, if this bill passes second reading, we enter a dead end. We are going to put in place a bad law that will have perverse effects and will not meet the conditions required in today's economy to compete not only domestically, but internationally. Quebec took the lead in this area four years ago.

In international trade, countries whose laws are more responsible than the legislation we have before us will require that their companies transmit information only to countries whose laws are equally responsible. This legislation will not be and, therefore, some countries will most likely put an embargo on transactions with Canadian citizens and businesses.

Members do not want that, I do not want it. Quebec already has a responsible law.

Mr. Speaker, I see that you are going to interrupt me, may I ask unanimous consent to answer questions?

The Speaker: Does the hon. member have the unanimous consent of the House?

Some hon. members: Agreed.

Some hon. members: No.

[*English*]

Mr. Dick Proctor (Palliser, NDP): Mr. Speaker, I am rising today to speak to Bill C-54, the personal information protection and electronic documents act the purpose of which is to promote electronic commerce by providing Canadians with a right to privacy of personal information that is collected, used or disclosed in an increasingly information based economy and world.

Privacy provisions are based on the Canadian Standards Association model code for the protection of personal information. A strengthened federal privacy commissioner would play a role in ensuring compliance with the regulations.

Bill C-54 also aims to make the electronic transfer of information legal through safeguards such as secure electronic signature so that for example federal agencies, boards and commissions can

decide how existing statutes and regulations can be satisfied by electronic means rather than through paper.

• (1210)

Our caucus opposes Bill C-54. I intend to articulate the reasons for that later.

First it is worth talking about what is electronic commerce. It can broadly be defined as any kind of transaction that is made using digital technology, including open networks, that is, the Internet, closed networks, such as electronic data interchange and debit and credit cards. Currently closed types of transactions account for transfers in the trillions of dollars worldwide. This is why some of us are interested in the so-called Tobin toll or Tobin tax.

A host of commentators of all sorts have heralded the immense possibilities of electronic commerce.

[*Translation*]

For example, recently the chairman and CEO of Bell Canada, Jean Monty, told delegates at the Ottawa OECD conference "What we are witnessing today is the birth of a new economy, a new economic order that is based on networks and chips". This electronic transfer of information has changed the way humans interact with each other and for this reason it is an issue of great importance. Consequently, it would be wise to examine very carefully all the decisions that we take in this regard. This is why I say that this bill is the first that deals directly with the totally new issue of electronic commerce.

First, it may be useful to talk about the definition of electronic commerce. To get a general understanding of the concept of electronic commerce, it must be said that it encompasses two very different types of transactions. One of them, which has proven very successful in this country, includes the sharing of information through closed networks. This includes systems such as the ones that are used for debit cards and credit cards. I repeat, Canada is known as a world leader in the development of the infrastructure needed for these kinds of closed networks.

The other type of transfers pertains to those that are made through open networks such as the Internet.

[*English*]

Product offerings are limited and few Canadians are willing to entrust personal information in an environment they perceive to be completely insecure. Furthermore many are leery about using the Internet because of its reputation for harbouring offensive contents such as child pornography.

The personal information protection and electronic documents act is intended to be a major component of the electronic commerce strategy outlined by the Prime Minister one month ago today. The purpose of this document was to present challenges and opportuni-

ties for businesses and consumers with the hope that Canada would become a world leader in the development and use of electronic commerce by the year 2000.

[Translation]

It is true that the Internet is a very difficult medium to regulate. However, Canadian law enforcement agencies must fulfil their fundamental obligations in protecting the public. As Barbara Roche, British under-secretary of state responsible for small business, commerce and industry, said recently, governments must not lose sight of the fact that electronic commerce deals essentially with human beings.

Other countries, such as the United States, France, Russia, Australia and New Zealand, are firmly opposed to unrestricted encryption. There is obviously an international consensus about the dangers of allowing the use of all kinds of encryption products. I wonder why the government has decided not to consider this problem. By not doing so, it seems that it has missed an opportunity to co-operate with other countries to solve this security problem. I hope that, during the study of this bill in the House, the government will see fit to change this provision and will allow Canada to join other countries in the fight against the misuse of encryption products.

• (1215)

[English]

I will now turn to the reasons this caucus is in opposition to Bill C-54. We acknowledge that electronic commerce plays an increasingly important role in the lives of Canadians. A legislative effort that will increase confidence in the technology and make Canada a world leader is in principle a good idea. However, we in this corner of the House want to see a farther reaching framework for electronic commerce, one that acknowledges and recognizes that 70% of Canadians do not have Internet access. That creates the risk of having a society of information haves and have nots.

Bill C-54 acknowledges the economic revolution that electronic commerce has become but does absolutely nothing to address the enormous displacement of workers that numerous experts have warned about. The legislation ignores the limitations of the telecommunications infrastructure and access. Canadians in rural areas are already concerned about massive increases in local phone rates that may make Internet use impossible.

Small and medium size businesses have complained of the prohibitive cost concerned with electronic commerce and Bill C-54 does very little to help them become more competitive.

We believe that for a bill which pretends to be the first step in making Canada a world leader in electronic commerce, Bill C-54 is simply far too short-sighted. Our caucus is calling upon the government to consider all the ramifications of the technology for all Canadians.

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[Translation]

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, the Bloc Québécois proposed this amendment asking the committee to rework the bill because the question of privacy and protection of personal information is too important to be botched. It is important also because the main objective of the minister, the protection of personal information to promote electronic commerce, is not adequately fulfilled by the bill.

I will try to explain. Four years ago, Quebec passed legislation to protect personal information and privacy in the private sector. This was a first among North American states. When the bill was being prepared, many people said: "It is going to be awful. Companies will not be able to meet the requirements". Yet, the legislation is working. I would be surprised to hear even a member from the other side say it is creating huge problems. I even suspect that the other side was rather proud of that bill and wished to use it as a model.

Repeatedly, members opposite promised legislation to protect personal information and privacy in the private sector, but the bill tabled by the Minister of Industry is clearly, as the title says, to promote electronic commerce.

This has several consequences. First, the bill is too weak to actually protect consumers. It will not even fulfil its stated objective of promoting electronic commerce.

• (1220)

I heard repeatedly during the OECD ministers meeting called by the Minister of Industry and the Canadian government that to promote electronic commerce one had to reassure consumers. This bill is too weak to do that.

Moreover it has another consequence which is totally unacceptable in Quebec. My colleagues mentioned it, but it must be said again. In Quebec this bill would have the effect of creating two systems in the private sector: one more demanding, and another one less demanding. This is extremely annoying.

But what is even more annoying is that this bill would give the government full arbitrary power to decide what part of an act similar to its own would apply in a given province, in this particular case in Quebec.

It is totally unacceptable for an act that is working well and known to be good and effective to be open to being invalidated in part, by sectors or categories, or globally, and above all to be subjected to unhealthy competition, which will serve no one, by creating less demanding laws that would apply to other institutions.

We were told that the government had no intention of preventing the Quebec act from being enforced. In view of the wording of the bill, we have trouble believing this. We know that governments

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change, even if the current one truly intends to protect it; we know that ministers change. Therefore this is totally unacceptable.

I said earlier that one of the flaws of the bill was its weakness. It is weak because it does not adequately address the need to protect privacy. We know how often privacy is invaded in this world of ubiquitous electronics. We know that files are being kept on citizens everywhere, that often they themselves are unaware of their existence, but that when they do and want to have these files corrected they are unable to do so.

The government is willing to have a voluntary code enshrined in the act, a voluntary code which, when dealing with the rights of citizens uses the conditional, which is very worrisome. I recognize the effort made by businesses to find the means to protect personal information, but this cannot in any way replace the state's responsibility.

I would like to quote from the speech delivered at the OECD by the French Secretary of State for Industry, Christian Pierret. He said: "On the one hand, it is up to the private sector to develop practices, standards and tools to build confidence". He also said: "On the other hand, if businesses and users are to be the major contributors, confidence builders—we are asking much of them—governments have a responsibility to ensure public interest.

This is what we are asking of the Minister of Industry. Not only should he support businesses in their efforts and commend them, but he should also very clearly recognize that the government has the responsibility of safeguarding public interest so that the public can feel confident.

Mr. Pierret said that "Confidence needs a stable and safe legal framework protecting the legitimate interests of all actors. We cannot risk covering some organisations and leaving others aside". In France, this legal framework exists. I wish to make it very clear. He says: "It is not an unlegislated area". This is not really the case in Canada and the minister himself tells us that as far as the right to privacy is concerned, the various situations are different and unacceptable.

• (1225)

That must change. The minister is in a position to stop the inequities and inefficiency. He has to act. We will be happy to applaud him. He cannot satisfy himself with a half-baked legislation that does not afford Canadians the protection they are entitled to.

It is hardly a comfort that the bill includes conditions regarding the collection, storage and processing of data and individuals' access to information about themselves. We also worry because, in cases of non-compliance, the Privacy Commissioner can only conduct investigations and report, he cannot make a final decision.

Yet, access to one's record raises questions, such as how to go about changing incorrect information. Must one go to court? Not everybody can afford that. We all know as well that individuals will have to wait for the Privacy Commissioner's report. The bill is not effective because, not only are the requirements inadequate, the remedy itself falls short. It is practically non-existent.

The French Secretary of State said that privacy is a right for which governments are ultimately responsible, just as they must ensure prevention and repression—

The Speaker: I am sorry to interrupt the hon. member but her time is up.

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, I wish to thank the member for Mercier, our colleague from the Bloc Québécois, for raising the alarm. She reminded us that privacy and personal information are issues of great importance and concern in our modern world and that the bill before us is not acceptable.

This is not the first time that the member for Mercier tries, with intelligent and forceful arguments, to make the government see the light. She did so for the employment insurance. She did so for the special legislation on the rail industry. However, we are constantly faced with a government that is dense, stubborn, insensitive and blissfully ignorant, one that rejects any possibility of co-operation.

Now, what we have to do is refer the bill to the committee, where the members can contribute fully. It is in committee that we can really improve a bill and ensure that we hear from our fellow citizens and understand their wishes.

The debate surrounding this bill is about the whole issue of protecting personal information, particularly in this case personal information detained by the private sector.

Mr. Speaker, you are a scholar and a human rights defender, so you will argue that it is a basic right in a world where electronics are so powerful, in a world where one can access extremely personal information just by pushing a button. It is a basic right and the question is why should it be considered, primarily, as a business matter.

• (1230)

Should we not be entitled to expect that the whole issue of protecting personal information be related to the Canadian Human Rights Act? That part should be related as much to the Canadian Human Rights Act which, as we know, not only forbids discrimination on several grounds but ensures that individuals can feel protected in an extremely important legislation governing the

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relations between the government and citizens as well as the relations between individuals within federally regulated corporations.

Before this bill can pass, the opposition, led by the member for Mercier, will use every means to see that this bill does not pass. I say bill, but I mean a mishmash piece of junk, written in the conditional, whose essence lies in the schedule.

Any law student knows as well as my colleague, the member for Berthier—Montcalm, a distinguished lawyer, that what is quintessential in a bill is its main body and its architecture. In this case, we have an absolutely incredible situation where what we are asked to pass as legislators lies in a schedule drafted in the conditional, with all sorts of confusions and imprecisions, so much so that any well-informed lawyer would give a C to a bill as bad as it is dreadful.

At this moment, I ask you to refrain from laughing. The strangest part in all of this is that we do not seem to be able to approach this bill in the context of privacy and access to information, and in the light of our sacred human rights—something which should be protected against all indiscretion and disclosure. The very title of the bill will help you understand readily the kind of confusion this government is dragging us into. Let me read it: “An Act to support and promote electronic commerce by protecting personal information that is collected, used or disclosed in certain circumstances, by providing for the use of electronic means to communicate or record information or transactions and by amending the Canada Evidence Act, the Statutory Instruments Act and the Statute Revision Act.”

How blurry can you get? How far can you go to confuse things. These people must be living on some other planet to be able to write so awkward a title. Not a single freshman in law school would dare hand in an assignment containing a title like this.

What is the message we get from this bill? What are we to understand as legislators? I would not want to disturb government members, but I would like to know what we should make of this bill. We are told that the government should be concerned about privacy only in a commercial context or, more narrowly, in a context of electronic commerce.

For once in his life, could we not have expected the Minister of Industry to see reason and model this legislation on the one we have in Quebec, one of the most modern and avant-garde pieces of legislation, one which has stood the test of time during the four years it has been in force and which could have been built on by this government?

No, that is not what happened. After all, it is out of the question to take Quebec as a model. As the member for Mercier indicated, with clause 27, the federal government reserves the option of deciding whether or not a province that has similar or related legislation should be exempted from the application of the act.

• (1235)

This does not make sense. Mr. Speaker, you should herewith call back the bill, call on the government to do so immediately. The government would come away enriched from this debate, having gained the support of the member for Mercier, and of the Bloc Québécois. I think it would also have the support of the Progressive Conservative Party, which obviously still has a long way to go before forming a government. It would also have the support of the NDP. Then we would all go to the committee and keep improving the bill, based on the legislation we already have in Quebec, to ensure that this half-baked, poorly drafted rag, which lacks vision and whose main feature is a schedule tacked on to the back of the bill, reflects the true guidance any state concerned with the public good should offer its citizens.

This is no trifling matter, when one thinks of it. As I said, had they taken Quebec as a model, they would have found out that our legislation on the protection of personal information deals not only with commercial transactions but also with labour relations.

I know that we have to treat the government members like school children, because they do not catch on very quickly; so, let me give the House an example. Let us take the example of an employee at Eaton's. His employer has in his file, in Toronto, personal information about him, about his career plan and other personal matters. This employee works at Eaton's in Montreal. Pursuant to the act that has been in effect for four years in the province of Quebec, that employee working in Montreal could have access to every bit of information that is related to him, even though the head office is in Toronto.

Would it be the case if Bill C-54 was in effect? No, because, in its present form and if it is not amended, the bill would not apply to staff relations. Even though there is interprovincial trade and Eaton's has branches outside the province of Quebec, the access to information will not be in a business context but in a staff relations one. We were told this is a flaw in the bill and that that Eaton's employee would not have access to that information.

Mr. Speaker, I see that my time is up, so I urge you to recall this bill. It does not make any sense. For heaven's sake, let us send it to committee so that it can be reworked.

Mr. Jean-Guy Chrétien (Frontenac—Mégantic, BQ): Mr. Speaker, I want to re-read the amendment put forward by my hon. colleague from the Bloc Québécois.

That Bill C-54, Personal Information and Electronic Documents Act, be not now read a second time but that the Order be discharged, the Bill withdrawn and the subject matter thereof referred to the Standing Committee on Industry.

The purpose of this bill is to protect personal information. It is a very timid piece of legislation that could hurt a lot of Quebecers.

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In 1982, the Quebec government passed an act respecting the protection of private information in the public sector. All the other provinces and the federal government eventually passed a similar act. Let me remind the House that those acts only protected private information in the public sector.

In 1994, the Liberal government in Quebec, first under Robert Bourassa then Daniel Johnson, improved the 1982 legislation by passing an act extending the protection of private information to the private sector.

• (1240)

Therefore, the Quebec government is the only administration in North America to have an act respecting the protection of personal information in the private sector, which has been in effect for four years now.

Bill C-54 comes as the federal legislation to protect personal information in the private sector which we have been promised many times.

I do not want to reread the title of the bill, since I only have 10 minutes, but the previous speaker, the outstanding member for Hochelaga—Maisonneuve, did take the time to read the very legalese title, which is eight lines long. At the end, we realize that the purpose of this bill is not really to protect personal information in the private sector, but to promote the sales of electronic equipment.

Bill C-54 is a very timid bill. Indeed, it could, as I said before, deny many Quebeckers rights that they had in the legislation passed in 1994 by the Liberal Party.

A little while ago, my colleague gave the example of an Eaton employee in Montreal and the parent company in Toronto, where all personal files are kept. The Eaton employee who would like to check if there are errors in his file can now do so under the Quebec legislation. But once Bill C-45, as proposed by the government of the Prime Minister and member for Saint-Maurice, passes third reading in the House, that employee will no longer have that right because the legislation says this is not a matter of commercial relations, but of labour relations. So he would lose that right.

If he really wants to see his file, he will have to go before a federal court. This makes no sense.

This legislation should at least be greatly amended or better yet, struck from the *Order Paper*. The members for Sherbrooke and Lévis-et-Chutes-de-la-Chaudière only suggested that the bill be referred to the Standing Committee on Industry, where government and opposition members could make sensible and meaningful amendments.

What hurts also are the excessive powers given to the governor in council in section 27(2)(b) of Bill C-54. This is dangerous. As I become more familiar with the evolution of this Parliament and of the whole country, I realize that we should not give more power to the Prime Minister, especially this one.

I will never forget—and I am sure all members will remember—the significant role played by the current Prime Minister in the Trudeau cabinet. They had agreed to apply the War Measures Act and almost 500 public figures were imprisoned in Quebec, including the late Pauline Julien. She was in jail for eight days without ever being accused of anything but only on the pretence that she might be dangerous. Those are the absurd situations that happened under the Liberal government in the early 1970s.

Orders originating from the Prime Minister's office show that, on November 25, 1997, in Vancouver, the Prime Minister himself ordered the RCMP to clear the place by four o'clock in the afternoon. Twenty seconds after the RCMP officer gave these orders, young students accompanied by their parents were pepper sprayed.

• (1245)

Fortunately, the RCMP had foreseen this. They had already brought with them not only pepper spray but also wet towels to alleviate the harm done to those students who are the ones who will succeed us tomorrow, who will be our elite, possibly future prime ministers, members of Parliament, speakers of legislatures or of the House of Commons.

This government will invest more than \$2 billion in education. Appropriations have been voted and money has already been invested in the millennium scholarships, in an area which is not under federal jurisdiction. The government does this to make itself look good to students and then, a few hours later, it goes off and roughs up several hundred students before throwing them into jail. A student said that he was kept in prison for eight hours without any charge being laid against him and, worse yet, he was forced to sign a form saying that he would not go back to the APEC summit to demonstrate.

The Prime Minister misused his power. Bill C-54 gives him powers which will be transferred to future prime ministers. I think that this man can sometimes be dangerous. We must not give him powers. The Prime Minister went so far as to say that it could have been baseball bats instead of pepper spray. The next day, he said that the RCMP could have used water cannons instead. So why not do as China did in Tiananmen Square and use tanks and simply kill the protesters. He is a dangerous man and I do not understand that some of my colleagues refuse to pay lawyers so that we can finally know the truth about what happened on the 25th of November of last year, almost eleven months ago.

Therefore, I find it hard to believe that the government seriously wants to protect our personal information with Bill C-54, when it does not even respect our civil rights. In Canada, the right to express one's opposition to a dictator on an official visit or to applaud Queen Elizabeth II when she comes to Ottawa is well recognized.

Where is the government leading us? To a dictatorship perhaps? Mr. Speaker, I invite you to exert all the pressure you can on the government to convince it to withdraw Bill C-54 as soon as possible.

• (1250)

Mr. Bernard Bigras (Rosemont, BQ): Mr. Speaker, I am pleased to rise today to speak to this most important bill. This bill is about a fundamental value in our society, namely the protection of privacy.

The need to adopt a bill to protect personal information and privacy is nothing new. Most provinces have already passed such legislation. The federal government was late in taking its responsibilities and introducing a bill that would apply to businesses under its jurisdiction.

We could have expected that lengthy delay to be beneficial to the Liberal Party, that it would have allowed it to introduce a bill that is coherent, effective, clear and in harmony with other jurisdictions. Unfortunately for all Quebecers and Canadians, this bill is wide of the mark.

Instead of protecting privacy, this bill does nothing but protect the right of large private businesses to make profits with as few restrictions as possible. That is unacceptable.

In the next few minutes, I will review with the members some of the reasons why the Bloc Quebecois is categorically opposed to this incoherent, unfair and incomplete bill.

First, we deplore that fact the Liberal Party of Canada is using this empty and confused bill to try to convince Quebecers and Canadians that it is concerned with the protection of privacy. No one can trust a bill filled with ifs and whens and shoulds, based on voluntary compliance and full of loopholes as far as protection of privacy is concerned.

First of all, I must stress the fundamental nature of the right to privacy. Others have spoken of this before me, but I am returning to it because, with this bill, the Liberal Party is putting the right to make a profit before the right to privacy.

The experts equate the right to privacy with other human rights such as the right to equality and justice. The Universal Declaration of Human Rights, adopted by the United Nations 50 years ago and to which Canada was a signatory, states that everyone has the right to life, liberty and security of person. It also states as follows: "No

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one shall be subjected to arbitrary interference with his privacy, family, home or correspondence, nor to attacks upon his honour and reputation".

The Canadian Charter of Rights and Freedoms also impacts on the protection of privacy, even though this is not specifically in the charter. This is how the courts have interpreted sections 7 and 8 of the charter. Section 7 reads as follows:

7. Everyone has the right to life, liberty and security of the person and the right not to be deprived thereof except in accordance with the principles of fundamental justice.

Section 8 stipulates:

8. Everyone has the right to be secure against unreasonable search or seizure.

In Quebec, as you are probably aware, this right to privacy is explicitly recognized in the Quebec Charter of Human Rights and Freedoms, which was enacted in 1975. There is nothing ambiguous about section 5, I repeat nothing ambiguous:

5. Every person has a right to the respect of his or her privacy.

This is from Quebec's charter of human rights and freedoms. The right to privacy is also recognized in chapter III of Quebec's Civil Code entitled "Respect of Reputation and Privacy", from which I will also quote. I urge my colleagues opposite to listen carefully. They would perhaps do well to look at what Quebec is doing and follow its example. Section 35 reads as follows:

35. Every person has a right to the respect of his reputation and privacy. No one may invade the privacy of a person without the consent of the person or his heirs unless authorized by law.

• (1255)

I think I have shown that respect for privacy is a fundamental right that is recognized internationally, as well as in Canada and in Quebec. It is wrong for the federal government to introduce a bill that does not protect this fundamental right.

The situation in Quebec in this regard is particularly exemplary. The Government of Quebec is the only government in North America—that is correct—that has passed legislation protecting personal information in the public and private sectors. Furthermore, many experts say that Quebec's law, which applies to the private sector, is one of the best in the world.

It is surprising in this context that the government did not draw on Quebec's legislation. It would have achieved two objectives at once. It would probably have achieved its objective with its bill, but it ignored what inspired Quebec, preferring instead to focus on an empty bill. What are the two principles and two objectives the government could have achieved had it followed the Quebec model? First of all it would have ensured consumers would have top-notch protection. It would also have avoided all the inevitable loopholes and pitfalls of unharmonized federal and provincial legislation.

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Had the government drawn on the legislation in Quebec, it would have met these two objectives. But it decided to ignore what has been done up to now in Quebec.

This leads us to believe that the real objective of this bill is not the protection of privacy, but a vague exercise in public relations. The government would like to use this bill to show that it responds to the public's concerns. This, however, is totally wrong. The bill does not meet the expectations of the people of Quebec who want their privacy protected. Instead, it serves commercial interests.

Even Canada's privacy commissioner notes that the working document proposed by Industry Canada and the Department of Justice focuses more on commerce than on protecting privacy. He also is critical of the federal government's defining the public as simple consumers and not as individuals with the right to protect their privacy.

The Bloc Québécois and the opposition are not the only ones saying this. I just referred to the privacy commissioner of Canada.

In conclusion, one simply needs to compare the titles of the two acts. The hon. member for Hochelaga—Maisonneuve did it in an eloquent way earlier. Quebec's act is entitled "an Act respecting the protection of personal information in the private sector", whereas the convoluted title of the federal act is "an Act to support and promote electronic commerce by protecting personal information that is collected, used or disclosed in certain circumstances".

While the Quebec act seeks to protect privacy and governs all organizations, the federal bill only applies to commercial transactions. The Quebec act is clearly more strict and more comprehensive, in terms of its format, definitions, clarity and because of the power of order given to the commissioner. Such power simply does not exist in the federal legislation.

• (1300)

It is for these reasons that we categorically reject Bill C-54. The federal government refused to follow the example of the Quebec act, even though it is recognized as a model in this area.

Mr. Ghislain Lebel (Chambly, BQ): Mr. Speaker, I have been listening since this morning to the various members who spoke on Bill C-54 which, according to its title, as the member for Rosemont pointed out, and according to the wording of the text, is aimed most of all at supporting and promoting electronic commerce.

We see that the concern for protecting the privacy of the consumer, the individual, is secondary. This is mainly a trade-related legislation, if I may say so. This is also why the industry minister has moved it.

Of course, this may be required for certain reasons. Many business people or companies will come forward to justify the

existence of this bill. In general, the main reason for being in business is to maximize receipts and revenues. The fewer the restrictions, the bigger the profits.

But privacy is still important. As the member for Rosemont put it so eloquently—I concur with everything he said—the main concern should be the protection of personal information.

I would like to tell members opposite, especially the industry minister who tabled this bill, where indiscretions can lead sometimes.

I recall reading in the newspapers a few years ago—I will not say in which province—that police officers, who had a bank of confidential information, were selling it to collection agencies. Some would say "He who pays his debts grows rich". I realize that, but these collection agencies were reselling this information to organized gang members who were looking for defaulters to, often times, physically abuse them. In one case, if my memory is correct, they killed one of them. The biker gang paid a tracing agency a small fee and destroyed somebody's life.

So, it is very important to protect personal information that may seem trivial to some, especially those who sell them, but that could have really dramatic consequences for those who are victims of this type of indiscretion.

The main concern of the minister is not to protect citizens and their property, but mostly to look after the industry and its profitability and to respond to the industry lobby's requests to facilitate the creation and growth of this or that type of business; that is his duty and I think he has done a good job so far.

To come back to the bill itself, subsection 7(1) reads: "For the purpose of clause 4.3 of Schedule 1—"

As we know, Schedule 1 is the code of ethics that applies to those whose job it is to betray their fellow citizens by releasing information about them. This code of ethics is full of may's, shall's and should's. The bill itself and the schedule, which is only wishful thinking, do not distinguish between the various people involved in this business, companies like Equifax and others that have made a lot of money as informers, collecting and selling information, because they do not give anything away for free.

• (1305)

Clause 7(1) says this, and I quote:

7. For the purpose of clause 4.3 of Schedule 1, and despite the note that accompanies that clause, an organization may collect personal information without the knowledge or consent of the individual only if

And there are three circumstances stated in paragraphs (a), (b) and (c). Paragraph (a) says this:

(a) the collection is clearly in the interests of the individual and consent cannot be obtained in a timely way;

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There is no problem with that. If someone is involved in a traffic accident and is unconscious, we want to know their blood type and we want to know their address to notify their parents. I understand why the government would include such a provision in this bill.

The bill says that personal information may be collected without the knowledge or consent of the individual if

(b) it is reasonable to expect that the collection from the individual would compromise the accuracy of the information or defeat the purpose or prejudice the use for which the information is collected;

I think about Equifax. If Equifax is gathering information on a person and that person does not want their financial, economic or even political past to be known, of course whoever is collecting the information for Equifax will choose not to ask the person directly knowing that they will not be willing to give that information. That opens the door for the gatherer to ask anybody for that information or to sell it to anybody. That is the danger.

It is not that the minister has not seen the dangers in his bill, but he has chosen to ignore them, especially the danger in clause 7(1)(b).

Paragraph (c) says this:

(c) the collection is solely for journalistic, artistic or literary purposes.

We can live with that. The provision that is really catastrophic for any individual is clause 7(1)(b). And it goes on. This bill contains plenty of loopholes.

The government has introduced a bill. There is a code of ethics—if I can call it that—that people who are in the business of buying and selling personal information have developed for themselves. The bill says that everything which is stated in the conditional in the schedule, in the code of conduct, is not compulsory. They can do it if they want to, if they think they should, if they could, if they would. Nothing is binding. Nobody is obliged to do anything.

The government would have us believe that this bill is truly aimed at helping people who are bothered by canvassers of all kinds and collectors using more or less clever tricks. A case in point is a company we all know, which obtained highly confidential information concerning the president of a fairly large medium size business, namely Mrs Verreault, who is from Gaspé like me, and a very successful businesswoman.

Her direct competitor, her business opponent, hired a firm which, through all kinds of shenanigans, using forged papers, fake ID and under false pretence, managed to gather information from various sources, putting at risk this lady's private life, as well as her economic and financial situation, for the benefit of one of her competitors.

• (1310)

Here we have the minister with his bill, Bill C-54, which only pays lip service to protecting privacy. It is not too late for him to realize all the harm, not so much the harm he has done himself, but the harm he could prevent from happening if he withdrew this half-baked bill. It is a botched job, it will not last long. As the member for Lévis-et-Chutes-de-la-Chaudière said, I would be surprised if it lasts the winter. It is not because it will be repealed once passed by the Liberals; they have a majority, they can do whatever they want, even change a man into a woman.

The bill will be enacted, but it will be inoperative and unenforceable. I urge the industry minister to backtrack, and get back to the drawing board. At least, if he himself does not want to cause any harm, he should not permit others to do so.

Mr. Michel Guimond (Beauport—Montmorency—Côte-de-Beaupré—Île-d'Orléans, BQ): Mr. Speaker, I hope you realize the additional burden put on me today by having to speak after the learned member for Chambly, a redoubtable parliamentarian who speaks so eloquently. This adds an element of stress to the privilege of rising in this House.

I will nevertheless do my best, as always. I beg your indulgence, Mr. Speaker, and hope that, when we meet privately, you will not comment on the fact that my performance did not measure up to the one just given by the hon. member for Chambly.

That said, my opening remarks having been clearly made—I can see the members opposite smiling—it is a pleasure to speak on the bill before us. I want to congratulate my colleague, the hon. member for Mercier, for her work on this bill at the industry committee. She works hard on all issues, but especially on this one. This is a critical issue in that it concerns the rights and freedoms of the people we represent. That is why the member for Mercier has decided to lead the battle she is currently leading in this House. I want to congratulate her on that.

We all know, and I am not making this up, that the fact that we are a distinct society needs not be recognized in statutory law. There is no need to put it in writing; we in Quebec have moved way beyond the laying down of the concept of distinct society. We Quebecers, Quebec residents, the people of Quebec, know that Quebec is a unique model in North America for its legislation regarding the protection of personal information.

Quebeckers know—and I am pleased to inform Canadians in the House and those listening at home—that, since 1982, Quebec has had a law protecting privacy in the public sector. It will be recalled that it was the Parti Québécois government led by René Lévesque that passed this legislation ensuring privacy protection in 1982.

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All the provinces and the federal government subsequently followed our lead and passed similar legislation. In 1994, Quebec passed a law extending the protection of personal information to the private sector. In fact, Quebec is the only state in North America with a law protecting personal information in the private sector, a law that has been on the books for over four years. The proof that we are in the vanguard is Bill C-54, introduced four years after Quebec passed its own privacy legislation.

I had another comment. Quebec's legislation is consistent with the International Bill of Human Rights, which considers the protection of personal information a fundamental right.

Section 5 of the Quebec Charter of Human Rights and Freedoms, passed in 1975, reads as follows:

5. Every person has the right to respect of his or her privacy.

Therefore Quebec is the only state that meets the terms of the European Union directive.

• (1315)

We know that Bill C-54 is an attempt to deliver on the many promises for a federal law protecting personal information in the private sector. But the title of the bill itself reads as follows: "An act to support and promote electronic commerce by protecting personal information that is collected, used or disclosed in certain circumstances, by providing for the use of electronic means to communicate or record information or transactions and by amending the Canada Evidence Act, the Statutory Instruments Act and the Statute Revision Act".

Bill C-54 is not a bill to protect personal information. It is a bill that provides little protection for personal information in the commercial sector alone. The essence of Bill C-54 is its schedule, as my colleague from Chambly pointed out.

Its schedule is written in the conditional. We know the great importance of words in legislative texts. People who are governed by these laws say "No one is above the law, but we have to have laws written with words". So the wording and the terminology of this bill are vital to those who have to interpret it.

In this case, the schedule is written in the conditional, which means it is only giving recommendations. We find "should, could, would".

Mr. Speaker, I do not know if you have a legal background, but all young lawyers and students in the faculty of law watching us know that in the first year law courses we are taught the grammatical construction of laws. We learn to differentiate between "may" and "shall".

Some hon. members: Oh, oh.

Mr. Michel Guimond: I do not know why some on the other side are squawking. I am simply trying to explain the difference between "may" and "shall". In legislation, with a "shall", we are governed, obliged to do something. With a "may" or a "could", it means we can do it if we want, or if we have the time, etc. So the "may" and the "shall" do not have the same mandatory nature.

Bill C-54 does not even extend to the private sector the principles governing the protection of personal information under federal jurisdiction. Section 5(2) of the Privacy Act provides that:

5.(2) A government institution shall inform any individual from whom the institution collects personal information about the individual of the purpose for which the information is being collected.

However, clause 4.2.3 of the schedule in Bill C-54 reads as follows:

4.2.3 The identified purposes should be specified at or before the time of collection to the individual from whom the personal information is collected.

Clause 4.2.5 of the same schedule reads:

4.2.5 Persons collecting personal information should be able to explain to individuals the purposes for which the information is being collected.

Since I have only two minutes left, I will have to slightly change the rest of my speech and immediately move to my last two points.

Bill C-54 is based on the voluntary CSA code. But let us take a look at some reservations made regarding the bill by Quebec's access to information commission, in its 1997-98 annual report. The commission says, among other things:

In the opinion of the commission, to adopt that proposal would be a step back in Quebec, as regards the protection of personal information.

• (1320)

The Bloc Québécois feels that the tools provided in Bill C-54 are ineffective, since the commissioner cannot issue orders, but can only write reports. Second, ordinary citizens will have to go to the federal court to solve disputes. Third, they can only go to court once the commissioner has issued his report.

In conclusion, Bill C-54 will have little effect, since it will create a long and complex process. Under the circumstances, how can one claim that this bill will protect people? If it has no effect, how can one claim that its purpose is to protect people? The answer is obvious.

Ms. Jocelyne Girard-Bujold (Jonquière, BQ): Mr. Speaker, let a lot of people find the bill before us today, Bill C-54, which was put forward by the Minister of Industry, to be quite disappointing.

Bill C-54 is a major disappointment but should also be a matter of concern, because it completely misses its main objective, which is to protect personal information in the private sector in a

technological environment that puts this fundamental right in jeopardy.

Not only does the bill as it now stands completely miss the mark, but it is fundamentally at cross purposes with its original purpose, since it puts the protection of personal information on the back burner.

In fact, when one reads Bill C-54, one realizes that its purpose is to promote electronic commerce while putting the right to personal information protection on the back burner.

Actually, they could not have found a better title to describe the real purpose of this bill than what we have here: an act to support and promote electronic commerce. It is no longer federal legislation to protect personal information in the private sector, as Canadians and Quebecers have been asking for a long time, but rather a bill that puts the promotion of electronic commerce well ahead of the protection of personal information.

Bill C-54 as presented by the Minister of Industry adulterates the initial objective and proves that the Liberal government has decided to turn its back on its numerous promises of a federal law to protect personal information in the private sector.

This attitude on the part of the federal government is all the more disappointing because the need to pass such legislation in Canada is more urgent than ever. The right to privacy is a fundamental right and one which is undergoing unprecedented attacks as we are entering the technological era where the old adage about secrets always getting out still applies, but now that happens even faster than before.

The severe threat to Canadians' right to privacy cannot be taken lightly. The protection of that right is fundamental, if a true democracy is to be retained. The issue at stake is very clear: lack of respect for privacy is a death blow to democracy as we know it.

A government which stops making every possible effort to protect its citizens' right to the protection of their privacy is opening up a dangerous Pandora's box, and it does not take a genius to figure out what would happen next.

• (1325)

While I do not want to be excessively alarmist, we all understand the value, for a terrorist group, that the list of dozens of million of Canadian households grouped together according to their ethnic origin would represent.

If such a list compiled by a direct marketing firm could be made available, would we really be able, for example, to continue to ensure the safety of our fellow citizens, whatever their ethnic

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origin? Could we guarantee them that they would never be the victims of senseless acts of terrorism? The answer is obvious.

Threats from terrorist groups are not the only ones in a society where the right to privacy is no longer guaranteed. There are other threats, more insidious but just as real.

Indeed, what should we think about the ethics of insurance companies, which are increasingly eyeing the results of DNA tests to eliminate or select clients likely to make serious claims? Also, what about employers, who even want to use the results of spot urine testing for drugs, illegal or not?

These examples are only the tip of the iceberg on what awaits Canadians if the private sector, like the public sector, has access to a lot of personal information that it can now connect together, thanks to the explosion of new technological networks. We will have a society where so-called personal information will no longer exist and, consequently, where there will be no privacy for anyone.

It is all the more obvious that Bill C-54 is inadequate to protect privacy as it does not even extend to the private sector the principles governing the protection of personal information under federal jurisdiction. Indeed, section 5 of the Privacy Act which governs the private sector states:

5. A government institution shall inform any individual from whom the institution collects personal information about the individual of the purpose for which the information is being collected.

On the other hand, clause 4.2.3 of Bill C-54 schedule provides that:

4.2.3 The identified purposes should be specified at or before the time of collection to the individual from whom the personal information is collected.

And clause 4.2.5 of the same schedule says:

4.2.5 Persons collecting personal information should be able to explain to individuals the purposes for which the information is being collected.

It should be noted that these important provisions, which should be at the heart of Bill C-54, can only be found in the schedule and written in the conditional, which means that they are mere recommendations and nothing more.

As my Bloc colleagues did before me, I must say in conclusion that Bill C-54 is not a bill protecting personal information and our fellow citizens' fundamental right to privacy, but a bill aimed at promoting electronic commerce by sacrificing Canadians' privacy.

[English]

Mr. John Bryden (Wentworth—Burlington, Lib.): Mr. Speaker, I thank my colleagues opposite for introducing this amendment. It gives me an opportunity to speak again to this legislation.

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The amendment is basically that this House drop second reading examination of Bill C-54 and return it to committee for re-examination or drop it from the order paper entirely.

• (1330)

I disagree with this for one very simple reason. Bill C-54 is undoubtedly the most important legislation that has come before this House since this session of parliament commenced. Bill C-54 is legislation that deals with trying to bring some sort of control in the way private industry uses personal information.

As Canadians we are all schooled in the idea that our religion, colour, financial status, medical records should all be private. The reality is in the commercial world more and more of this information is becoming available. Bill C-54 attempts to address this problem.

I have been very candid in my earlier remarks with respect to Bill C-54 in saying I believe it is flawed. Bill C-54 does not fully address all the concerns of personal information in the marketplace. But because the issue is so important I think we have to get this bill to committee as quickly as possible so that the committee and the public can study the changes necessary to create legislation that truly is workable in this field.

I will tell members what is at stake. I will try to be very simple about it. What is at stake, from my point of view and from what I have been able to see in my own experience, are lists of personal information bought and sold not only here in Canada but in the United States.

I pointed out that non-profit organizations and charitable organizations in order to do fundraising efficiently give their lists of donors to direct marketers in the United States.

I was lucky enough to obtain a list of donors of the organizations that were giving their names to a particular fundraiser in the United States. This list of names represents various organizations engaged in various activities and is available for money. People can buy these lists.

For example, it is possible to get a list of all the Canadian Jewish donors in Canada, 70,000 names. One can get that list in the United States. One can get a list of all those people who have donated to planned parenthood or pro-abortion organizations. One can get lists of people in Canada who are considered to be wealthy, 500,000. I did not think there were that many wealthy Canadians but according to this list in the United States there are 500,000 wealthy Canadians. What is at stake here is what happens if crime gets a hold of these names?

What a wonderful thing to know which households in Toronto, Vancouver or Calgary are big donors of perhaps \$5,000, \$10,000 or

\$20,000 a year to charities. Is that not just a perfect target for criminal activity? Yet that can be bought in the United States.

We read today in the Ottawa *Citizen* that there are worries about an anti-abortion sniper approaching doctors who perform abortions. We can get that type of information from these lists and it is not just lists from non-profit organizations and charities.

In the United States organizations rent their lists of names for fundraising. *Scientific American* rents out its list so people can use the subscriber list in order to identify people who are likely to give to a scientific charity. One can imagine that someone who has other agendas might find this list handy as well, a list of medical practitioners for example. In the United States one can rent a list of the March of Dimes, of Greenpeace.

As long as there are no controls on this type of information all someone has to do is purchase personal information on our citizens that this country is trying to protect. I do not believe this legislation sufficiently addresses that problem. I wish it did. This is no time to fool around. We cannot leave it to the next century. We have to do something about it now. The only way we can do something about it now is to get it in committee and get it examined by our colleagues. I wish it would be examined in committee because I am not satisfied with the response from the other parties here. It has been a dialogue between the Liberals and the Bloc Quebecois. There has been almost no input from the Conservatives, no input from the Reform Party and almost no input from the NDP.

• (1335)

Perhaps if we can get this in committee where there is representation by the other parties they will not be so willing to sit silent on an issue that is probably one of the most important issues facing this country today. Personal information is marketable. It is big bucks. It is big business and it is all about personal safety.

I look across to the other side and remember all the complaints about the gun control legislation and the fear that because people had to register their guns they would be targets of I do know what. I guess the fear is that if a person had to register their gun, it was known that the person had enough money to buy a gun and would be a target of a break in. I do not know, but that was one of the fears.

Right now, because of the lack of legislation in this area, we can buy a list that tells us how much money is in that household. We can buy a list that tells us what religion that household is. We can buy a list that tells us how that household stands on abortion.

I think the time is now to address this. We have to do it urgently. It is one of the most important things before the House and I thank the Bloc Quebecois for putting this amendment forward so that I could speak again on this issue. But I am not supporting the

amendment because we have to move ahead now on this legislation.

[*Translation*]

Mr. Richard Marceau (Charlesbourg, BQ): Mr. Speaker, I am always pleased and this time somewhat surprised to rise to speak to the bill before us.

I heard the Liberal member who spoke before me say that the protection of personal information is one of the most pressing issues in our country. I agree with him on that point. In this electronic age where Canadians and Quebecers are linked through computer systems at the office and in their home, it is indeed a fundamental issue.

However, contrary to the member opposite, I do think that what's worth doing is worth doing right. It so happens that the bill put forward by the government is ill conceived is a botched job, which contradicts what has already been done in that area, and I would add what has already been done right.

In the year and a half that I have been here, I have grown accustomed to seeing the House of Commons ignore what exists in the provinces, particularly in Quebec. I must remind members that there is a law in Quebec that has been widely praised, entitled an Act respecting the protection of personal information in the private sector. Support for this legislation is almost unanimous, and many people around the world have expressed their admiration for this initiative.

It must also be noted that the Quebec government is the only administration in North America that has a law to protect personal information in the private sector, and it has had it for four years. With this bill, it seems that the government has completely ignored that fact. The legislation is effective, but this does not matter. Since it is in Quebec, the federal government chooses to ignore it.

The bill put forward by the government is aimed at promoting electronic commerce, giving second billing to the protection of privacy in the public sector. The government can make all the philosophical speeches it wants saying in the most dramatic way how important the protection of personal information is, the fact remains that the main purpose of this bill is not to protect privacy, but to promote electronic commerce. Let us not kid ourselves, that is the objective of the bill.

Speaking of the bill, it would be interesting to look at some of its provisions, in particularly clause 27, which deals with regulations.

● (1340)

Section 27(2)(b) reads:

27.(2) The Governor in Council may, by order,

(b) amend Schedule I to reflect revisions to the National Standard of Canada entitled Model Code for the Protection of Personal Information, CAN/CSA-Q830-96;

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This is gibberish. Anyone listening might well wonder what I am talking about, why it is so complicated. What it means is that the government can amend this legislation without bringing it back before the House, and this is quite serious. Without consulting Parliament, the government can amend something that the hon. member opposite might consider crucial in Canada, which is the protection of personal information.

Section 27(2)(d) reads: "The Governor in Council"—meaning the government—"may":

(d) if satisfied that legislation of a province—

Et cetera. This means that it is left to the government to decide if Bill C-54 should apply or not in a province.

I remind the House that we already have in Quebec a piece of legislation which is working very well. Why leave it to the government to decide when it would have been easy to say: "There is already an act in effect in Quebec. Let us leave it be and not enforce Bill C-54 in Quebec".

Let me also quote the 1996-97 annual report of Quebec's Commission d'accès à l'information. I want to quote some excerpts because this is a very important document. This is an independent, non partisan organization that has a high credibility in Quebec.

The annual report says:

The commission has examined the consequences of introducing Canada-wide standards and legal principles regarding privacy on the information highway. Under the terms of a proposal submitted to the ministers responsible for setting up this highway, this protection would be based on the voluntary code of practice developed by the Canadian Standards Association.

It is the commission's contention that, if implemented, this proposal would represent a setback on the privacy issue in Quebec.

I say again, a setback.

This contention is based on a comprehensive review of the CSA code. There is good reason to be pleased with the Canadian industry adopting such a code. This marks quite a breakthrough, stemming from an interesting analysis of the OECD guidelines on privacy. However, the CSA code does not meet the objectives of the personal information protection system established under the two Quebec laws, namely to guarantee to all citizens an impartial and fair solution to any problem or conflict that may arise with regard to the protection of this most important aspect of one's privacy. Therefore, the Commission suggested to the Quebec Minister of Culture and Communications that she remind her counterparts that Quebec has such a statutory system in place. According to the Commission—

I remind members that this is an impartial and independent organization.

—the Quebec system is the only response to the challenges of the information highway that respects the rights of citizens.

This is in Quebec. We must realize, of course, that the federal government often pays little attention to what Quebec organizations have to say. Therefore I will quote the federal privacy commissioner, Mr. Bruce Phillips. I will read the

*Government Orders**[English]*

"Building Canada's Information Economy and Society" is revealing in that it lends priority to economic issues over social issues. As such, the focus on electronic commerce precedes the goal of protecting personal information; the paper also indicates that the federal government wants to engage Canadians in a variety of network activities first and then develop protection of privacy later.

[Translation]

After quoting all these authorities in the area of protection of privacy, the Bloc Québécois can only represent the consensus that exists in Quebec and vote against Bill C-54.

[English]

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

Some hon. members: Question.

• (1345)

The Acting Speaker (Mr. McClelland): The question is on the amendment. Is it the pleasure of the House to adopt the amendment?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

Mr. Bob Kilger: Mr. Speaker, I rise on a point of order. I have had discussions with representatives of all parties. I believe you would find consent to defer the recorded division requested on the amendment of the hon. member for Lévis-et-Chutes-de-la-Chaudière to second reading of Bill C-54 to the expiry of Government Orders on Tuesday, October 27, 1998.

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

Some hon. members: Agreed.

* * *

FOREIGN PUBLISHERS ADVERTISING SERVICES ACT

Hon. Sheila Copps (Minister of Canadian Heritage, Lib.) moved that Bill C-55, an act respecting advertising services

supplied by foreign periodical publishers, be read the second time and referred to a committee.

She said: Mr. Speaker, Canadian culture is our inheritance from the past. It is our joy in daily lives and it is our gift to the future.

Generations of Canadians who came before us made possible the birth of Canadian television. They did so through extraordinary artistic effort and through an act of national will.

Canadians who went before us made it possible for us to be a world leader in the music industry.

[Translation]

In less than 10 days, I will be in Montreal for the ADISQ gala, hosted by Céline Dion, who is known all over the world not only for her talent, but also for her support of national cultures.

[English]

They did so through exceptional talent and through national will.

Canadians who went before us made it possible for books by and about Canadians to be published in Canada. They did so through hard work and again through a collective national decision.

Generations of Canadians who went before us made it possible for us to have our own magazine industry, to have stories about Canadian information, ideas, news, art, talent, culture and voices.

The results produced by those generations of Canadians are really quite spectacular.

[Translation]

They worked hard to make Canada one of the countries most open to foreign cultures, while building a strong cultural identity that unites us all and shines throughout the world.

The sad reality, as world citizens, is that for the first time in history the number of spoken languages is diminishing. This reality should give us food for thought and raise the alarm. The futures of our respective cultures and cultural diversity are at stake.

• (1350)

[English]

There were difficult and controversial decisions made by previous governments and by previous members of parliament. Those decisions were taken starting with the creation of a national broadcasting system 60 years ago because successive governments believed that culture is central to our identity. They understood that culture is an element of individual, community and national strength. They knew that culture speaks to our heart, to our mind and to our soul as a country.

Today it is our turn as parliamentarians to rise once again to the challenge. It is our turn to ensure the future flourishing of Canadian magazines. It is our turn to show wise stewardship over our

Government Orders

cultural birthright and our future. It is our turn to exercise an act of national will.

Magazines like Canadian *Legion Magazine* are important to Canada. Magazines like Canadian *Legion Magazine* survive because of the support of the government.

Bringing Canadian magazines to life requires an industry with imagination, dedication and nerves of steel. Bringing Canadian magazines to life entails a belief in cultural autonomy and a love for the free flow of ideas. Bringing Canadian magazines to life requires policies and actions by the Parliament of Canada.

In some ways the challenges that we face today are even more daunting than those faced by previous parliaments. We live in a more connected world. We live in a time when communication barriers are falling everywhere. We live in a country that thrives on exports and competition. And I repeat that we are the most open country in the world for all cultures of the world. We live in a world that thrives on exports and competition in which technology is turning old thinking and old rules on their ears. We live next door to the world's only remaining superpower and dominant cultural influence.

A member asks why we are putting up barriers. We are not putting up barriers. Canadian *Legion* is a magazine that deserves the support of the government for its voice to be heard. That does not prevent us from reading the American legion's magazine, but we have an opportunity and a responsibility as the Parliament of Canada to provide some space on the world's cultural shelf for our stories to be written about and to be heard.

We can walk into any magazine store in Canada and we will see more American magazines available for sale than any other country in the world. We are not putting up barriers but we reserve the right as a country to have a small space for our own voice.

Part of the role of parliament is to make sure that this voice is there for future generations. The law of the marketplace does not respect the law of cultural diversity upon which this country has been built and this party will continue to support until—

Mr. Charlie Penson: Promotional protection.

Hon. Sheila Copps: It is not promotional protection. The challenge is to address those issues of globalization with real solutions, not to snuff out the Canadian voices, not to fall prey to the globalization trend of those who would say that there is no difference between Canadian and American magazines, not to fall into the trap of claiming that we are building barriers.

These same members of the Reform Party who are crying down legislation that would help protect those Canadian voices are the same members of parliament who want the government to support the Canadian *Legion Magazine*. If there is anyone opposite who does not want us to directly support the Canadian *Legion Magazine*, I would dare them to stand in their place today, on the eve of

Remembrance Day, and tell us they are against the support of the Canadian people to *Legion Magazine*. I do not see anyone putting their name forward. The truth is—

An hon. member: How about censorship?

Hon. Sheila Copps: Nobody is talking about censorship. This is not about censorship. This is about multiple voices in a global world.

The truth is that it has never been easy to publish a Canadian magazine. The first one was printed in 1792 by John Howe. The very first magazine was the *Nova Scotia Magazine and Comprehensive Review of Literature, Politics, and News*. This magazine folded after three years because of high publishing costs, a small domestic audience and the marketing power of far more established publications imported from abroad.

• (1355)

For 206 years Canadians have had to fight hard to ensure the survival and growth of our nation's magazine industry.

I repeat to those who would twist and distort the truth, to those who would sell out the Canadian magazines on the altar of globalization, I want to reinforce the fact that Canada has the most open cultural market in the world. More than 80% of the magazines sold on our newsstands come from other countries. Ninety-five per cent of those magazines are American magazines. And we have no intention of stopping that. We want to see a multiplicity of ideas.

The sale of U.S. magazines in Canada is far and away the largest export of magazines to a single country in any country in the world. There is no other nation that comes within a country mile of our country when it comes to being open to magazines from around the world. If that is protectionist, then I should be a member of the Reform Party.

Some hon. members: No.

Hon. Sheila Copps: That is a thought that would even stop me in my tracks.

This closed market that the Reform Party is talking about should be underscored by the fact that in a small market like Canada there are 71 American magazines with a Canadian circulation of over 30,000.

An hon. member: They would not be there if Canadians did not want them.

Hon. Sheila Copps: Of course. People are very much entitled and open to subscribing to and receiving American magazines. There is absolutely nothing in this legislation that will stop that.

What this legislation will do is it will ensure that when my daughter becomes a mother, her children will be able to read

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stories about her country, her geography and her history. That will be the legacy of this legislation. If that is protectionist—

The Speaker: I am sure the hon. member will resume after question period. We will now begin Statements by Members.

STATEMENTS BY MEMBERS

[*English*]

GENERATION XX YOUTH CENTRE

Mr. Joe McGuire (Egmont, Lib.): Mr. Speaker, the Generation XX Youth Centre in Summerside has just won the 1998 Commonwealth Youth Service Award.

The Generation XX Youth Centre provides a gathering place and programming for youth in a drug and alcohol free environment. The centre was developed by a group of young people under the guidance of Constable Mike Rioux of the Summerside police force.

Together they took an old building which in an earlier life had been a curling club and a trade school and through hard work and dedication to the cause transformed it into a concert hall and Atlantic Canada's only indoor skateboarding facility.

The whole concept originated when a group of teenagers hanging out in a Tim Horton's parking lot was asked to leave by the local police. This was followed by the question "Where do you want us to go?"

Constable Rioux then realized the problem. There was no place for teenagers in Summerside to go. The rest, as they say, is history.

Congratulations to the young people, manager Gordie Whitlock and their mentor, Constable Rioux.

* * *

SYDNEY TAR PONDS

Mr. Bill Gilmour (Nanaimo—Alberni, Ref.): Mr. Speaker, when I was first elected five years ago, I visited the worst environmental disaster in Canada, the Sydney tar ponds in Nova Scotia. At that time I urged the environment minister to implement a viable long term solution. Two weeks ago I returned to Sydney to find little change. More than 15 years and over \$70 million has been wasted and the people of Sydney are still waiting for a resolution.

Yesterday another study was released which concluded that Sydney residents have almost a 50% higher risk of cancer than the rest of Nova Scotia. How much more evidence do federal and provincial governments need to take action on this issue?

In addition, the people next to the coke oven site on Frederick Street must be relocated. We would not live there, why should we expect them to?

Cleaning up Sydney must be a priority. The time for studies is over. The time for action is now.

* * *

● (1400)

NORTH-SOUTH CENTRE OF THE COUNCIL OF EUROPE

Hon. Charles Caccia (Davenport, Lib.): Mr. Speaker, the North-South Centre of the Council of Europe awards a prize to two people for their outstanding achievement in human rights, pluralistic democracy and global solidarity.

This year the north-south prize goes to Canada's Minister of Foreign Affairs, thus recognizing his work for a treaty banning the production, trade and use of landmines.

The chairman of the north-south centre calls the minister's efforts "an outstanding and very practical contribution to the protection of human rights in a north-south context".

The other winner is Graca Machel of South Africa for her efforts to protect children from the devastation of war in her native Mozambique.

Tomorrow, the Minister of Foreign Affairs will receive from the President of Portugal in the Portuguese parliament this prestigious award. I invite members of the House to join me in congratulating the award winners, Graca Machel and the Minister of Foreign Affairs.

* * *

[*Translation*]

NORTH-SOUTH CENTRE OF THE COUNCIL OF EUROPE

Ms. Raymonde Folco (Laval West, Lib.): Mr. Speaker, tomorrow, in the Parliament of Portugal, the honourable Lloyd Axworthy, Minister of Foreign Affairs, will receive the north-south prize awarded by the Council of Europe—

The Speaker: I would remind the hon. member that we do not usually mention the name of members. We must only mention their title.

Ms. Raymonde Folco: I apologize, Mr. Speaker.

Tomorrow, in the Parliament of Portugal, the Minister of Foreign Affairs will receive the north-south prize awarded by the Council of Europe. This prize is awarded each year to two persons, from the northern and southern hemispheres, who distinguished themselves internationally by championing democracy, human rights and solidarity around the world.

The minister has earned this prestigious honour for his relentless effort to ban the production, storage and sale of antipersonnel mines. All Canadians can be proud of his work.

I invite my colleagues in this House to join me in congratulating the recipient of the 1998 north-south prize, the Minister of Foreign Affairs.

Some hon. members: Hear, hear.

* * *

[English]

AGRICULTURE

Mr. Roy Bailey (Souris—Moose Mountain, Ref.): Mr. Speaker, I rise to tell the House and all Canadians of an increasing economic gravity facing thousands of farmers in western Canada.

In 1938 the sale of 26 bushels of wheat would clothe a farmer for the winter. In 1998 it would take 206 bushels to clothe a farmer for the winter. In 1938 the combined property tax to pay the taxes on 640 acres of cultivated land would take a mere 273 bushels. Today on the same section of land it would take 1,443 bushels.

If this economic disaster area does not receive some immediate help, the results will be the threefold. First, there will be an increase in abandoned farms. Second, there will be an increase in bankruptcies and, third, there will be an increase in financial foreclosures.

We must not turn our backs on—

The Speaker: The hon. member for Windsor—St. Clair.

* * *

DANIELLE CAMPO

Ms. Shaughnessy Cohen (Windsor—St. Clair, Lib.): Mr. Speaker, it is my pleasure to congratulate a fine Canadian athlete from my riding. Danielle Campo, Tecumseh's 13 year old superstar, set several new world records at the world championships for swimmers with disabilities in Christchurch, New Zealand, last week.

Danielle initially clocked a world record in the women's 50 metre freestyle heats and then bested her performance beating out swimmers much older and much bigger than her to win the gold and grab victory for Canada later that day. She has now gone on to win three more gold medals for her team and for Canada.

This young woman's courage, hard work, determination and desire in the face of limitations should be an example to us all as we strive for our dream.

I ask members to join me in congratulating Danielle, her coach Mike Moore, and all the Canadian athletes competing at the world swimmers championships in Christchurch.

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[Translation]

CANADIAN NATIONAL

Mr. Paul Mercier (Terrebonne—Blainville, BQ): Mr. Speaker, yesterday, 3,000 CN employees read in the papers that they were about to lose their jobs. This is a rather disrespectful, not to say improper way to make such an announcement. In the meantime, the federal transport and finance ministers expressed their compassion not for the employees about to be laid off, but for the company, stating that they understood the financial reasons behind this decision.

• (1405)

The Bloc Québécois virulently decries the loss of these jobs at CN and is shocked to see Paul Tellier, as president and CEO of CN, let go of 3,000 workers just to please the market, 3,000 workers who have to take care of their families who will now be facing insecurity and instability.

To quote the Quebec director of the Canadian Auto Workers, this announcement is worse than a baseball bat. He is right, because as we all know by now, swinging a baseball bat is the government's way to show compassion.

* * *

[English]

HEALTH RESEARCH AWARENESS WEEK

Mr. Gurmant Grewal (Surrey Central, Ref.): Mr. Speaker, next week is Health Research Awareness Week. I urge Liberals to attend any of the events to be held across Canada during that week. We hope Liberals can learn something about health awareness.

The Prime Minister and his government must allow Canadians the freedom to choose health products. Canadians do not want heavy handed government regulations that classify as drugs things like safe dietary supplements, functional foods and nutraceuticals.

Let us protect the freedom of choice for Canadians to choose natural remedies and cures for healthy lifestyles. Canadians are sick of the Liberal health care system that only deals with people when they need medical treatment.

Canadians want our health system to help us be healthy. Good health can prevent the need for costly medical treatment. We are proud of the efforts of the Association of Canadian Teaching Hospitals in sponsoring Health Research Awareness Week.

* * *

BRIAN MULRONEY

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, he has been called a pioneer on a global scale. Free trade, NAFTA, tax reform and privatization, the creation of the Nunavut Territory, commitment to human rights, the UN World Summit for Children, accountability in government, redress for Japanese Canadians, the

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Canadian Space Agency, an acid rain agreement with the U.S. and the green plan were all examples of his remarkable legacy.

Under Prime Minister Brian Mulroney the deficit was cut in half as a percentage of GDP. Government operational spending was cut by 70%. Inflation reached a 30 year low and the bank rate stood at its lowest level in two decades. It was under Brian Mulroney that Canada first achieved its status as the best country in which to live.

As Brian Mulroney is made a Companion of the Order of Canada we salute his courage in pursuing a renewed Canada, his commitment to preparing our nation for the millennium, his sense of duty and love for his country. To Brian, Mila and the family we say thanks for their profound contribution—

The Speaker: The hon. member for Scarborough Southwest.

* * *

HUNGARY

Mr. Tom Wappel (Scarborough Southwest, Lib.): Mr. Speaker, 42 years ago tomorrow, on October 23, 1956, the flame of freedom briefly burned to light the darkness of Stalinist Hungarian communism. Thousands died in a revolution for democracy and human rights and against dictatorship. If only these heroic freedom fighters were alive today to see the fruits which the tree of liberty has borne in Hungary nourished as they were by their blood.

Since 1990 successive Hungarian governments have worked to establish a solid democracy that is respectful of minority and human rights. Hungary is now our partner in NATO. Only the passage of time has been able to reveal to us the success that sprang from a revolution so brutally suppressed.

Freedom loving individuals the world over salute those who gave their lives to advance the cause of liberty 42 years ago.

* * *

[*Translation*]

SENIORS

Mr. Robert Bertrand (Pontiac—Gatineau—Labelle, Lib.): Mr. Speaker, on October 13, the Canadian government had some good news for seniors.

Starting in 1999, seniors will no longer have to fill out separate forms in addition to their income tax returns for their guaranteed income supplement or spouse's allowance.

Consequently, starting next year, both benefits will be automatically renewed when seniors send their income tax returns by April 30.

Previously, they had to submit a new application every year, before March 31, to continue to receive their guaranteed income supplement or spouse's allowance.

By cutting red tape, our government is making seniors' lives easier.

* * *

[*English*]

FISHERIES

Mr. Peter Stoffer (Sackville—Eastern Shore, NDP): Mr. Speaker, after 400 years of self-sufficiency the town of Canso, Nova Scotia, will have to proclaim civic bankruptcy early in the new year. This is a direct result of the policy of the Department of Fisheries and Oceans to privatize the fishery. It is a classic example of how the policies of the government can devastate the economy of a small coastal community.

● (1410)

In the town of Mulgrave, Nova Scotia, a processing plant is moving to Newfoundland because DFO will not allow the company to access the northern shrimp allocation. At the same time the Liberal government gives away shrimp to foreign nations, shrimp that could be used to save over 100 jobs in Mulgrave. This is an absolute disgrace.

The government is forcing Canadians on to welfare when all they have ever done and all they want to do is to work and become active members of society. The government and the people who run DFO should be absolutely ashamed of themselves.

* * *

[*Translation*]

GAP BETWEEN RICH AND POOR

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, according to a study by the Center for Social Justice, the gap between rich and poor keeps getting wider, while the middle class is being squeezed, partly as a result of the current government's social policies.

This gap did not happen by chance. It is due in part to the government's drastic cuts in health, education and income security. Since coming to power, the Liberals have reduced the per capita social transfer from \$678 to \$386 a year. This gap is also the direct result of the current government's relentless attacks on the unemployed, who have seen their benefits cut by \$20 billion.

No matter how adamant the Prime Minister is that children are his number one priority, that his greatest responsibility is towards young people, the figures in the study are calling him to order and

requiring him to act so that women, young people and low income families can live with dignity.

* * *

[English]

VIOLENCE

Mr. Peter Adams (Peterborough, Lib.): Mr. Speaker, violence affects us all emotionally, socially and economically, but a simple “can I help you” can make a huge difference. This is the message being presented this week during the YWCA’s Week Without Violence.

Forty YWCAs will encourage Canadians to consider the violence they face in their own lives. Their activities include information displays, vigils, poster competitions, guest speakers, music concerts and family fun days. The week will address different types of violence by devoting each day to a different theme.

Week Without Violence has a superb website. It can be reached at www.ywcanada.ca.

I congratulate the YWCAs in Peterborough and elsewhere on this endeavour and extend their message to all members of the House: get involved and do not be afraid to offer assistance to someone in need.

* * *

CHIEF JUSTICE BRIAN DICKSON

Mr. David Price (Compton—Stanstead, PC): Mr. Speaker, I rise to pay tribute to Chief Justice Brian Dickson who passed away on Saturday.

As a young man, Dickson served bravely in the Royal Canadian Artillery in Europe during World War II where he was seriously wounded. When he was later named to the Supreme Court of Canada he said:

In understanding the responsibilities to which I have been called, I dedicate myself to maintain the great tradition of this court, to search for truth and to use such judicial power as is mine to resolve fairly the basic questions about justice and liberty, the rights of the individual and the authority of the state.

He lived up to and surpassed these ideals. I had the privilege of meeting Chief Justice Dickson this spring at defence committee meetings where he vigorously defended the report on the military that bears his name.

As Canada says goodbye to one of her most distinguished sons, the Progressive Conservative Party of Canada extends its condolences to his wife Barbara and their four children. We are grateful for the life Chief Justice Dickson led—

The Speaker: The hon. member for London—Fanshawe.

Oral Questions

WOMEN’S HISTORY MONTH

Mr. Pat O’Brien (London—Fanshawe, Lib.): Mr. Speaker, October is Women’s History Month. As a member of parliament who had the pleasure of teaching Canadian history for many years, I would like to recall the outstanding efforts of Canadian women during the two world wars and in particular during World War II.

Although women did not serve at the front as combat troops in our armed forces, they did play vital roles in support services, perhaps most notably in the field of intelligence. Of course many Canadian women made enormous sacrifices and contributions as part of medical teams often quite close to the fighting. Indeed some women paid the ultimate sacrifice as they gave their lives to help us win World War II.

On the home front women made an invaluable contribution as they worked tirelessly in our factories and on our farms to produce the food, weapons and ammunition necessary for the allies to defeat tyranny in Europe and in the Pacific. Canadian women both overseas and at home made great sacrifices and gave invaluable service during World War II so that we could enjoy the peace and freedom we all cherish.

ORAL QUESTION PERIOD

• (1415)

[English]

APEC INQUIRY

Mr. Jim Abbott (Kootenay—Columbia, Ref.): Mr. Speaker, the Prime Minister’s former director of operations, Jean Carle, is heard over and over again on the RCMP APEC audio tapes. But guess who is screening the tapes? The lawyer protecting the Prime Minister at the APEC hearings.

Why is Ivan Whitehall, the Prime Minister’s APEC lawyer, being allowed to block access to those tapes?

Hon. Herb Gray (Deputy Prime Minister, Lib.): Mr. Speaker, with respect to the matter of these tapes, in today’s Ottawa *Citizen* the member for Kootenay—Columbia is reported to have conceded to reporters that he has no idea what Carle might have been directing the RCMP to do or, indeed whether he may simply have been giving innocuous instructions about arrival and departure times and motorcade routes for the leaders.

Why does the hon. member not admit that when he made his allegations yesterday he did not really know what he was talking about?

Oral Questions

Mr. Jim Abbott (Kootenay—Columbia, Ref.): Mr. Speaker, the issue is the tapes. Let me make that very clear for the Deputy Prime Minister.

The solicitor for the Prime Minister is blocking access to the RCMP tapes. This is completely unconscionable and goes against anything reasonable.

I ask again why is the solicitor for the Prime Minister blocking access to the RCMP tapes?

Hon. Herb Gray (Deputy Prime Minister, Lib.): Mr. Speaker, I will have to check the accuracy of the hon. member's assertion. It may well be that he does not know anything more about what he is saying today than he did yesterday.

Mr. Jim Abbott (Kootenay—Columbia, Ref.): Mr. Speaker, the counsel for the commission has acknowledged that the tapes exist. Yet despite repeated requests by the students for those tapes, they have not had one audio tape produced to them. This is evidence that the Prime Minister's solicitor is burying the tapes. Why?

Hon. Herb Gray (Deputy Prime Minister, Lib.): Mr. Speaker, according to today's *Ottawa Citizen*, RCMP spokesman Sergeant Russ Grabb said in an interview that the police force has turned over all the tapes deemed relevant by the public complaints commission so far. The other allegedly missing tapes are still available and will be turned over when and if they are requested by the commission.

Ms. Val Meredith (South Surrey—White Rock—Langley, Ref.): Mr. Speaker, I think the problem here is that only the tapes that have been deemed relevant by the solicitor for the Prime Minister have been turned over.

The students were forced to turn over every shred of evidence that they had, including Craig Jones' e-mail to his girlfriend. I mean, come on. Yet the Prime Minister's lawyer refuses to release important audio tapes that will show that the Prime Minister's office directed the police crackdown at APEC.

How can the commission's inquiry be deemed to be fair if the—

The Speaker: The hon. Deputy Prime Minister.

Hon. Herb Gray (Windsor West, Lib.): Mr. Speaker, I repeat, I think we ought to check the accuracy of the allegations on which the hon. member bases her question.

In the past they have often been quite wrong in the allegations behind their questions. We had better find out whether they know any more today than they did on these matters in past days.

Ms. Val Meredith (South Surrey—White Rock—Langley, Ref.): Mr. Speaker, we know the tapes exist. The real issue here is

why is the government vetting any of the material being dealt with by an independent commission.

Can the Prime Minister give Canadians the assurance that all evidence will be turned over to this commission without being vetted, being uncensored? Will the true information go before the independent commission?

Hon. Herb Gray (Deputy Prime Minister, Lib.): Mr. Speaker, as far as I am aware, the government is co-operating with this independent commission. The hon. member's allegations and innuendoes are unwarranted and unsubstantiated.

[*Translation*]

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, what we just learned is more than troubling. This commission was supposed to get to the bottom of the peppergate scandal. Yet we just learned today that audio tapes incriminating the Prime Minister are allegedly being kept in an RCMP safe.

• (1420)

Can the solicitor general tell us whether or not audio tapes are being kept in an RCMP vault?

[*English*]

Hon. Andy Scott (Solicitor General of Canada, Lib.): Mr. Speaker, the important person in this case is the counsel for the commission who has not indicated at any time that there was any problem. He says the government is co-operating completely. He is the person who should be speaking to this issue.

[*Translation*]

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, the solicitor general is responsible for the RCMP. I asked him a very clear question. I would like him to answer my question as freely as if he was on a plane.

Are audio tapes being kept in an RCMP vault, yes or no? Can the minister give me an answer?

[*English*]

Hon. Andy Scott (Solicitor General of Canada, Lib.): Mr. Speaker, as I said, this is the subject of an independent inquiry. The person to whom that question should be addressed is the counsel for the commission who is holding that inquiry.

[*Translation*]

Mr. Richard Marceau (Charlesbourg, BQ): Mr. Speaker, the peppergate scandal smells a lot like déjà vu.

We just learned that audio tapes that would be incriminating for the Prime Minister's Office seem to have disappeared. This reminds me a lot of the Somalia inquiry, where lost documents paralyzed the armed forces for a whole day.

Oral Questions

In the peppergate scandal, is the government about to announce that a special day will be set aside to find the allegedly lost tapes?

[English]

Hon. Andy Scott (Solicitor General of Canada, Lib.): Mr. Speaker, as I said, the government is co-operating completely. The counsel for the commission confirms that.

[Translation]

Mr. Richard Marceau (Charlesbourg, BQ): Mr. Speaker, the government is clearly on the defensive. My question is very simple: What does the government have to hide?

[English]

Hon. Andy Scott (Solicitor General of Canada, Lib.): Mr. Speaker, the government's position on this is very clear. This is an important investigation. The public complaints commission is the agency to look into this and to get to the truth. That is exactly what it should be allowed to do.

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HEALTH

Ms. Alexa McDonough (Halifax, NDP): Mr. Speaker, my question is for the Minister of Health.

Before a Senate committee this morning health protection scientists described under oath how in the course of their work they have been muzzled and gagged, directed to alter documents and have had their files rifled and removed.

With these police state tactics how can scientists do their jobs of protecting the health of Canadians?

Hon. Allan Rock (Minister of Health, Lib.): Mr. Speaker, as I understand it, the hearings this morning had to do with the process by which the application for approval of something called rBST was carried forward.

So not to lose sight of the facts, I want to stress that rBST has not been approved in Canada. It has not been approved by Health Canada. Even though it has been approved in the States we have said no. We have not given approval. We will not give approval until the safety of that substance is determined to our satisfaction. This has been under review for nine years.

Ms. Alexa McDonough (Halifax, NDP): Mr. Speaker, the health minister can pretend that everything is fine in health protection. Is he saying it is fine to muzzle scientists? Is it fine with the minister to alter documents? Is it fine to secretly remove files?

If the health minister has nothing to hide why not agree to a full and open inquiry to investigate these serious allegations?

Hon. Allan Rock (Minister of Health, Lib.): Mr. Speaker, were the member not speaking in the political theatre she would concede that many of these allegations have already been investigated. Some of them are now before the Public Service Staff Relations Board which has had a full hearing and has had this testimony before it. Some of the allegations she mentions go back to 1990. They were the subject of television programs in 1994.

These have been looked at over the years. Now they are before the Public Service Staff Relations Board. Let us let that board consider the evidence and come to its own conclusions.

As far as Health Canada is concerned we will continue to act in the public interest.

* * *

● (1425)

APEC INQUIRY

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, the public complaints commission needs access to all audio tapes of RCMP officers and Jean Carle's discussions regarding security during the APEC summit. This would be irrefutable evidence of PMO interference in the RCMP.

Did the Prime Minister ask Jean Carle to direct security arrangements so that peaceful Canadian protesters would not upset brutal Asian dictators?

Hon. Herb Gray (Deputy Prime Minister, Lib.): Mr. Speaker, Jean Carle is coming to the commission to testify. Why don't we let him testify. I am sure he will confirm that the Prime Minister acted properly in this matter.

Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC): Mr. Speaker, it is extremely disturbing that relevant audio tapes are presently held by a forum other than the public complaints commission. It suggests a cover-up either from senior levels of the RCMP, the solicitor general or the Prime Minister.

I ask the solicitor general why were all these recordings not turned over to the public complaints commission as requested. Or is the solicitor general again covering for the Prime Minister?

Hon. Andy Scott (Solicitor General of Canada, Lib.): Mr. Speaker, as I said many times, the counsel to the commission has expressed no problem with the availability of information. The government has been very forthright. In fact, there has been a remarkable collection of information made available.

The counsel to the commission and the commission are doing their job and the hon. member should allow them to continue.

*Oral Questions***HEALTH**

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, the health minister says that BST modified milk has been studied a long time and not approved and it is fine. The interesting thing is that scientists say that \$2 million was offered to the department and when this was reported to the department absolutely nothing was done.

I do not care if a television show did expose this. Why is the health department not doing anything if millions of dollars were offered?

Hon. Allan Rock (Minister of Health, Lib.): Mr. Speaker, yesterday we found the member had not read his clippings from the summer. Now we can see the member has not watched television since 1994.

All these allegations in relation to the alleged break in and so on were dealt with when they were reported to officials in 1990 when they allegedly occurred. They were looked into. There were inquiries. The matter became public and aired on a television program.

Let me come back to the real point. The real point is that Health Canada is watching for the safety of Canadians. We have not approved rBST. We will not approve it—

The Speaker: The hon. member for Macleod.

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, this story gets worse. When the five scientists who were on the top of this file made these complaints what happened to them? Due to the company they were removed from the file.

My question is straightforward. Just who is looking after the safety of our milk in Canada, our scientists whom we trust or some faceless big drug company? Who is looking after us?

Hon. Allan Rock (Minister of Health, Lib.): Mr. Speaker, the member has his facts wrong. He should be embarrassed. The member should double check his facts.

In the meantime, Health Canada has not approved rBST. Health Canada will not approve rBST until we are satisfied it is safe notwithstanding the fact it has been approved in the United States and appropriate for sale in Canada.

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[Translation]

BUDGET SURPLUS

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ): Mr. Speaker, the government refuses to admit that it has a sizable budget surplus with which it could give back to the provinces the money it took from the health sector. As Alain Dubuc wrote in *La Presse*:

“This fiction about a zero surplus has become an insult to the intelligence and is totally unacceptable in a democracy”.

Will the Prime Minister admit that he has some latitude, since he has already allocated \$20 billion to the debt over a period of 15 months, and since the surplus for the first five months of the current fiscal year has already reached \$8 billion?

Hon. Jim Peterson (Secretary of State (International Financial Institutions), Lib.): Mr. Speaker, we obviously have a surplus for the period to date, but there is a great deal of uncertainty about the future. One third of the world is currently in a recession. We will continue to act in a prudent and responsible way. It is our duty and our plan of action.

• (1430)

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ): Mr. Speaker, the government does have some latitude; what is totally missing is compassion for the people. That is the reality.

I am asking whoever speaks on behalf of the government, someone who is responsible—

Some hon. members: There is no one.

Mr. Yvan Loubier: —whether the government will pledge to give a favourable reply to the provincial finance ministers and give them back the \$6.3 billion it owes them for health and social programs?

Hon. Jim Peterson (Secretary of State (International Financial Institutions), Lib.): Mr. Speaker, we obviously had to cut transfers in certain areas, on behalf of all Canadians and because of the deficit. But what the Bloc is suggesting is truly irresponsible.

It does not take into account the \$1 billion in equalization payments, the \$2.1 billion increase in tax points and the \$650 million transferred for the infrastructure program. Quebec did not suffer much in net terms.

It is obvious that—

Some hon. members: Oh, oh.

The Speaker: The hon. member for Medicine Hat.

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[English]

EMPLOYMENT INSURANCE

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, there is a new study out which shows that Canadians are getting poorer, yet this government continues to overtax Canadians with one of the most regressive taxes imaginable. The fact is that EI taxes hurt working class Canadians the most.

Why should regular working class Canadians pay for this government's multibillion EI rip-off?

Oral Questions

Hon. Jim Peterson (Secretary of State (International Financial Institutions), Lib.): Mr. Speaker, this is very much a question of choice. It is incumbent upon all of us to look at the alternatives.

Are we going to cut taxes that relate only to eight million taxpayers or are we going to have a tax cut right across the board in the income tax spectrum which would benefit fourteen million taxpayers? This is one of the choices we have to make.

We have cut employment insurance taxes. It was going to \$3.30 and we froze it at \$3.07. We then cut it to \$3. We then cut it to \$2.95—

The Speaker: The hon. member for Medicine Hat.

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, it is a measure of this government's arrogance that it is trying to make choices with other people's money. That money does not belong to the government, it belongs to workers and employers.

A \$350 EI tax cut may not mean much to a cabinet minister, but it means a lot to a fisherman, a waitress or people who are just trying to make it out there. It means a lot to them. This is a regressive tax that hurts people who are working the most.

When is the government simply going to obey the law and give that money back to them? Obey the law. When is it going to do that?

Hon. Jim Peterson (Secretary of State (International Financial Institutions), Lib.): Mr. Speaker, in the last budget we cut \$1.4 billion from payroll taxes.

We have some choices to make in terms of a global competitive economy. When we have among the lowest payroll taxes in the G-7 and yet we have the highest personal income taxes, which is going to help Canada the most on a competitive basis? These are some of the choices we have to make.

We are committed to continuing to cut these payroll taxes. That is what we have done in the past—

The Speaker: The hon. member for Drummond.

* * *

[Translation]

HEALTH

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, the provinces will agree to sign a three-year plan if the federal government cancels the \$6 billion cut in transfer payments for health and social programs.

Will the Minister of Health undertake to give back the money taken away from the provinces for health?

Hon. Allan Rock (Minister of Health, Lib.): Mr. Speaker, we have clarified and specified that health is a key issue, one of our top priorities.

We already increased transfers by \$1.5 billion last year—

Some hon. members: Oh, oh.

Hon. Allan Rock: —and the Prime Minister also stated that health would be at the heart of our next major reinvestment.

• (1435)

Mrs. Pauline Picard (Drummond, BQ): Yet, Mr. Speaker, last Sunday, the Minister of Health said he was prepared to give back to the provinces the money for the health sector.

Now that the government is showing substantial budgetary surpluses, will the minister demand that the provinces be fully reimbursed for the cuts in health transfers, or will he knuckle under to the Minister of Finance as his colleague, the Minister of Human Resources Development, does so well?

Hon. Allan Rock (Minister of Health, Lib.): Mr. Speaker, it is clear that the priority for us is health. We have already acted on this priority and it is our intention to deliver on this commitment.

As the Prime Minister said, our next major reinvestment would be in health and, to this end, I plan to work together with my provincial partners.

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[English]

CANADIAN HERITAGE

Mr. Inky Mark (Dauphin—Swan River, Ref.): Mr. Speaker, the House should know that the heritage minister wants her own culture cops. These culture cops would have the right of search and seizure.

Can the minister tell this House why she thinks it is necessary to have her own culture cops?

Hon. Sheila Copps (Minister of Canadian Heritage, Lib.): Mr. Speaker, I am glad the member asked this question. One of the challenges that I made to the Reform Party today was to stand and tell Canadians why it is opposing legislation which provides support to Canadian *Legion* magazines across the country.

I would like Reform members to stand in their places and answer that question. On the eve of Remembrance Day, it is absolutely disgraceful that the Reform Party does not support Canadian *Legion* magazines.

Mr. Inky Mark (Dauphin—Swan River, Ref.): Mr. Speaker, for three weeks we have been talking about free speech and democracy. Here we have a minister who wants to start another police force called culture cops.

Does the heritage minister really think this kind of censorship is reasonable in a democratic society?

Hon. Sheila Copps (Minister of Canadian Heritage, Lib.): Mr. Speaker, not only do I oppose censorship vigorously, I want the Canadian people to be able to read every magazine that they can

Oral Questions

get their hands on, including Canadian magazines like the *Alberta Report*, the *Legion* magazine and *Maclean's* magazine.

The only party in this House that is supporting censorship is the party that would stifle the voices of Canadian magazines instead of supporting the right of Canadians to tell their stories.

* * *

[Translation]

EMPLOYMENT INSURANCE

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ): Mr. Speaker, the latest figures regarding coverage for the unemployed once again provide an indictment of the minister's EI scheme. Only 43% of unemployed workers received benefits in August. Thus 57% of unemployed workers were shamefully made to contribute to the budget surplus.

What is the Minister for Human Resources Development waiting for to take immediate steps to restore the credibility of the system? Is he perhaps waiting for the green light from the finance minister?

Hon. Pierre S. Pettigrew (Minister of Human Resources Development, Lib.): Mr. Speaker, the report is full of statistics on the unemployed. The PQ branch office in Ottawa is trying to confuse everybody and to make workers feel insecure.

The facts are very clear: 78% of Canadians who worked full time for at least three months and left their job with cause or were laid off are covered by the employment insurance system. There is no point in scaring Canadians.

* * *

ASBESTOS INDUSTRY

Mr. Claude Drouin (Beauce, Lib.): Mr. Speaker, my question is for the Minister of International Trade. Yesterday at the World Trade Organization, the European Union turned down Canada's request to set up a panel to review France's ban on asbestos. Since this industry is of paramount importance, could the minister clarify the situation?

• (1440)

Hon. Sergio Marchi (Minister for International Trade, Lib.): Mr. Speaker, I thank the member for his very important question.

At its meeting yesterday, the WTO reviewed our request. We knew the European Union would not agree. As a result, the decision has been postponed by one month.

On November 25 a panel will be automatically set up to examine our complaint. The goal of the Government of Canada, in partnership with the Government of Quebec, the industry and unions—

The Speaker: The member for Skeena.

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[English]

HEALTH

Mr. Mike Scott (Skeena, Ref.): Mr. Speaker, in 1995 the health minister signed a \$12 million agreement with the Gitksan Indian Band in northern B.C. for health care administration.

Now we find that several hundred thousand dollars of this money is invested in the stock market.

When I asked the minister in writing how these funds could be in the stock market, he referred to these funds as surplus funds.

Does the minister really think that the Gitksan band has more money than it needs for health care and that these are in fact surplus funds?

Hon. Allan Rock (Minister of Health, Lib.): Mr. Speaker, I will look into the matter raised by the member and respond when I am fully informed.

Mr. Mike Scott (Skeena, Ref.): Mr. Speaker, I wrote to the minister on this matter about five months ago and he has responded, so I think he is informed.

Band members have told me they cannot get travel money when they need to go to Vancouver or Terrace for a CAT scan or to see a specialist. As a matter of fact, I have had band members tell me that when they are in Vancouver they sleep in a pick-up truck because there is no money for them to have a motel room while they are waiting to get a hospital bed.

How can the health minister refer to these funds, in writing, as surplus funds when so many of the band members are so obviously short changed on their health care?

Hon. Allan Rock (Minister of Health, Lib.): Mr. Speaker, I will respond to the member when I am fully informed. I will very carefully examine the facts that he has referred to today to determine whether they are accurate.

* * *

HEALTH PROTECTION BRANCH

Ms. Judy Wasylycia-Leis (Winnipeg North Centre, NDP): Mr. Speaker, testimony given today under oath by Health Canada scientists paints a horrifying picture of what is happening right now in the health protection branch.

They are talking about gag orders and intimidation under this minister and under this government.

Oral Questions

Does the minister deny that these serious events occurred and, if not, how does he respond to these very serious allegations?

Will he lift the gag order? Will he let the scientists do their work?

Hon. Allan Rock (Minister of Health, Lib.): Mr. Speaker, once again, just to introduce an air of reality to these proceedings, the hearings today concerned the question of rBST which is an additive in milk that is approved in the United States and has been for years.

Health Canada has not approved rBST and it will not approve rBST unless and until we are satisfied that it is safe and appropriate for use in Canada.

On the subject of the alleged gag order, the member should know that after the Senate committee subpoenaed the scientists from Health Canada they first did not want to go. I had officials write to them to encourage them to go and remind them of their obligation to testify.

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APEC INQUIRY

Mr. Svend J. Robinson (Burnaby—Douglas, NDP): Mr. Speaker, my question is to the solicitor general and it concerns the APEC inquiry.

Will the solicitor general tell the House precisely what role the lawyer for the federal government, Ivan Whitehall, played in reviewing RCMP tape recordings of Jean Carle, the Prime Minister's top henchman, at APEC?

Has Whitehall been given any privileged access to review the evidence and, if so, does the minister not recognize that this makes a mockery of the commission's independence and in effect will destroy the credibility of the commission itself?

Hon. Andy Scott (Solicitor General of Canada, Lib.): Mr. Speaker, I rely on the public complaints commission and its counsel for their judgment as to whether they are getting access to all the information they need.

To this point there has been absolutely no complaint.

* * *

HEALTH

Mr. Greg Thompson (New Brunswick Southwest, PC): Mr. Speaker, the dreaded mad cow disease that ravaged Britain has jumped the species barrier.

The human version of the disease is identified as CJD. Because of the possibility of infectious agents being in their blood supply the British government has outlawed the use of all U.K. plasma.

• (1445)

In March 1998 Britain closed its own plasma industry and stopped accepting blood from its citizens, all because of the connection between British beef and the mad cow disease which could be harboured in the blood supply system.

What assurances will the minister give us that he is doing everything to protect—

The Speaker: The hon. Minister of Health.

Hon. Allan Rock (Minister of Health, Lib.): Mr. Speaker, there was a report tabled just last week from an advisory group on this whole question. That report has been received by Health Canada officials and technical people and is being examined very carefully.

I should tell the member in response to his question more broadly that we have a world class surveillance system at Health Canada in relation to contaminants, including CJD. CJD is the subject of an extensive research project that has been started at Health Canada so that we can better understand this new class of prion contaminants in blood. I assure the House we take the risk very seriously.

Mr. Greg Thompson (New Brunswick Southwest, PC): Mr. Speaker, I think this is the same minister who fell asleep at the switch in regard to Canada's tainted blood supply system. Have we not learned something by Krever? When other nations are taking action now to protect their citizens, we want assurances that the same tragedy we are suffering now will not occur again because of inaction by the minister.

Hon. Allan Rock (Minister of Health, Lib.): Mr. Speaker, the member has his chronology a bit wrong. The Krever commission reported when we were in office, inquiring into events that occurred when his party was in office.

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NATIONAL PARKS

Mr. Joe Jordan (Leeds—Grenville, Lib.): Mr. Speaker, last June the Secretary of State for Parks along with the Minister of Canadian Heritage announced that they would protect our national parks from excessive commercial development.

What concrete actions has the secretary of state taken to preserve the natural assets of our parks for future generations, like my son Zachary who is currently causing grief in the gallery?

Hon. Andy Mitchell (Secretary of State (Parks), Lib.): Mr. Speaker, we have undertaken a number of steps including reducing the commercial development that will be allowed in Banff, reducing the size of the community, and placing a moratorium on outside commercial development in respect of accommodation. Just yesterday I had the opportunity to announce the formation of a panel which will have as its job to set specific principles that any future

Oral Questions

development may undergo. All of these things have one very special principle in mind, that we protect our parks not only for today's generation but for Zachary's generation as well.

* * *

ENVIRONMENT

Mr. Rick Casson (Lethbridge, Ref.): Mr. Speaker, the Liberal commercial is over.

The Sydney tar ponds are saturated with cancer causing toxins. Studies have shown that Sydney residents have experienced a 130% increase in the rate of stomach cancer.

I witnessed firsthand this appalling mess. It makes me wonder what would happen if that oozing mass of filth were on the front lawn of Parliament Hill or on a certain lawn in Shawinigan. How long would it take this Liberal government to clean it up then?

Hon. Christine Stewart (Minister of the Environment, Lib.): Mr. Speaker, this Liberal government is very concerned about the Sydney tar ponds and contamination in the area.

We have worked very closely with a citizens group in Sydney, Nova Scotia, which also has representation from all three levels of government. We have contributed funds to this process which is working to resolve this very serious issue. We have met with the process, the so-called JAG. We have signed an MOU with them. We have met with the affected citizens in the area and we are working with the province to resolve this very serious issue.

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[Translation]

PROGRAM FOR OLDER WORKERS ADJUSTMENT

Mr. Maurice Dumas (Argenteuil—Papineau, BQ): Mr. Speaker, in order to replace POWA, the government promised in 1996 to develop "various income support measures for those who could no longer find work in the highly competitive labour market".

Why is the Minister of Human Resources Development not honouring his predecessor's commitment and developing new income support measures to help older workers in this particularly difficult situation?

● (1450)

Hon. Pierre S. Pettigrew (Minister of Human Resources Development, Lib.): Mr. Speaker, indeed the situation of a number of older workers in Canada is causing us concern. There is a difficult situation.

We had to end the POWA program, which was unfair. It was unfair to everyone in this category.

So, obviously, we provided more funding for active measures in order to help people return to the labour market. We set up a number of programs intended for the population as a whole,

including those looking for work. However, we are very concerned by their situation.

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[English]

VOLVO CANADA LTD.

Mr. Gordon Earle (Halifax West, NDP): Mr. Speaker, the Volvo plant in my riding is now occupied by employees afraid for their future. Will this government commit right now to actively do everything in its power to ensure these workers are treated fairly and to try to find a solution to keep these people gainfully employed?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, we are very concerned with the future of the workers at the Volvo plant. It is a situation that has resulted from restructuring by the corporation. It is our view that in the short term at least, resolution of a number of differences could best be achieved if the workers and the company could work very quickly to resolve the differences that are currently separating them in the plant itself.

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[Translation]

EMPLOYMENT INSURANCE

Mr. Jean Dubé (Madawaska—Restigouche, PC): Mr. Speaker, the Minister of Finance's provincial counterparts are demanding that he explain why his government is breaking the Employment Insurance Act by imposing excessive insurance contributions on Canadians. The government seems to be circumventing the law in order to keep employment insurance contributions at a needlessly high level.

The Employment Insurance Act stipulates that premiums must be reduced. Does the government intend to pass legislation in order to prevent the premium reduction that is called for in the legislation?

[English]

Hon. Jim Peterson (Secretary of State (International Financial Institutions), Lib.): Mr. Speaker, one of the difficult choices all of us have to make is whether we are going to have a balanced approach in a time when our economic future is not entirely certain. Thank goodness that to date we have taken the steps to get us from a \$42 billion deficit down to a place where last year we posted the first surplus. This was a historic achievement.

In terms of where we go in the future, yes we have to be cautiously prudent. We must not go into deficit again. This is primordial.

* * *

NATIONAL REVENUE

Mr. Alex Shepherd (Durham, Lib.): Mr. Speaker, my question is for the Minister of National Revenue. Some suggest the provinces will not sign on to the minister's plan for a revenue

agency. Three Nova Scotia ministers along with this minister have signed a service contract to be administered by the agency. How would this agreement and the agency benefit the people of Nova Scotia?

Hon. Harbance Singh Dhaliwal (Minister of National Revenue, Lib.): Mr. Speaker, last week we signed a service agreement contract with the Government of Nova Scotia. We also signed a contract to look at Revenue Canada under the new proposed agency to collect for the Workers' Compensation Board. Let me quote Nova Scotia finance minister Don Downe, "This contract builds on the strong co-operative relationship between Nova Scotia and Revenue Canada and provides means for our relationship to evolve under the new agency". Let me also quote Peter O'Brien, spokesman for the Canadian Federation of Independent—

The Speaker: The hon. member for Nanaimo—Cowichan.

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LUMBER INDUSTRY

Mr. Reed Elley (Nanaimo—Cowichan, Ref.): Mr. Speaker, Greenpeace is attacking the B.C. lumber industry by spreading the lie that all B.C. wood products come from old growth forests. You can bet your bottom dollar that next it will be the lumber industries in Alberta, Ontario and Quebec.

Liberal members in B.C. are strangely silent in the face of an industry in serious economic trouble. When will this Liberal government speak up for British Columbians? When will the Prime Minister stand up for B.C., deny these lies and set the record straight in the courts of the world?

• (1455)

The Speaker: I do not know if I heard the right word, lies. Did the hon. member use the word lies? I prefer that we not use that word if we possibly can.

Hon. Ralph E. Goodale (Minister of Natural Resources and Minister responsible for the Canadian Wheat Board, Lib.): Mr. Speaker, I believe that *Hansard* will show that this issue was first raised in the House of Commons by Liberal members on the government side.

It is true there are number of organizations that over the course of the past period of time have misconstrued and misinterpreted Canadian forestry practices. This issue has been discussed at length among federal and provincial forestry ministers, including the minister in B.C. We are working on a comprehensive strategy to ensure that the world knows the true story.

Oral Questions

[Translation]

BILL C-44

Mrs. Pierrette Venne (Saint-Bruno—Saint-Hubert, BQ): Mr. Speaker, while it is increasingly obvious that the Liberal government is trying to crush any and all opposition in Canada, the very idea of making CBC director positions liable to dismissal is disquieting, to say the least.

Given the protests against Bill C-44, the result of which will be to convert the public broadcaster into a state broadcaster, by two past presidents of the CBC, as well as the current one, and more than 20 Canadian reporters, when will the Prime Minister withdraw his Bill C-44?

Hon. Marcel Massé (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, quasi-judiciary agencies, which must of course retain their independence, will need to have presidents or board members who conduct themselves properly, while all other agencies, whether cultural or otherwise, should have administrators who hold office during pleasure, so that they may be removed when their behaviour warrants it.

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EMPLOYMENT INSURANCE

Mr. Yvon Godin (Acadie—Bathurst, NDP): Mr. Speaker, as you know, fishing is very often a family business. During the last eight years, women have worked for their husbands as dockhands and have always qualified for EI benefits. In the last few weeks, the Department of Human Resources Development has turned down EI applications from 40 women because of the arm's length provisions.

Is the Minister of Human Resources Development against women working in the fishing industry or would he agree that his department discriminated against these women?

Hon. Pierre S. Pettigrew (Minister of Human Resources Development, Lib.): Mr. Speaker, I am absolutely convinced that my department did not discriminate against these women. We have very specific arm's length provisions, because no EI system could work without such rules.

I can assure the hon. member that I will look into the case he has mentioned, but I am sure there has been no discrimination. We do have to abide by the arm's length provisions, which are quite clear. Otherwise, no employment insurance scheme would work.

*Routine Proceedings***POVERTY**

Mr. Jean Dubé (Madawaska—Restigouche, PC): Mr. Speaker, my question is for the Minister of Human Resources Development.

A report has been released that says Canadian families are poorer today than when the Liberals formed the government in 1993. Children are poorer and the gap between the rich and poor is growing wider yearly.

This government has refused to lift the burden of the tax system from two million low income Canadians by increasing the personal exemption to \$10,000. When will the government stop penalizing low income Canadians? When can we expect to see a long term plan for this very serious problem?

Hon. Pierre S. Pettigrew (Minister of Human Resources Development, Lib.): Mr. Speaker, we are obviously deeply concerned about the situation of a large number of Canadians, and about the level of poverty in this country. That is why we have made it a focus of our government's programs.

That is why, in partnership with the provinces, we have introduced the national child benefit, which will increase the incomes of low income families in this country by \$1.7 billion over the next three years. We have introduced a great many other measures as well, which I hope to have the opportunity to speak about in the House soon.

* * *

[English]

FISHERIES

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, the Minister of Fisheries and Oceans has given permission to the Mekah people to hunt grey whales with a .50 calibre illegal gun in our backyard. This hunt can smash the 16 year ban on whaling that has saved many species from becoming extinct.

Will the Minister of Fisheries and Oceans launch a formal complaint with Washington to stop this hunt and rescind the licences that he has given to hunt these whales?

• (1500)

Hon. David Anderson (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, as is usual with members of the Reform Party, they again have their facts wrong. There is a hunt taking place in the United States by the Makah tribe which has a permit for five animals.

If an animal wounded in that hunt in the United States moves into Canadian waters, I have said that I will permit them to follow that whale for humane purposes so that it can be dispatched in a humane way and will not continue to die an agonizing death.

In addition, I have made it clear—

The Speaker: That will bring to a close our question period for today.

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BUSINESS OF THE HOUSE

Mr. Randy White (Langley—Abbotsford, Ref.): Mr. Speaker, there is nothing usual about this; it is very unique. Given the circumstances of the economy, I would like to ask the government House leader what exactly they are doing with legislation for the remainder of this week and the following week to address the economy.

Hon. Don Boudria (Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I am glad the hon. member opposite asked this very important question. As usual, the government will continue with its program to respond to Canada's economic and other needs.

This afternoon, for instance, we will resume debate on Bill C-55, the periodicals legislation. On Friday, we will call Bill C-41 respecting the Royal Canadian Mint. If that debate ends tomorrow I do not foresee calling any other business.

On Monday we will have an allotted day to permit the opposition to ask very important questions, hopefully. Next Tuesday we hope to complete Bill C-43 respecting the Revenue Canada agency at second reading.

On Wednesday next we will deal with the Nunavut judges bill, followed by Bill C-49 respecting the equally important issue of native land claims.

• (1505)

Ms. Shaughnessy Cohen: Mr. Speaker, I rise on a point of order. This morning in the justice committee we completed a report and we were unable to table it.

I would seek unanimous consent to allow me to table this report which resolves the outstanding issue of when our committee will study impaired driving.

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

Some hon. members: Agreed.

ROUTINE PROCEEDINGS

[English]

COMMITTEES OF THE HOUSE

JUSTICE AND HUMAN RIGHTS

Ms. Shaughnessy Cohen (Windsor—St. Clair, Lib.): Mr. Speaker, I have the honour to present, in both official languages, the 13th report of the Standing Committee on Justice and Human

Government Orders

Rights on the drafting of a bill to amend those sections of the Criminal Code that deal with impaired driving.

I thank the House for its consent. While I am on my feet, I will push my luck a little further and ask if I could also have unanimous consent to move concurrence in the report.

The Acting Speaker (Mr. McClelland): Does the hon. member have unanimous consent of the House?

Some hon. members: Agreed.

Some hon. members: No.

GOVERNMENT ORDERS

[English]

FOREIGN PUBLISHERS ADVERTISING SERVICES ACT

The House resumed consideration of the motion that Bill C-55, an act respecting advertising services supplied by foreign periodical publishers, be read the second time and referred to a committee.

Hon. Sheila Copps (Minister of Canadian Heritage, Lib.): Mr. Speaker, the responsibility of parliament is to stand up for Canada, and to stand up for Canada means to play by the rules.

That is why Canada is implementing every element of the World Trade Organization decision on magazines. The tariff code measure will be eliminated. The excise tax measure will be eliminated. Postal rules will be altered.

To stand up for Canada means to respect the bodies that make our shared globe function, but it also means to stand up for Canadian culture.

[Translation]

Under the bill introduced in the House of Commons, only Canadian publishers will have the right to sell advertisement directed at the Canadian market.

Advertisement revenues allow us to sustain Canadian writings, to promote Canadian viewpoints and to see our own stories. They also allow to sustain writing and production and to publish many periodicals that tell proudly and openly our own stories.

Advertisement revenues represent 60 % of Canadian periodical revenues. Canada cannot allow foreign publishers to chip away at our advertisement market and thus harm an essential part of our culture and identity.

[English]

Parliament is not being asked to support censorship. Parliament is being asked to prohibit the sale and distribution of advertising services directed specifically at the Canadian market by non-Can-

dian publishers. Parliament is being asked to put in place fines for foreign publishers that attempt to violate these laws.

What is at stake here is the capacity of a country to secure and promote its own culture. What is at stake is Canadian content, stories by Canadians for Canadians and the world. What is at stake is the collective and individual capacity of thousands of our writers, editors, photographers, publishers and entrepreneurs. What is at stake is cultural diversity in the world.

• (1510)

Let me address some of the criticisms directed at the legislation. There are those, particularly in the Reform Party, who say that if a Canadian magazine cannot compete then it should not exist. What kind of a level playing field is it if there are no editorial costs for foreign publications that can come into Canada and skim the gravy off advertising revenues? This is not about competing for readers. Canadian magazines are happy to compete for readers. It is about Canadian advertising revenues nourishing an industry and giving it a capacity to exist.

I must underscore the fact that Canadian magazine policy supports magazines like *Legion Magazine* which tells the stories of Canadian war heroes to Canadians. It is absolutely shameful a party that claims to support the grassroots across the country is opposing legislation which would provide continued existence to *Legion Magazine*, a magazine that by the way has indicated it needs this support to survive.

This is about foreign magazines whose costs are already covered with foreign content coming in and squeezing the lifeblood out of Canadian stories. It is about ensuring the future of Canadian farm magazines. The Canadian Corn Producers Association—

Mr. Leon E. Benoit: They do not need your help, Sheila. Nor do they want it.

Hon. Sheila Copps: I hear the member. Approximately \$45 million in postal subsidies are going out to organizations as diverse as the Ontario Corn Producers Association. Those organizations have indicated very clearly to the government that they support the policy and they support the government because they want their voices heard in the Canadian agricultural industry.

This is about the future of Canadian magazines for veterans, Canadian magazines for fishermen, Canadian news magazines, business magazines like *BC Business Magazine* which has supported the policy put forward by the government, and Canadian scholarly and consumer magazines. This is about making sure that we have Canadian kids magazines to tell stories for our kids.

There is also criticism from those who say the legislation may upset the United States. Those opposite seem to forget the reason they were elected to the Parliament of Canada was to fight for the interest and the survival of their country. Those people who say the legislation will upset the United States must understand the fact that no country on earth has ever imported and read as many

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magazines per capita as Canada now imports from the United States. The legislation will keep that market open.

No country in the history of the globe has ever exported as many magazines per capita to any other country in the world as has the United States to the Canadian market. We are more open to American magazines than any other country in the world.

Can we imagine the reaction of Americans if they walked into their neighbourhood smoke shop and saw that 80% of the magazines being sold on the rack were Canadian magazines? That is what we would like our American neighbours to think about.

The United States is our closest ally and friend. We welcome American cultural influences with open arms, but we have a responsibility and a legacy to our children to stand up for Canada. With serious respect, we will not subject as has been suggested in some quarters Canada's laws to scrutiny and approval by the United States before we pass them.

Can we imagine the United States Congress putting a bill before parliament before it passed its own legislation? The simple fact is that unless Canadians stand up for culture, who will? Unless Canada stands up for Canadian interests, who will? Of course there are risks in acting but there is a far greater risk in doing nothing.

• (1515)

There is a far greater risk in the cultural cowardice being shown by the members of the Reform Party. There is a far greater risk in failing to stand up for Canada's legitimate interests.

[*Translation*]

Some critics think that governments should not get involved in policies to help periodicals. But the answer to that is simple: if Canada does not support Canadian culture, if Quebecers and the Quebec government do not support Quebec culture, who will?

[*English*]

Unless we stand up for our interests who will? Forty years ago there were only a handful of Canadian magazines. The government of Prime Minister Lester Pearson saw a need to act in the national and public interest to create a framework, not to write the magazines, not to censor the magazines and not to block other magazines, but to create a basis for 1,500 Canadian magazines that we all enjoy.

This Christmas I want my daughter to be able to read about Canadian tradition. I want her to read about my sister-in-law's *tourtiere*. I also want her to read about how I prepare my garden in Canada for our Canadian winters. I do not want her to have to read a magazine that celebrates American holidays, American culture and American values because it is the only choice she has. That is what is at stake.

From *L'Actualité* to *Western Living*, from *Vancouver* magazine to *Canadian Geographic*, from *Maclean's* to *Canadian Gardening*, 1,500 magazines in our country now tell us the story of who we are. They talk about our way of life. They allow us to see the regions of the country we do not have a chance to visit personally. They allow us to read the stories of all the ages, from kindergarten to great-grandparent.

Maybe we could do nothing to ensure the chance for these magazines to survive but we would be the losers. The losers especially would be our children.

The other suggestion by those cultural cowards is that we should test the bill in the courts before we bring it into parliament. I suggest that such an approach compromises the democratic, judicial and parliamentary principles that say that the highest place for laws to be made and the responsibility for those laws reposes in the Parliament of Canada. Those naysayers would tie the hands of parliament and make us hostage to every group that did not like a proposed law.

We will not compromise Canada's basic legislative rights as a nation by seeking external approval from outside governments before legislating in Canada's national interest.

I would like to add to the point made over and over again by the Minister for International Trade. Advertising services are just that, services. Services are subject to the general agreement on services. The measure before parliament is absolutely and completely consistent with Canada's international obligations under that agreement.

I underscore another point that has been made over and over in the past few months. This bill will not oppose any foreign publisher's ability to export products into the Canadian market. We will continue to have and nurture the most open magazine market in the world. This will not affect existing commercial operations.

The objectives of Canada on this matter are fair. The approach taken in this bill is fair. The need for action is clear. The need for speed is vital. There are no taxes proposed by this bill. There are no subsidies in this bill. There is no restriction on the circulation of foreign goods proposed by this bill.

[*Translation*]

This bill shows that we are committed to regulating advertising services to develop our own policies reflecting the nature of our country and the identity of our people.

Canadian cultural achievements are not a coincidence. Achievements in our culture and our country require the work, the intelligence, the dedication and the creativity of many individuals and of parliament.

To contribute to these achievements, Canadian citizens must resolve to promote Canadian content and to support Canadian culture.

• (1520)

[English]

That is why the bill to establish the foreign publishers advertising services act is before parliament. It is not about parliament acting in the government's interest or in parliament's interest. It is about parliament acting in the interests of Canada.

Advertising revenues are the backbone of Canadian magazines and the fuel for a crucial vehicle of social, economic, political and cultural expression of our nation. What we seek as Canadians is a chance to hear our own stories, to see our own creators, to watch our own talent and to hear our own voices at home and abroad.

The new bill before the House is in support of a cultural heritage grounded in history and handed to our generation by generations of parliamentarians who had the courage to make a difference in the past.

This bill upholds longstanding Canadian cultural objectives and it upholds and supports the right of Canada and the right of Canadians to advance and promote Canadian culture and by doing so to advance and promote our identity and our nationhood.

Members of parliament who truly believe that Canada is a nation worth supporting and preserving have no option but to support this legislation.

Mr. Leon E. Benoit: Madam Speaker, on a point of order, I ask for unanimous consent of the House to have the minister answer questions on her presentation.

The Acting Speaker (Ms. Thibeault): Is there unanimous consent?

Some hon. members: No.

Mr. Inky Mark (Dauphin—Swan River, Ref.): Madam Speaker, unfortunately the minister is still living in the seventies. This is the nineties and we have to accept that the world and society change.

Prior to my coming to the House this afternoon I attended a meeting of the heritage committee and we had before us the chairman of the National Film Board. What refreshing ideas I heard this morning.

I asked her about culture because she was before the committee talking about Canadian culture policy. I asked the chairman in terms of promotion or protection which would she prefer. She said there was a time when this country probably needed protection and I agree. In the nineties with changing technologies her own statement was protection is less and less sustainable. We know

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what that means. That means we cannot afford to continue to give grants and subsidies and put censorship in place.

The chairman of the National Film Board stated there is no problem with Canadian content because Canadians want to buy and watch and hear things that are Canadian.

She told us about the National Film Board and its super success. The National Film Board has promoted Canada around the world. It has done a great job, even with reduced funding. The chairman told the committee that one of the problems in this country is that we do not have a master plan for cultural policy. Everything is a little piece here, a little piece there. She has a lot of good advice for all of us in this House.

The system is so convoluted that we need to streamline our system in cultural policy. There is too much overlap. There is too much overlap.

• (1525)

Other advice she gives the committee is that we have to follow the right paradigm. We cannot continue to do things we have done in the past. That is excellent advice.

I am very pleased to have the opportunity to intervene as critic for Canadian heritage on behalf of the official opposition on the bill at second reading. Most important, I am speaking on behalf of Canadians. While the minister may speak on behalf of the Government of Canada I will speak from the opposition benches for Canadians and their parliament. It is my job to make certain the interests of Canadians are served by the bill. Whose interests would this law serve? That is a good question.

More fundamental, it is my job to make sure this bill is necessary. If there is one thing Canadians do not need it is one more unnecessary law. Does it address a real problem or is the bill a solution in search of a problem? That is an interesting question. It is my job to make sure the bill is not a bad law. No law in a particular area of policy is better than a bad law that leads to unintended consequences.

I call the attention of the government and the House to what I hope are unintended consequences of the bill. We also have to think about how a law with international implications reflects on Canada. Does it reflect well? How will it be received on a world stage? We are a global community. What does Bill C-55 say about Canada? Is this a law crafted so that it prepares Canada for the 21st century? Does this law try to perpetuate a tired old policy better suited to the 19th century?

Most important, it is my job to see that if this bill cuts back the freedoms Canadians enjoy and if it limits our freedoms members of the House will want to make sure that is justified. If this bill would roll back freedoms without any good reason then the House should not leave sober second thought to the unelected place. We know where that is.

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The duly elected members of parliament should stand to oppose a bad law to preserve the freedoms and protect the interests of Canadians who elected them. That is true irrespective of where we sit in this place.

Bill C-55, the foreign publishers advertising services act, is Canada's response to the World Trade Organization, the WTO dispute settlement panel and the WTO appellate body's ruling issued in March and June 1997. The WTO ruled against Canada's punitive tariffs and tax measures against split run editions of foreign magazines and hidden postal subsidies for Canadian magazines. The deadline for Canada's response is October 30, 1998.

In an attempt to overcome the ruling this bill construes advertising not as a good but instead Bill C-55 creates a statutory definition of advertising as a service. What is a split run edition? "Magazines with editorial content broadly similar to their foreign original but with advertising aimed at a Canadian audience".

Why does the Minister of Canadian Heritage target split run editions? A press release from the day she tabled Bill C-55, October 8, 1998 says: "Under the act only Canadian periodical publishers will be able to sell advertising services aimed primarily at the Canadian market to Canadian advertisers".

In the same press release the minister says: "More than 80% of magazines sold at Canadian news stands are foreign, most from the United States". Does the heritage minister's assertion stand up? The short answer is no. The minister's own department admits that at least 50% of magazines sold in Canada are Canadian magazines.

• (1530)

Let me repeat that the Department of Canadian Heritage admits that at least 50% of the magazines sold in Canada are Canadian magazines. The minister appears to be concocting a need by choosing her statistics very selectively.

Further, the minister knows that 75% of all magazines read by Canadians are read in the home. These are magazines they subscribe to or receive by controlled circulation. What is controlled circulation? They are the magazines we receive with our newspapers or are otherwise distributed directly to our homes, in most cases at no cost. These 94% of magazines received by subscription or by controlled circulation are Canadian owned. This leaves me to ask the following question of the Minister of Canadian Heritage: What problem is the minister trying to fix? Why is the minister looking for a problem when none exists?

Bill C-55 is a solution in search of a problem. Whose interest is the heritage minister trying to defend? Canadians? They already read Canadian magazines with a Canadian viewpoint. Magazines like *Maclean's*, *Saturday Night* and *Chatelaine* are already well

read. If we include newspapers, we are well supplied with a Canadian outlook on ourselves and on the world. Canadian readership for Canadian publications already supports a healthy Canadian advertising market. Again, whose interest is the heritage minister trying to defend?

If the heritage minister really wants to do something for Canadian magazines she would do well to heed the advice of the defence minister. In a speech delivered January 17, 1997 he said "Perhaps in a new digital world, policies of cultural promotion make more sense than traditional policies of protection". Promotion, not protection. Promotion, yes, but this bill does not promote, it protects an industry that is already healthy.

This bill is really unnecessary. That in itself suggests that Bill C-55 is a bad law. There are other problems with Bill C-55 that make it a bad law.

Bill C-55 tries to redefine magazine advertising as a service, but the redefinition of advertising as a service is contrived. Magazine advertising is printed on paper with ink and appears in thousands of magazines. The advertising is a tangible good. We can see it, touch it, write on it, pick it up, tear it out or crumple it up. Magazines sell advertising space, not an advertising service. The minister is inventing a definition that is not based on reality.

The minister has introduced Bill C-55 in response to rulings from the World Trade Organization, a dispute settlement panel and appellate body. These rulings were issued in March and June 1997 against Canada's punitive tariff and tax measures, against split run editions of foreign magazines and hidden postal subsidies for Canadian magazines.

The minister wants to protect us against the dangerous incursion of publications like the *New England Journal of Medicine*.

Let us step back for a moment and look at the bigger picture of Canada's international trade. Canada is heavily dependent on two-way trade with the United States. In fact we know that trade represents in excess of \$1 billion a day. Canadians' standard of living, our jobs, our ability to sell our goods and services is heavily dependent on a good trading relationship with the United States. Therefore, it is proper to ask how the United States has reacted to Bill C-55.

• (1535)

I will read from some remarks released in Geneva by the U.S. trade representative in response to Bill C-55:

On October 8, the Canadian government introduced a bill in Parliament that, if enacted, would ban foreign-owned publishers from using the magazines they publish to carry any advertisement aimed primarily at Canadian consumers.

Unfortunately, it leaves foreign-produced split-run periodicals precisely where they have been for the past 30 years—shut out of the Canadian market.

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What is also disturbing about the bill is that it apparently represents Canada's idea of compliance, with the panel and appellate body reports on this subject.

Canada seems to believe that while it may violate the GATT for a government to confiscate 80 percent of the advertising revenues generated by imported split-run magazines, it is perfectly acceptable to ban those advertisements altogether.

Canadian officials are justifying their new bill on the grounds that it is governed by the anti-discrimination provisions of the GATS rather than the GATT. Conveniently, Canada has made no commitments regarding advertising under the GATS.

It is surprising that Canada would believe its GATT v. GATS argument which the panel and the appellate body so soundly rejected in 1997, has taken on credibility in 1998. The clear and intended effect of Canada's proposed legislation is to prevent imported magazines from being used to carry advertisements aimed at the Canadian market.

This is precisely what Canada's 80 percent tax prevents as well.

Taken together, the bill, introduced on October 8 and perpetuation of Canada's postal subsidy scheme, which the Canadian government has also announced, send a very troubling signal regarding Canada's seriousness in abiding by its international obligations and, in particular, in observing both the letter and the spirit of the WTO's dispute settlement rules.

For well over a year Canada has steadfastly refused to disclose any of the alternatives it was considering or to consult with interested governments regarding its compliance.

Then, after dragging out its response for almost 15 months, the Canadian government has suddenly announced proposed replacement measures that are still discriminatory and protectionist.

We strongly urge Canada to reconsider the course it has chosen. The United States intends to react vigorously if that is not the case.

The Asian flu on the financial markets is already affecting Canada. Commodity prices are down and Canadian farmers may be the hardest hit. The prices they are getting for their wheat and barley are trending down. Canadian farmers are more dependent than ever on United States markets. There is already a dispute between the United States and Canada on wheat and barley. Why would we want to do anything to make trade relations between our two countries even worse than they are already?

As Ron Lund of the Association of Canadian Advertisers said, Bill C-55 represents "the thin edge of the wedge" on trade relations between Canada and the United States. If the heritage minister pushes on split run magazines, then all trade is called into question. It could be the tip of the iceberg. The United States already has the support of the World Trade Organization on split run magazines. Canada should stand up for itself when we know we are in the right on trade issues, but why are we setting out to provoke the United States when it has a quasi-judicial ruling in its hip pocket?

The minister is putting Canadian farms, Canadian jobs, the Canadian standard of living and international trade relations at risk with Bill C-55. Does she have the support of the Minister for International Trade, the Minister of Agriculture and Agri-Food and the Minister of Industry?

• (1540)

I have shown how this bill is unnecessary. I have shown how Bill C-55 is a bad law from the standpoint of international trade and our domestic economy.

I want to look at what Bill C-55 does to fundamental rights, freedoms and our legal rights. Under section 2 of the Canadian Charter of Rights and Freedoms everyone is guaranteed "freedom of expression, freedom of the press and other media of communication and freedom of association". Further, under section 8 of the charter, "everyone has the right to be secure against unreasonable search and seizure".

I want to zero in on the word "unreasonable". The opposite word "reasonable" appears in section 1 of the charter and I would like to quote that as well:

The Canadian Charter of Rights and Freedoms guarantees the rights and freedoms set out in it subject only to such reasonable limits prescribed by law as can be demonstrably justified in a free and democratic society.

We have rights and freedoms under the charter. Those rights and freedoms are guaranteed and are subject only to reasonable limits. Bill C-55 would limit the ability of Canadian advertisers to promote their products and services on the printed pages of magazines. It limits their freedom of expression. It limits their freedom of speech. Bill C-55 limits who publishers and advertisers may associate with in promoting their products and services.

If the heritage minister thought a split run publisher had sold space to a Canadian advertiser she could send out her investigators with Criminal Code powers to search and to seize property. Magazine police. Is this reasonable?

Split run publishers are law-abiding people. Even the threat of Bill C-55 on the Order Paper may be enough to limit split run publishers accepting more advertising from Canadians. So is it reasonable to create a force of magazine police who could be sent out after law-abiding publishers and presses? These people are respectable corporate citizens. They are not common criminals.

Even more, is it reasonable to limit the free expression and the freedom of association in advertising? The Canadian publishing industry is healthy. The commentary news and advertising from Canadian publishers is read by a very large share of the Canadian market. In fact, Canadian publishers are well received abroad. We know that Canadians want to read things that are Canadian and watch films that are Canadian. The market is there.

One Canadian publisher said: "I have been a relentless opponent of these restrictive rules all the time. I have been in this business nearly 30 years. As the proprietor of *Saturday Night*, I am opposed to the restrictions that representatives of the magazine industry are

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advocating on American publications". He continued: "We have been well received in those foreign countries—the U.K., the U.S.A. and Israel—where we do business. Canada should behave as those other countries do".

In fact, I have even heard that Conrad Black opposes this bill.

Bill C-55 is not reasonable. It is absurd. What is worse, Bill C-55 is being used to put absurd limits on fundamental freedoms and legal rights. Where is the sense in that?

There are also implications for the constitutional division of powers between the provinces and the federal government.

• (1545)

More than once, the minister has shown that she cares little about the impact of federal law and policy on other levels of government. She demonstrated that in her old portfolio of environment. Last summer she undercut her own officials who had worked for months on a plan for the town of Banff. The heritage minister does not play well with others. And here we go again.

Nothing in constitutional or case law puts print media in federal jurisdiction. I refer the House to section 91 of the Constitution Act, 1867. Further, the act intrudes into provincial jurisdiction on property and civil rights. I refer members to subsection 92(13) of the Constitution Act, 1867. Bill C-55 cannot be justified under the peace, order and good government power of the federal government.

At this time, I want to read a paragraph from an article put together by the C.D. Howe Institute. It is its summation on this issue of restrictive legislation. I quote from the last page:

Canada should vigorously defend its right to promote its culture through subsidies, tax breaks and sensible content requirements and definitions aimed at ensuring the continued availability to Canadians of products from their own culture, and, in general, a fair competitive environment for domestic cultural productions that are demonstrably of special value to Canadians. Canada should also insist that government policy be able to treat magazines containing Canadian stories aimed at Canadians differently in certain respects from those produced for a foreign audience. But by clinging to measures that increasingly restrict access to information, that threatens Canada's commercial interests, and that possibly accelerate, rather than prevent, cultural assimilation,—

—which this minister is so concerned about—

—the federal government instead risks taking Canada down a path toward poorer cultural and economic health, and is diminishing the chances of arriving at a negotiated agreement with other countries on the proper line to draw between free trade and culture.

I could go on at length because there is all kinds of evidence to show that this bill is the wrong thing to do for this government.

It is clear that Bill C-55 is just asking for a series of lengthy and costly legal challenges brought under constitutional law, all at taxpayer expense. All this to deliver a thinly veiled threat.

Bill C-55 does not serve the public interest, Canadians' interests. In fact, it threatens Canadian trade and it threatens jobs and Canadian livelihoods.

Bill C-55 is unnecessary. The Canadian magazine industry is healthy and competitive. It does not require protection. Canadian publishers are well received internationally. Bill C-55 represents a tired 19th century policy. In the 21st century, let us concentrate on promotion, not protection.

With Bill C-55, the heritage minister treads into jurisdictions where federal power and regulation do not belong.

Worst of all, Bill C-55 is a bad law that puts unreasonable limits on free speech, freedom of the press, freedom of association and uses magazine police or culture cops, as we have been calling them, to threaten law-abiding citizens. It is a very bad law.

In view of this, I want to move the following amendment. I move:

That the motion be amended by deleting all the words after the word "That" and substituting the following therefor:

Bill C-55, an act respecting advertising services supplied by foreign periodical publishers, be not now read a second time, but that it be read a second time this day six months hence.

• (1550)

The Acting Speaker (Ms. Thibeault): The amendment is receivable.

[*Translation*]

Mrs. Suzanne Tremblay (Rimouski—Mitis, BQ): Madam Speaker, we are debating today, at second reading, Bill C-55 respecting advertising services supplied by foreign periodical publishers.

This bill was made necessary after *Sports Illustrated* used electronic means to circumvent Tariff 9958, 1965, which prohibits the import of split-run magazines, that is foreign magazines containing advertising directed at the Canadian market. *Sports Illustrated* circumvented Canadian regulations by electronically importing its editorial content and printing its magazine in Canada.

In 1995, Canada enacted Bill C-103 providing for an 80% excise tax on the earnings from the sale of advertising in such magazines. Four measures including this one were declared contrary to the GATT agreements signed by Canada in 1947 and renewed in 1994.

As a result, Canada had to review its policy of support to magazines and its legislation providing for an 80% excise tax in particular.

Today, the heritage minister is putting forward a bill denying foreign magazines access to the Canadian advertising market. The government's position is that Canada has the right to protect its advertising market because advertising is a service and, under the General Agreement on Trade in Services, advertising is exempt.

Is exempt any industry not included in the list of industries covered by the agreement. There is a cultural exception when an agreement includes a text providing for the exclusion of part of that agreement.

The Bloc Québécois agrees in principle with the bill at second reading. However, we will listen carefully to the representations that will be made to the committee on this issue. In 1995, former minister Michel Dupuy had assured us that his Bill C-103 was in compliance with international trade rules, and now the Minister of Canadian Heritage is making the same claim.

Let us take a look at the background of this legislation.

In 1990, Time-Warner received assurances from Revenue Canada that its plan to publish a Canadian edition of *Sports Illustrated* would not contravene tariff number 9958.

On August 15, 1990, Investment Canada confirmed that the magazine *Sports Illustrated* in Canada would not be subject to the Investment Canada Act.

Consequently, Time-Warner thought it was authorized to move into Canada.

On January 7, 1993, Time-Warner announced that it would publish a split run edition of *Sports Illustrated*.

Of course, since the Minister of Communication had not been informed of the decisions made by his colleague from industry, he objected, invoking tariff number 9958, to a split run edition of *Sports Illustrated* in Canada.

• (1555)

On April 5, 1993, *Sports Illustrated* published its first issue out of Richmond Hill. Since its publication did not extend across the border physically, tariff 9958 did not apply.

Rather than take immediate action, the government ordered a report on the magazine industry in April 1993.

In December 1993, Time Warner announced its intention of increasing the number of split runs from six to twelve a year.

On March 24, 1994, the task force published its report. It recommended applying an excise tax of 80% on split run magazines, but exempting *Sports Illustrated* on condition that it not publish more than six issues a year. The Canadian industry opposed the latter part of the recommendation, and rightly so.

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In December 1995, Bill C-103 was passed.

On March 11, 1996, Mickey Kantor, the American trade secretary, announced that he was filing a complaint with the World Trade Organization to protest, first, the 80% excise tax on split run magazines under Bill C-103, second, the lower postal rates granted Canadian publications, third, the postal subsidy and, fourth, tariff 9958 making it illegal to import split runs into Canada.

On June 30, 1997, the WTO went along with the American arguments and outlawed the four measures for protecting Canadian magazines, stipulating that, since magazines were goods, Canadian policies to protect them had to be consistent with GATT rules on goods.

In August 1997, Canada advised the WTO that it would respect the ruling.

In July and October 1997, the Government of Canada announced a series of measures to comply with the decision of the WTO and promote the Canadian and Quebec magazine industry.

In order to comply with the decision of the WTO, Canada proposed the following, beginning with the tariff code 9958 measure. This code prevented the importing into Canada of split run magazines. It will be repealed by an order in council.

Second, Bill C-103 amended the Excise Act. This amendment authorized the government to levy an 80% excise tax on Canadian advertising revenues declared by periodical publishers. The act will be amended by a ways and means motion.

Third, the postal subsidy. With this measure, Heritage Canada paid Canada Post nearly \$50 million to have it accord certain magazines reduced rates. This measure will be maintained, except that Heritage Canada will now put this money into accounts the magazines have with Canada Post.

Fourth, preferential postal rates. This measure would allow Canada Post to give Canadian magazines a preferential rate. The rates for foreign magazines will be reduced to the preferential Canadian rate. This measure will cost Canada Post \$16 million.

I will now deal with reaction to the legislation so far.

Canadian publishers applauded the introduction of this legislation. The president of the Magazine Association of Canada, François de Gaspé Beaubien, even accompanied the Minister of Canadian Heritage during the briefing that followed the bill's introduction. For the association, the issue was to avoid having foreign publishers, who make their profits in foreign markets, competing with Canadian magazines by offering lower advertising rates than the Canadians could offer.

Canadian magazines get more than 60% of their revenues from advertising sales. The association also did not want the loss of advertising revenue made up by grants. Not only was this unrealistic—it would have taken hundreds of millions of dollars—but it

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also involved some ethical issues. What they wanted was a measure that would protect editorial independence.

The Association of Canadian Advertisers declared its intent to challenge the legislation under the charter. However, the legal experts involved in drafting the legislation are of the opinion that the association has little chance of success, because it is merely confirming a practice that has been in existence for several decades in Canada.

• (1600)

The American Secretary of State for Commerce has indicated, however, that he will again challenge these provisions for protecting the Canadian advertising market.

The *Financial Post* of Saturday, October 10, 1998 reported on page 4 that the United States wants to wage another battle with Canada to block the bill we have before us today, because in their opinion it contains protectionist and discriminatory provisions.

Yet those provisions have but one objective: to prevent U.S. competition with the Canadian magazine industry. The Americans feel that Canada is trying to find some new ploys for getting out of its obligations under GATT. However, the U.S. government has yet to follow up on its original statements.

In its dispute against the United States concerning *Sports Illustrated*, Canada lost, because it was established, under the WTO dispute settlement mechanism, that the magazine was a good and that the 1997 GATT rules did apply, since the advertising must use this good as a vehicle. And, as we all know, there is no cultural exemption clause in the GATT.

By entitling the bill an Act respecting advertising services supplied by foreign periodical publishers, and by prohibiting in clause 3 foreign publishers from supplying advertising services directed at the Canadian market, the government wants to ensure that the legislation before us today deals with advertising and therefore falls under the General Agreement of Tariffs and Trade. Since Canada did not include advertising in the list of services subject to the Agreement, the Department of Canadian Heritage believes that its bill, if challenged, will stand up scrutiny at the WTO.

The Bloc Quebecois hopes that the government is right in this case. Even if importation of split run editions has a lesser impact in Quebec, the Bloc Quebecois does not have the slightest interest in seeing the Canadian cultural industry weakened, since several of our magazines are published in symbiosis with Canadian periodicals and would thus be affected by a policy which would open the Canadian advertising market to foreign publishers.

We need to be reminded however that the WTO decision regarding *Sports Illustrated* shed some light on the weakness of the

Canadian vision in terms of protecting our cultural industry in international trade agreements. The WTO decided that advertizing—a service—needing a magazine as a vehicle—a good—a good that could be replaced by other imported goods—the WTO had even compared the content of various magazines—Canada could not exempt these goods from its obligations under the 1994 GATT, a better and improved version of the 1947 GATT.

Thus experts were of the opinion that several measures aimed at protecting culture using a tangible vehicle could lead to complaints to the WTO under the 1994 GATT. The Americans could then circumvent the cultural exemption provided for by NAFTA.

Experts who appeared before the heritage committee and the Canadian Conference of the Arts have urged the Canadian government to take more proactive steps to protect Canadian and Quebec cultural interests under international trade agreements.

As the multilateral agreement on investment, the now infamous MAI, which was being negotiated at the OECD, just hit a major stumbling block, it is timely for the government to adopt a real strategy to defend cultural exemption under every international trade agreement. Of course, in this case, we are talking about a home made cultural exemption protecting the current and future capacity of Canada and Quebec to take measures promoting their respective cultures.

Negotiations are planned for the turn of the century. They are supposed to deal with services and maybe investments. The 1994 GATT contains a major flaw in that it does not provide for cultural exemption. Neither does the General Agreement on Trade in Services. At most, it provides for exemptions for services not on the list of services to which the agreement applies.

The Bloc Quebecois is therefore calling on the government to give some thought to the experts' and artists' proposal for a real team to be constituted, which would include artists and representatives from Quebec, with a view to raising awareness across the country of the importance of obtaining a cultural exception.

• (1605)

In this connection, Canada could play the same role as the Minister of Foreign Affairs did in the land mine issue.

This multifaceted team, on which Quebec would play a full role, must be given the expertise and financial resources required for it to do a proper lobbying job. The tools are in place. Now what is needed is the political desire to make use of them, and to get to work.

In Statistic Canada's 1997 edition, in the chapter entitled "Canada, its culture, heritage and identity", we learn that, in 1994,

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Canada had 1,400 periodicals, that industry revenues totalled \$867 million with \$520 million coming from advertising, and that the profit margin was 6% in the anglophone markets and 13% in the francophone markets. In English Canada, 80% of magazines at newsstands are foreign, whereas in Quebec the proportion is 20%, according to the February 26, 1997 issue of *La Presse*.

The report by the task force on the periodical industry entitled "A matter of balance" indicates, at page 40, that Canadians buy \$700 million worth of American magazines, while Americans buy \$60 million worth of Canadian magazines. Canada imports from the States 25 times more magazines than it exports there.

Some 95% of Canadian French language periodicals are sold within the province, and Canadian publishers draw only 25% of their circulation revenues within their own market.

According to *The Citizen*, a Heritage Canada study, which we were unfortunately unable to obtain a copy of, even under the Access to Information Act—and I could even mention that the case is being appealed to the information commissioner—concluded that 40 American magazines were selling well enough in Canada, over 50,000 copies, to make a split run worthwhile; that 40 Canadian magazines were on the point of going bankrupt; and that the American magazines would take over 40% of the advertising revenue invested by Canadians in Canadian magazines, which would be disastrous for this cultural sector if allowed to continue unchecked, unless we take steps to come to its assistance.

As I entered the House, one of my colleagues, the member for Repentigny, handed me the fall 1998 issue of the *Canadian Parliamentary Review*, volume 21, No. 3, the magazine of the Commonwealth Parliamentary Association, Canada section, which contains a wonderful article by Dennis Browne about Canadian culture's uphill battle with international trade and split runs.

I will, since I have the time, quote from this absolutely extraordinary article, which I urge my Reform Party colleagues to read. Naturally, in a parliamentary democracy, everyone is entitled to one's opinion, and one might be the only one to hold a particular opinion and still be right, but I think it important that the Reform Party members give more thought to the interests of Canadian culture than to party ideology, which sometimes keeps us from seeing clearly.

Here is what Mr. Browne had to say. He writes, on page 21:

To understand the magazine case, we must know a bit about the magazine industry. Following the hon. member's speech, it seems to me he needs to learn a thing or two about the magazine industry. The most important point is that the industry has two income streams and two cost streams. The income streams are earnings from subscriptions and news stand sales, and earnings from the sale of advertising included in the magazine.

The cost streams are the cost of the magazine's editorial content, including photos and articles, and the costs of printing and distributing the magazine. In the *Sports Illustrated* case, it appears the revenues generated from news stand sales and subscriptions are more than adequate to cover the production and distribution costs of this magazine. Prior to the case, Time Warner was selling about 140,000 copies of each edition in Canada. The business had been going on for many years and I do not think the company was losing money.

The other big cost, editorial content, was fully paid for by advertising sold to American advertisers. This case was brought to the WTO by the United States to challenge Canadian measures that effectively denied American magazines access to Canadian advertisers.

Thus the case was not about market access, or even about ordinary profits. It was about super profits. When the editorial content is already paid for and the selling price fully covers the production and distribution costs, practically every dollar paid for Canadian advertising in *Sports Illustrated* will be pure profit for the publisher. With their existing high levels of circulation in Canada, they already had the cake; so they went for the icing.

The WTO decision is not going to lead to sales of more copies of *Sports Illustrated* in Canada. It is just going to make the business of selling the same number of copies much more profitable. But what will be the Time Warner's icing is the Canadian magazine publishers' cake. The total amount of money routinely spent by Canadian advertisers in the print media is not increasing. Every Canadian dollar spent for advertising in American magazines will reduce the revenue pool available to Canadian magazine publishers.

There should be no doubt about American magazines being able to attract Canadian advertising. With their editorial costs already being paid, they can readily discount the price for advertising by as much as 80% and still make money.

Canadian publishers will not be able to compete with this type of cut-throat competition. Without their advertising revenues, Canadian magazines will not be able to pay for good quality editorial content. If that is the result, the magazines will appeal less and less to consumers and Canada could lose one of its forums—a very important forum—for cultural expression. To protect the advertising income stream for Canadian magazine publishers, Canada had put in place a combination of measures, four of which were challenged in the WTO case.

The import ban on split-run magazines is clearly a breach of the GATT principle calling for the elimination of quotas. An import ban is the ultimate "quota" since imports are zero. Canada sought to justify the ban under the exception permitting quotas "necessary to secure compliance with domestic regulations"—in this case an income tax regulation that disallows business deductions for advertising placed in split-run editions.

● (1610)

I could read another excerpt from the article which would show that the important thing is, above all, to defend Canada's cultural industry, which is something the Bloc Québécois has always done with great determination since coming here, for a simple, good and single reason. We in the Bloc Québécois feel it is important for Canada to have a very strong culture, a very strong identity, because when we are sovereign we want to have as our neighbour a country that is capable of separating its identity from that of its American neighbours, its culture from the American entertainment industry.

Finally, however, the Bloc Québécois does regret that the Liberals have themselves been responsible for some measures that have been counter-productive to the development of the magazine

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industry. First of all, they made a substantial reduction in the postal subsidy. In 1989, this was \$220 million, and when the Liberals came into power it was \$77 million. The previous government had, of course, already drastically cut subsidies, but the Liberals were no more capable of protecting this sector of our cultural industry, for between 1994 and 1998 they reduced the subsidy considerably again, by 40%, so the \$77 million of subsidies ended up at \$47.3 million.

Second, during the election campaign, the Liberal government, the present Prime Minister at its head, travelled across Canada promising to abolish the GST on all reading material. Yet, as we speak that has still not happened.

• (1615)

With these two counterproductive measures, the Liberal government itself did enormous damage to the cultural industry. Since surpluses are appearing in the Canadian government's budget, I hope that the Liberals will remember their promises to the Canadian people and take measures to promote literacy in Canada and in Quebec by abolishing the GST, at least on reading material, and by increasing subsidies as required, so that the cultural industry of magazines and publishing can do more than just survive.

ROUTINE PROCEEDINGS

[English]

COMMITTEES OF THE HOUSE

JUSTICE AND HUMAN RIGHTS

Ms. Shaughnessy Cohen (Windsor—St. Clair, Lib.): Madam Speaker, I understand, if you seek it, there would be unanimous consent to allow me to move concurrence in the 13th report of the Standing Committee on Justice and Human Rights.

I further understand that there is unanimous consent to put the question forthwith without the need of a vote.

The Acting Speaker (Ms. Thibeault): Is there unanimous consent to proceed in such a fashion?

Some hon. members: Agreed.

(Motion agreed to)

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[English]

FOREIGN PUBLISHERS ADVERTISING SERVICES ACT

The House resumed consideration of the motion that Bill C-55, an act respecting advertising services supplied by foreign periodical publishers, be read the second time and referred to a committee; and of the amendment.

Mr. Bill Blaikie (Winnipeg—Transcona, NDP): Madam Speaker, I might just say on the last matter that there may have been consultations but not everybody was consulted. I only gave unanimous consent out of respect for the judgment of the hon. member, not because there had been consultations or discussion.

I am rising to speak to Bill C-55. It has been an interesting debate so far. The contribution of the Reform Party on this matter shows why Liberal government members continue to have it so easy. They bring forward a bill to try to protect Canadian magazines like the *Legion Magazine* and various other ones. They have what I would call the political advantage of having an official opposition that wants to attack such a proposition in the name of unfettered free enterprise or however it is that they defend this indefensible position.

From the outset I say that the NDP supports the bill with some reservations. Mostly our reservations come in the form of wishing the minister either would or could go further. What Bill C-55 will do, if it succeeds, is entrench the status quo. There is grandparenting of some existing arrangements which I would like to have seen challenged. There is nothing in the bill that particularly promotes Canadian magazines but it is a form of protecting them. I do not see anything wrong with protecting Canadian magazines.

When I listened to my Reform colleagues it was almost as if there was something wrong with the word protect when it came to this matter. It is also important to promote but there is nothing wrong with protect. These are the same people who talk day in and day out about protecting Canadians from various other things like crime and various threats to their security. There is nothing wrong with protecting Canadians from the economic power of the American magazine industry. I do not think that is something we should apologize for.

We are glad that the government has moved to find a way within the limits of the World Trade Organization to do what Canadians have traditionally done in this industry. Our quarrel comes with the fact that government members are not critical enough of the

agreements in which they find themselves. I am talking particularly about the WTO.

There is a fundamental contradiction between the ideology, the world view embodied in the World Trade Organization, and the whole notion of the protection of culture. This is something the minister understood well in a previous incarnation. Perhaps she understands it every bit as well in this incarnation but is not as able to say so from where she sits now. However there is the fundamental contradiction between culture and free trade as it is understood at the WTO and NAFTA. The fact is that our previous policy has been tested against the ideology and the world view of the WTO and has been shot down.

• (1620)

It is fine for the government to come forward and try another way. What would also be useful would be for the government to say maybe this should tell us something about the world view of the WTO and about the wisdom of signing these kinds of agreements. That would be refreshing but we have not heard that from the minister and we have not heard it from the government.

Instead what we heard the other day, not from the Minister for Canadian Heritage but from the Minister for International Trade, was a government clinging right to the end to the idea of trying to preserve the multilateral agreement on investment, which many Canadians feel would pose a similar threat to Canadian culture, the kind of threat that various provisions at the WTO now provide.

This is an occasion to reflect on the larger conflict between protecting culture and the whole dominant world view or the dominant global ideology of free trade embodied in the WTO and in NAFTA. That world view was to be embodied in the multilateral agreement on investment but fortunately it will not be because the talks on the MAI at the OECD in Paris have broken down.

Why have they broken down? They broke down because Canadians and others all over the world, but finally the French socialist government, said this was an unacceptable way of setting up the relationship between governments and investors and between governments and corporations.

This relationship that was to be institutionalized through the MAI would have given the rights of investors and corporations a status and power that would have threatened the ability of democratically elected governments to properly exercise their sovereignty in the interest of their respective citizenry, particularly in the area of culture because as we know the French government wanted a complete carve-out of culture. They did not want the MAI to deal with culture at all.

This is an opportunity for us to reflect on this larger question. In her opening speech I heard the minister talk about standing up for Canada. Then she said what I think was kind of strange. She said

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the way we stand up for Canada is that we abide by the rules set by these global organizations.

I would say that Canada has obligations when it enters into agreements. When we respect those obligations it might be argued that we are doing the right thing from the point of view of international relationships, but I would not call it standing up for Canada if the obligations we are respecting are arguably not in the interest of Canada or in this case of Canadian culture.

I would say standing up for Canada is to point out how inadequate the rules of the particular organization are and seek to change them rather than try to somehow get around them or try another way without really admitting that we have probably signed on to something that we should not have. That is what I think we have here with respect to the Canadian signing of the WTO, which is far different from the GATT.

Whatever could be said about the GATT prior to the creation of the WTO in 1994 there was a voluntary aspect to it. The WTO is a quite different matter. The government should have thought much more seriously than it did before it signed on so uncritically to such an agreement as the WTO.

• (1625)

The member for Dauphin—Swan River who spoke for the Reform Party quoted somebody from the National Film Board—I think it was the chairperson—saying that the whole notion of protection of culture was becoming less and less sustainable. He seemed to indicate that he felt that person was perhaps making a fiscal argument. I was not there so I can only speculate, but I think another way in which protection is becoming less and less sustainable is the agreements the government keeps entering into.

It is not a question of fiscal sustainability. It is a question of sustainability in the face of repeated signing on to agreements like NAFTA and the WTO and the MAI, were it to have been signed, that put in jeopardy our ability to sustain policies which protect Canadian culture. It is not a question of sustainability in any fiscal sense. It is a question of being able to sustain policies in the face of signing agreements that constitute a challenge to these policies. I would say this is something the government ought to be looking at.

It is not a surprise to me, though, that Reform Party members seem so blasé about the potential disappearance of so many Canadian magazines and almost seem to make a virtue out of allowing American magazines to penetrate even further and dominate the Canadian market. I think they have a fascination for American culture that sometimes I find disturbing. We saw that only recently when we heard that the leader of the Reform Party's first reaction when he thought something problematic was happening in the country, that is the sovereignists might win the referen-

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dum, was to call the American ambassador and invite him to participate in some post-referendum process.

We support the bill with reservations. We regret that the government is not willing to challenge the agreements that make this kind of legislation possible. We regret that the government continues to pursue in what we think is an uncritical way further agreements like the MAI which would inhibit the ability of the government to act to protect culture. We regret that the minister of trade, instead of saying yes, the MAI is not only dead but should be dead, seems to be saying the MAI is dead and devoting the rest of his life to finding out how it can be revived, to finding a new venue for it perhaps at the WTO.

This does not give us any comfort. It does not give any comfort to Canadians who feel the Canadian government should have taken a position much more like the French government which found the whole underlying premise and intention of the agreement to be inadequate.

With all these reservations and regrets we nonetheless say that the bill should go to committee. We hope in the very limited way the Liberals seem able to act the bill will be successful in protecting Canadian culture and Canadian magazines.

The Acting Speaker (Ms. Thibeault): It is my duty, pursuant to Standing Order 38, to inform the House that the question to be raised tonight at the time of adjournment is as follows: The hon. member for Sackville—Eastern Shore, the Atlantic Groundfish Strategy.

Mr. Scott Brison (Kings—Hants, PC): Madam Speaker, it is with pleasure that I rise today before the House to address Bill C-55, the Foreign Publishers Advertising Services Act.

First I want to state my position relative to issues including trade. Our party continues to support and believe in the intrinsic strength of trade. We recognize that if we are to enable Canadians to prosper in a global and increasingly competitive environment we need to seek ways to attach the hands of Canadians to the levers of opportunity.

• (1630)

We should not try to protect them from all the risks of globalization if in doing so we prevent them from participating in the opportunities and the rewards potentially gained from full and unfettered participation.

That being the case, we have strong reservations about unfettered free market dogma that may denigrate or reduce our ability to protect our culture. The Conservative government of the past with the free trade agreement sought to protect culture. We recognize that Canadian culture, particularly with a relatively small population—effectively we are a mouse sleeping next to an elephant—is in a unique situation.

We cannot take a cookie cutter approach or some type of economic dogma that will effectively say how we should pursue this. We can believe in free trade. We can believe in achieving success in a global environment and still stand in this parliament to protect the ability of Canadians to speak to each other through cultural vehicles like the Canadian magazine industry.

I believe many of us in this House feel quite strongly about the MAI, that there is a need for and significant benefit to be derived from a multilateral agreement on investment. However, that does not mean any multilateral agreement on investment. There were some serious flaws in the MAI and culture may not have been adequately protected under it. That was the objection France took to the MAI.

That being the case, I believe it is in the best interests of all Canadians for parliamentarians and this government to work toward a multilateral agreement on investment.

It is important before we pursue trade agreements that we increase the level of dialogue between Canadians and their governments. That is why we need to follow the model of the Australian government which in 1996 introduced the Australian model for treaty negotiation which increased significantly the dialogue between the federal and provincial governments. In fact municipal governments should be consulted as well because these governments are affected significantly by the federal government's engagement in trade treaty processes and deserve to be consulted.

If we do that we will help decrease the demonization that has occurred because of globalization. If we open up the process to Canadians and allow them to see clearly that globalization is not all bad we will achieve far more than the current behind closed doors strategy that the government is pursuing.

The government developed this piece of legislation to help protect our Canadian magazine industry following last October's WTO ruling against Canadian imposed excise tax and custom tariffs on split run magazines entering from the U.S. In the ruling the WTO maintained that these measures contravened existing international free trade agreements.

Bill C-55 is a very important piece of legislation. Aside from providing support to our Canadian magazine publishers it sends a clear message to all Canadians that we are intent on protecting and maintaining our cultural sovereignty in the midst of ever increasing pressures from global forces, particularly, as I mentioned before, the U.S. I described it as being analogous to a mouse next to an elephant and in a cultural sense that is very accurate.

The pop culture which emanates from the U.S. is very difficult to compete with, but I would argue that our Canadian cultural policies have resulted in some significant successes by providing an incubational cultural setting to musicians such as Sarah McLach-

lan, Bryan Adams or K.D. Lang who have gone on to become very successful. These individuals started as a result of cultural policies in Canada which enabled them to grow and develop their skills in the Canadian marketplace first.

The Canadian magazine industry is similar to that. We want to protect our cultural integrity in Canada. It has been a major priority of any trade discussion. Conservative governments fought to protect culture in trade discussions as early as 1988. Most recently the stumbling block in the MAI for both Canada and France was largely due to the reticence of OECD partners to engage in more stringent protection for cultural industries.

• (1635)

It is very important to note that the WTO in its decision was not questioning Canada's right to protect its cultural industries. It objected to a policy that directly targeted U.S. magazines. Rather than target U.S. magazines directly, Bill C-55 will focus its attention on putting restraints on advertising services. Essentially, Bill C-55 will restrict the sale of advertising directed at the Canadian market to Canadian publications.

It should be noted that U.S. magazines can still sell Canadian advertising in their magazines. However, these advertisements must appear throughout their North American publications. They cannot be solely targeted toward the Canadian market.

The bill contains provisions that would allow the government to impose stiff fines as high as \$250,000 on foreign publishers who contravene this legislation.

This is a very complex issue and Bill C-55 seeks to address it. I am somewhat concerned about the ability of legislation of this type to control or to effectively try to regulate what is going to become an increasingly difficult industry to regulate. Magazines are one thing. The Internet is another. Increasingly Canadians are going to be reading publications, newspapers, magazines and books on their computers.

These are questions we have to ask. They deserve significant diligence, research and rigour to ensure that we develop public policies that are not only relevant in 1998 but are relevant as we enter the 21st century.

I believe that Bill C-55 is the right legislation now. We have significant concerns about the bill and, hopefully, they can be resolved. We have concerns about the effects of harmonizing commercial postal rates, which I will elaborate on later in my discussion.

Some people may be wondering why we should impose measures to protect our Canadian magazine industry. Reform members have expressed their consternation that we would try to protect the Canadian magazine industry. Reform has 60 culture critics in its

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caucus. Unfortunately most Canadians do not share their views that Canadian culture should not be protected. We feel very strongly about this in our caucus. That may be one of the defining differences between a Progressive Conservative and Reform leadership at this juncture.

There are very important reasons for us to protect this particular industry. The Canadian magazine industry employs a large number of Canadians and pumps millions of dollars into our economy. It provides employment opportunities to thousands of Canadians. Many of our most distinguished writers have developed their skills through the Canadian magazine industry and have gone on to succeed internationally.

The Canadian market is one of the most open markets in the world for imported magazines. Imports account for 50% of magazine sales in Canada and over 80% of newsstand space. To say that somehow we have inordinate amounts of protection for the Canadian magazine industry which is preventing foreign publications from entering is an easily debunked argument.

Despite the intense competition from foreign magazines, Canadian magazines continue to attract their share of viewers, allowing them to compete in a very competitive industry. At this stage, without this type of legislation, we would not be able to ensure that Canadian magazines would survive.

I look at it from a national unity perspective as well. It is very important for us to protect our ability as Canadians to converse with each other. The Canadian magazine industry plays a very important cultural role in defining who we are as a people and where we stand as a nation. Culture defines our beliefs and our values.

• (1640)

We are not automatically born with a culture. We may be born into a culture, but it is something we learn. It is a nurturing thing. It is one of the things I treasure as a Canadian.

One of the cultural entities I treasure as a Canadian is the CBC. That is another defining difference between a Progressive Conservative and Reform leadership at this juncture, although Reform has a lot of very good members, all of whom will be welcomed into our ranks after Saturday.

We need Canada's magazine industry to prosper so that future generations of young Canadians have the opportunity to learn more about their country and to gain a better understanding of peoples across this great nation. One of the things Canada suffers as a sparsely populated, large geographic mass is that there is not enough opportunity for our peoples to speak with each other and learn more about each other. One of the ways to facilitate that is to protect our magazine industry.

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The member for West Nova, a member of our caucus, is on the heritage committee and has studied this issue at length. I always have some concerns about measures that may be viewed as being protectionist. In discussions with him I have learned a great deal about the uniqueness of the Canadian magazine industry and the importance of this industry to our culture, to our young Canadians and to our education system. I share his views that the magazine industry needs to be protected.

Successive governments have implemented laws designed to help Canadian publishers gain sufficient advertising dollars to remain competitive in this market. The issue beginning in 1993 with *Sports Illustrated* opened the door to competition that would have gutted the Canadian magazine industry if it were allowed to go ahead unfettered.

If we look at the fact that Canadian publishers rely on advertising revenue for anywhere from 65% to 100% of their income, it is imperative that we intervene to protect them against potential competition from U.S. competitors in this very important cultural sector.

Advertising plays a pivotal role in modern day society. It has increasingly become a cornerstone of communication. We are seeing it everywhere. Prior to radio and TV, magazines could depend on receiving the bulk of advertising revenue. However, they have since struggled to maintain their own niche and their own market to survive.

Advertising has changed in the last 10 years more than it has changed in the last 60 years. I would argue that due to technology and emerging global markets we are going to see the Canadian magazine industry and the entire media changing so rapidly that in a fairly short period of time we are going to have to evaluate the real needs and how we are going to go about protecting Canadian culture in the future.

It is going to become increasingly difficult. We have to become more rigorous. We need to work with other countries, particularly countries with a small population base, to develop strategies to protect their cultural interests. At the same time we do not want to hold them back or handcuff them to the Luddite mentality that somehow trade is going to hurt the country. Trade is not the enemy here. However, unfettered global forces, when an incubational industry is not ready, can have a demonstrably negative effect on a particular industry or sector. What we are saying is that we need a transitional strategy to allow Canadian publications to get to the next step.

At some point, and it is already happening, Canadian cultural entities cannot only compete globally but can succeed beyond our wildest dreams globally. However, it takes an incubational structure to allow that to occur in a large country with a very small group of people. We must never forget that.

• (1645)

One size does not fit all in economic policy; one size does not fit all in trade policy. With the combined impact of globalization and

what has been in some areas unfettered market forces, we must be careful to ensure we attach people's hands to the labours of the global opportunities and that we provide people with the opportunities to succeed in a global environment. It may be such a thing that Marx may have been wrong about communism, but if we are not careful, it may prove that he was right about capitalism.

We have a great deal of work to do. While we continue to espouse, support and develop freer markets with greater trade opportunities, we must ensure that we do not forget the people we represent. We need to ensure they can compete and succeed in those markets.

It means things like a vibrant cultural industry. It means a strong set of educational policies in Canada to provide young Canadians with the skills to compete and to succeed in a global knowledge based society.

In the national unity context, we are about to see an election in Quebec. Many of us are watching this election, as we have watched those elections in the past, with a great deal of concern and interest. We need to ensure particularly in a national unity context at this critical juncture that we facilitate the ability of Canadians to speak to each other in a very profound way.

This is not the time for allowing the Canadian magazine industry to wither on the vine.

This bill is far from perfect. Despite having a full year to consult with the leading international trade experts, countless legal advisers and representatives from Canada's publishing industry, we find that a number of issues still need to be clarified.

As I mentioned earlier the postal rate changes could have adverse effects on small community based publications. Legion branches, which previously enjoyed postal rate subsidies, could be in danger of losing this assistance. That is a great concern. We do not do enough for our veterans. We need to work harder to support our veterans and our legions. The same could be said for members of religious denominations who provide their congregations with periodicals and updates of church activities.

Because those organizations are not charging their members for their materials, they are no longer entitled to direct postal rate subsidies as are other Canadian magazine publishers. This issue must be addressed by the minister either through amendments or regulations. I am certain the member for West Nova will be providing and promoting appropriate amendments for this.

The last section of the bill which relates to the grandfathering clause must be more clearly defined. As it stands, the bill appears to restrict important contributors to our Canadian magazine industry such as Reader's Digest and Time Warner from ever expanding their present interests to future investment possibilities. I understand that was not the nature or intent of the bill. We have to be careful in this House and in the other place to always beware of

the law of unintended consequences and to be extremely careful, rigorous and thorough in the legislation we produce.

In short, we support, with some reservations, Bill C-55. We believe that Canadians need to compete and succeed in a global market, but at the same time we have a vibrant cultural industry in Canada that is too important to throw away.

Mr. Deepak Obhrai (Calgary East, Ref.): Madam Speaker, I will be sharing my time with my colleague from Esquimalt—Juan de Fuca.

I rise today to voice my opposition to Bill C-55, the foreign publishers advertising services act.

I have been in this place for close to one and a half years. I have had the opportunity to observe and interact with members of both sides of the House. At this juncture, I would like to tell my colleague when he said that the Reform member should join his caucus, I extend to him the invitation to come and join us.

• (1650)

What separates the official opposition from the government is not that we have more concern for the people of Canada. What differentiates us is that we have a different view on how to achieve a better society for all.

We both want the same thing, a prosperous and tolerant Canada where all can participate openly. However, while this government feels that this can only be achieved through the cumbersome, heavy hand of central planning and intervention, the official opposition believes that freedom and having faith in people is the right road to take.

At a time when countries around the world are realizing that straight intervention has its limits, this government continues its policies of trying to run almost every facet of Canadian society. Bill C-55 continues this long tradition of Liberal interference in the lives of Canadians.

Before I deal specifically with Bill C-55, allow me to elaborate on my last point.

Many of my Reform colleagues have spent a considerable amount of energy questioning this government on the Canadian Wheat Board. As we know, the wheat board dictates the price at which wheat may be sold, thereby robbing our farming communities of the freedom to sell their goods. Interfering in market forces is no different than the central planning that the east bloc characterized before reaching its senses in the late 1980s.

Another key example is the high taxation levels that Canadians and Canadian businesses continue to endure. Canadians have seen

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their income shrink as they are forced to transfer more and more of what they earn to the government coffers.

All agree that more money left in the pockets of individuals and businesses will benefit the economy. While the finance minister boasts of balancing the budget, he does not reveal that the way he achieved this was on the backs of Canadian taxpayers and businesses.

The truth of the matter is that taxes have increased since this government took power in 1993. The fact that this government reneged on its commitment to scrap the GST is proof of its commitment to high taxation.

It is no secret there exists a direct correlation between tax levels and job creation. Is it a mere coincidence that the two provinces with the lowest income tax levels, Ontario and my home province of Alberta, lead the nation in creating employment.

Perhaps the minister should ponder whether the Canadian periodical sector could benefit more from lower taxes rather than from eliminating competition.

Today we heard a news report highlighting the plight of Canada's working class. The study released by the Centre for Social Justice states that working families are being devalued in Canada. Families are working harder than they did 10 years ago and have less money to show for their increased efforts. Between 1989 and 1996 the average family suffered a \$4,000 decline in their income. Why does the finance minister not realize that the time has come for tax relief for the middle and lower income families and businesses?

I have used the issues of the wheat board and taxes to point to the fact that this government has a track record of intervening in the economy, often with less than stellar consequences.

Bill C-55 continues this Liberal tradition of intervention and state control. While Bill C-55 most definitely has economic ramifications, I would like to focus on its cultural dimensions.

This bill seeks to protect our domestic periodical industry from outside competition. It attempts to do this by prohibiting the right of foreign publications to sell advertising space to companies targeting a Canadian audience. This would free up advertising dollars for Canadian publications.

• (1655)

The Minister of Canadian Heritage introduces this bill claiming it will protect Canadian heritage. However, the minister and indeed this government has failed to recognize the essence of what culture is.

Culture comes as the natural consequence of economic activity. The key word in the last statement is natural. Culture survives and thrives best when it is allowed to grow in a natural state free of artificial crutches and interference. Culture and art must be pro-

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moted but never protected and created by the state. When the state starts dictating what culture is, it becomes a slippery slope toward when artistic and cultural freedom end and when state propaganda begins.

I would like to turn my attention to some of the specifics of this piece of legislation. Subclause 20(c) of the bill allows for the minister to make regulations respecting criteria to determine whether advertising services are directed to the Canadian market. By allowing the minister to make orders in council with respect to the nature of advertising, Bill C-55 essentially gives the minister the authority to make laws dealing with international trade without passing them through parliament.

Moreover clauses 4, 5 and 6 allow the minister to create her own culture police to investigate whether foreign publications are carrying advertising geared toward the Canadian market.

An hon. member: Sheila's cops.

Mr. Deepak Obhrai: Sheila's cops, cultural cops, as my colleague said.

This is an unparalleled power which essentially gives the minister the right to create her own surveillance police. This kind of thing may fly in other countries, but I do not think Canadians will accept such a system.

Because of these issues, I find that Bill C-55 affords the minister authority which goes beyond what our parliamentary democracy should allow.

The bill's extraterritorial application is another area I would like to address. As I have mentioned, the role of Bill C-55 is to protect our domestic periodical industry. The bill makes it an offence for any officer, director or agent of a corporation to run a split run edition, that is, a magazine with editorial content similar to its foreign original but with advertising aimed at the Canadian audience.

It is quite ironic that this government is introducing such a bill after it was so critical of the U.S. Helms-Burton act which sought to hold Canadian companies liable for doing business in Cuba. Perhaps the ministers of heritage and foreign affairs should get together once in a while to ensure that there is some semblance of consistency in the government's policies.

As parliamentarians we must also ask ourselves whether the federal government has the constitutional right to implement Bill C-55. Nothing that I have found either in constitutional or case law puts the area of print media in federal jurisdiction. As well the bill intrudes into provincial jurisdiction in the areas of property and civil rights.

Added to this, the provisions of Bill C-55 contravene sections 2, 7 and 8 of the Canadian Charter of Rights and Freedoms. It violates

the freedom of expression, freedom of the press and freedom of association. It also violates charter security rights under sections 7 and 8. Furthermore it contravenes the enjoyment of property provisions found in the Canadian bill of rights.

All this evidence indicates that we are dealing with a very poorly drafted piece of legislation which offends the very basic values and laws which we as Canadians hold sacred.

The Acting Speaker (Ms. Thibeault): I must interrupt the hon. member. The time has expired. On questions and comments, the hon. member for Esquimalt—Juan de Fuca.

• (1700)

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Madam Speaker, I appreciate the comments by my hon. colleague. He was pursuing a very interesting train of thought.

I would like him to address the House on what he believes will be the impact of Bill C-55 on the ability of Canadian culture to continue to exist in a fruitful and productive way in this country. That is what all of us in this House wish to have.

Mr. Deepak Obhrai: Madam Speaker, in short, the government should have more faith in Canadian culture. Our cultural industries have what it takes to compete in an open and unfettered market.

In the narrow sense one can fall into the trap of believing that this piece of legislation will benefit the domestic periodical industry. I question whether it will.

Our country's economic and cultural prosperity has been built on foundations of free enterprise. Canadians have no reason to fear competition. On every occasion that we have faced it we have done well. Why is there a need to push the panic button now? This bill is shortsighted.

In the long run our magazine industry can become the pride of the world. Are some Canadian periodicals facing the threat of extinction? The answer is probably yes for some of them if they do not show innovation and results.

I have confidence that competition will bring out the best in our industry and that this sector will grow to become a world renowned first class industry without intervention.

Mr. John Duncan (Vancouver Island North, Ref.): Madam Speaker, my question for my colleague relates to the fact that if this legislation is found wanting as the previous legislation was found wanting, and the member may correct me if I am mistaken, but I understand that if the legislation is found in the international arena to be lacking, if it is challenged and if Canada loses, retaliatory measures may be sought under the auspices of the international organization to go after another Canadian industry. That potentially puts any other Canadian industry at risk.

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Mr. Deepak Obhrai: Madam Speaker, it is a good question. That is something members on the other side should be thinking about. They are here protecting a small industry but they are accusing us of not helping. That is not the issue.

There is a bigger issue if measures are taken against other industries what will they do then? My colleague is right. Under NAFTA I am sure this bill will be challenged and probably be seen to be wanting, so we will be paying the penalty.

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Madam Speaker, I have enjoyed the comments on Bill C-55.

I think the objective of members from both sides is in part the same, that nobody in this House wants to see Canadian culture be dissolved or diminished in any way. We want to see Canadian culture thrive in the best way possible.

Unfortunately I think for a long time we have had a bit of an inferiority complex with respect to Canadian culture. In travelling to the United States what strikes me very clearly in looking at the American cultural industry versus the Canadian cultural industry is that the Canadian cultural industry can compete and beat the American cultural industry in so many areas.

● (1705)

Nobody in the House would agree that *The Simpsons* has better educational value than some *W5* programs or some CBC documentaries or dramas that are superbly done and are very educational and very well put together. They are far superior than the vast majority of American cultural efforts in those areas.

If there is one thing I hope we can take from the debate today it is that Canadian companies can compete well and they need to take a much more aggressive view compared to what they do south of the border. Magazines, newspapers, television and especially CBC radio do a superb job of competing south of the border. In the U.S. sometimes they can pick up CBC radio. In comparing the Canadian content of CBC radio versus American content it is like night and day. Canadian content is far superior.

When the Minister of Canadian Heritage speaks to the bill, about American companies coming to our country and diluting Canadian magazines so the content withers away, that is simply not true. Our assertion is that Canadian magazines can compete on their own. What Canadian magazines need is not protection but promotion, and not from the government. It should give the magazines and companies the ability and the tools to compete as any company rather than the situation now where we have a tax burden, rules and regulations that restrict the ability of Canadian companies, be they in the advertising industry or somewhere else, to compete against our neighbours south of the border.

The taxes and rules and regulations are the primary reasons why companies cannot compete as successfully as they should with their compatriots south of the border. I implore the ministers on the other side who have responsibility in this area to come together and work with their counterparts to lower the tax burden and eliminate the rules and regulations that exist not only north-south but east-west. That involves cabinet ministers taking a leadership role with their provincial counterparts to work together to try to remove these barriers to trade which is restricted for so long the ability of Canadian companies to function.

We oppose the bill on a number of levels, one being the issue of freedom of speech. Although we are not enamoured in any way with some big international group being able to hammer little Canada, that is not going to happen. We want to ensure that Canadian companies and magazines are going to be competing on a level playing field.

This bill violates what is very dear to the hearts of everybody and something that is a tenet of our country, the charter. I would not say dear to our hearts but the charter exists and we have to live with it. In the charter is the principle that is very dear to Canadians, section 2(b) which says everyone has the fundamental freedom of thought, belief, opinion, expression, including the freedom of the press and other means of communication. It would be nice if members in the House of Commons had that same freedom under the charter, but that is a subject for another day.

Bill C-55 violates that fundamental freedom and the Canadian Association of Advertisers has spoken against this by saying that it contravenes the ability of advertisers to have the freedom under the charter to compete and engage in advertising across the border. That is why since 1965, although this notion has continued to be pursued by Canadian governments, it has gone absolutely nowhere. It violates the norms of international trade rules and regulations and it has very little to do with being able to protect Canadian culture.

● (1710)

As I said before, since this has been happening since 1965, have we seen Canadian culture go off the map? No. Canadian culture is thriving and Canadian culture can do a lot more and be expanded in a far greater fashion if instead of using government money to promote it we enable individual companies to self-promote.

One thing we can do without using Canadian money, which is actually very interesting, is use our embassies and our foreign services in other parts of the world to promote and provide information to Canadian cultural organizations to disperse Canadian culture in other countries, particularly to our brothers south of the border. The people of the United States would benefit greatly I think from knowing what happens in Canada. Although our border is very porous, we are very close together and they are our greatest

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neighbours, it is surprising how little many Americans know about us and vice versa. More cultural integration, more trade of information will actually improve the bond that exists between us.

From time to time conflicts do exist, be it on fisheries, whaling or on agricultural products and forestry, and they sour our relationship with our American cousins, but there is still a great deal we can improve on. We take pride in the fact that we have so much trade with the Americans. Eighty per cent of our exports go to the states and we are America's greatest partner. But the fact remains that just scratches the surface. There is so much more that Canadian companies can do south of the border which would be of direct economic benefit to Canadians from coast to coast.

When I was in the United States in March, what struck me was the lack of knowledge on both sides of the border and also the enormous economic opportunities for Canadians south of the border. It is no mistake that last year 46,500 of our best and brightest went to the United States to work. They did not pick the bottom rung. The *creme de la creme* of Canadians, of our youth, went down there. They went down for many reasons. Americans recognize value for money and recognize the value of Canadians and Canadian expertise.

My colleagues have spoken about the ability and the responsibility the government has in enabling Canadians to stay within our borders by providing tax relief, the elimination of rules and regulations, the educational opportunities that Canadians require here and the investment in research and development required and necessary for us to be competitive. Having said that, there is much that Canadians can do. Canadian companies can compete and can beat American companies on so many levels.

I encourage the Minister for International Trade to work with his counterpart in foreign affairs and the Minister of Finance and members from across party lines. Our critic for international trade would be happy to provide his expert advice to the government on what we can do to improve our economic opportunities abroad.

Mr. Peter Stoffer (Sackville—Eastern Shore, NDP): Madam Speaker, the hon. member indicated how many bright Canadians have gone down to the United States.

As he knows, recently it has been reported in Canada for I believe the fifth year running that we are the number one country in the world in which to live. I wonder if he has any statistical information on how many Americans may have come up to Canada in terms of their best and brightest.

Mr. Keith Martin: Madam Speaker, I thank my hon. colleague for the information. C.D. Howe has done a recent study on this

issue and has come up with statistics. I cannot give him the exact point right now, but if he would like I could find it for him. The bottom line is that the imbalance is huge. The American *creme de la creme* are simply not coming up to Canada. The best and brightest of Canadians are going down south.

• (1715)

The number one reason has been repeated time and time again. Taxes are far too high. A working family of two in the United States after taxes earns 44% more than a Canadian couple in the same situation. When we speak to Canadian youth who have gone down south they say they would much prefer to live in Canada. They love Canada, but how can Canada compete when they are earning 44% more in the United States? It is not only money. They have opportunities to be the best they can become.

Speaking professionally from a medical point of view, the ability to practise medicine and engage in other professional opportunities in the United States is far greater because of investment in research and development.

There are some enormous opportunities for Canada to do some very innovative things. Perhaps there could be an extension on RRSPs over and beyond what we have now. RRSP moneys could be obligated to be invested into Canadian companies on Canadian shore, resulting in Canadian companies having money to be able to work and having capital to invest.

Mr. Grant McNally (Dewdney—Alouette, Ref.): Madam Speaker, I listened with great attention to my colleague's speech. I thought he gave a great overview of the issue.

Earlier in the House we heard the minister of heritage refer to why the bill needed to be introduced. Her interventionist approach seems quite inappropriate in this area. Her arguments are based on the assumption that Canadian industry cannot make it on its own without government protection.

Could my colleague shed a bit of light on that aspect of the bill?

Mr. Keith Martin: Madam Speaker, I thank my colleague for the question. It gets to the heart of the fundamental difference of opinion between the Reform Party and the government. The issue is how can Canadian culture be the best it can become.

The government believes that protection is the answer. We believe in enabling these companies, magazines and cultural entities to promote. We believe Canadian culture can compete on its own two legs without government intervention and beat other countries rather than exist in an environment where it has to build barriers. Canadian culture should look beyond, embrace a much larger population and show the best of what Canada has to offer.

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Mr. Charlie Penson (Peace River, Ref.): Madam Speaker, I am happy to take part today in the debate on Bill C-55, but I am disappointed in the government's approach to responding to the World Trade Organization.

The WTO has asked Canada to redo its law to comply with the ruling made in March and June 1997 against Canada regarding punitive tariffs and tax measures against split run additions. Canada was clearly in contravention of the rules that we signed at this international body. What bothers me most is that Canada has been one of the main proponents at the World Trade Organization and the international body before it, the General Agreement on Tariffs and Trades, to establish clear rules of conduct for business.

Canada needs this very badly. Our country has large exports. Forty per cent of our gross domestic product is derived from our exports. That is probably more than any other country in the world. More in fact than the United States whose GDP derived from exports is something like 10%.

Canada clearly needs rules, a rule based regime. Canada recognized this a long time ago. Our government introduced legislation back in 1946, 1947 and 1948 and was the main push behind getting the GATT established, recognizing that it would serve Canada's interests. Canada has held an inordinate amount of sway in these international talks.

• (1720)

I was with the Minister for International Trade in Geneva last spring at the ministerial conference of the World Trade Organization. Canada is pushing for more liberalized trade in investment. We are pushing for more rules in areas like services and trying to bring agriculture under the trade rules which have hurt the industry through trade wars and massive subsidies in the past.

Yet, at the very time when we are going down that road with the trade minister and the government, we have the heritage minister seeming to completely contradict the trade minister by not complying with the World Trade Organization ruling and trying to circumvent the World Trade Organization ruling in June of this year by bringing in Bill C-55. The United States has already said that if the bill becomes law it will ask the World Trade Organization to repeal it.

What would happen if that were to happen? I believe it will happen because it is in contravention of the ruling. Rather than complying and being gracious about defeat in this area, the minister of heritage has sort of stuck her finger in the eye of the international dispute body, the World Trade Organization. Effectively she has said that we will not comply; to heck with those guys, we will go our own way.

What would happen if the United States took us to the World Trade Organization because of this legislation? What would

happen if the World Trade Organization ruled against us for a second time? Canada does not have to comply because those are the rules of the World Trade Organization, but it certainly should because our international reputation would be tarnished. However we do not have to. We can go on with our silly policy if we want, but any country that takes us to court and gets a ruling in its favour has the right to retaliate. Those are the rules of the GATT. A country has the right to retaliate in kind.

What form could that retaliation take? It could take the form of retaliation in the cultural sector, the agricultural sector, the forestry sector, and even in areas that are not distinctly related to this dispute.

Let us assume that they took retaliation in the area of culture. What does Canada have to lose? We have a very big amount to lose. We have a lot of Canadian entertainers in the cultural sector finding employment in the United States. It is a very big market with some 260 million people. Shania Twain and other entertainers go to Nashville and Hollywood. They do not want their access denied. However, if the ruling went against Canada, and I believe it will, the United States could choose to follow that route. I think we are cutting off our nose to spite our face.

What possible good can come out of this? We have the matter of Canadian advertisers who want to advertise in split-run magazines. It seems to me that they would know what is best for their business. It removes a choice from Canadian advertisers. Do we really need a magazine that is so mediocre that it cannot stand up to competition without support or protection? I think not.

Let us look at some of the magazines that claim they need protection. What would happen to those magazines if the United States said it would not let Americans advertise in Canadian magazines if we did not advertise in theirs? We can flip through the October 26 edition of *Maclean's*, one of the magazines we are talking about in this whole issue. What is the ad on the first page? Jaguar. It goes on. Three-quarters of the ads in *Maclean's* magazine come from outside Canada. Is that the message we want to send around the world, that we are not open to business in Canada? Could it function without ads from Volvo, Subaru, Disney World, IBM, Air France, Oldsmobile and Kodak? I do not know that it could.

• (1725)

We are using foreign money to support our magazines right now. On the other side of the equation we are saying that we cannot let Canadians advertise in magazines such as *Sports Illustrated* because it does not have enough Canadian content.

The ruling has gone against us once and it will go against us again. Then what will the government do? The United States has the right to retaliate. This time I think it just might get tough. We

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certainly do not want to go down the road of possibly risking closure of the United States market to our entertainers.

Let us examine the issue of whether the industry needs protection. My colleagues have already made some interesting points by suggesting that it probably does not. I would agree that it probably does not, but the industry certainly warrants promotion.

Canadian trade delegations travel all the time. The Prime Minister is very proud of the January junkets he takes to promote Canadian goods. Incidentally, it seems that he only goes to countries in January that have a temperature of about 30°C Celsius. Be that as it may, he is out there promoting Canadian goods and services. The trade minister is out there all the time. Canadian businesses are too.

Why can they not promote Canadian culture? Why can they not promote Canadian entertainers, our magazines, our book industry and our publishing industry? They should be very much a part of that promotion in the same way they promote Canadian agriculture, Canadian forest industries or whatever.

The opposite to that is the approach the heritage minister seems to take, one of protection. I thought the protectionist walls had been broken down a long time ago. We have seen protectionist walls in the past. Sir John A. Macdonald put up high tariff walls after Confederation and essentially destroyed Atlantic Canada's ability to trade with the New England States. As a result it became a welfare state of Canada, and the government wants to go down that road again.

We have an \$800 billion industry in Canada. That is the GDP of our country. Protection does not enter into very many of those industries. I can think of only a couple like the supply management sector of agriculture, an industry that basically has no exports. It basically has to look at the Canadian market all by itself. There are other sectors of Canadian industry that do not have competition. Largely they are industries like the power industry. Where that happens, public utilities boards are put in to look after the public interest because no competition can occur.

Why should we be afraid of competition? We are out in the world every day exporting product. The two way trade between Canada and the United States is worth over \$1.4 billion a day. They are saying that we cannot compete. All we need is a small piece of the American pie, and I think we are doing very well. Many Canadian artists have already discovered that. That is why Shania Twain travels to Nashville. That is why Terri Clark from Medicine Hat is in Nashville. They are looking at that big market. They are not only serving Canadians. They are out there looking at a much bigger world.

Canadians will not be intimidated. They will look outward. They will look at the global economy. They have enough confidence to take that on, but we have to get things right at home. We have to get the fundamentals right.

When the foreign affairs and international trade standing committee did a study on why small and medium size businesses were not exporting as we believed they should, the message was strong and clear. They said the government had far too much regulation and that the cost of doing business in Canada was too high.

A representative of one small company with under 100 employees came before our committee and said that he had to move his operation to Illinois. He said that he could do better business, that he could trade more effectively back into Canada with his company in Illinois than he could when he was located in Ontario because of interprovincial trade barriers.

Small companies are telling us that is the problem. I suggest that many of these companies such as *Maclean's* are not small companies at all.

• (1730)

They are relying right now on the international marketplace. They are relying on international investors and companies to advertise in their magazines. I think they can make it. Canadian cultural businesses, small or large, have to face the reality that there is a big world out there. They have to go after a portion of that market. They can do it. We have to get past this myth that subsidies and barriers are a great thing in Canada.

Mr. Bob Kilger: Mr. Speaker, I rise on a point of order. I apologize to the House for taking up its time. In the normal course of events we have these discussions in the respective lobbies, government and opposition. I wonder if this speaker needed approximately five more minutes to finish his intervention, without a period of question and comment, then we would seek the consent of the House to defer the amendment of the Reform member to be voted on at the expiration of Government Orders on Tuesday, October 27.

If someone else wants to speak, I understand they will refuse that consent. I apologize for taking the House's time on this negotiation on the floor of the House. I have tried to have some discussions.

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

Some hon. members: Agreed.

An hon. member: No.

* * *

[Translation]

BUSINESS OF THE HOUSE

The Acting Speaker (Mr. McClelland): Order, please. The member for Hochelaga—Maisonneuve advised me in writing that he was unable to introduce his motion during the hour provided for

consideration of Private Members' Business on Friday, October 23, 1998.

As it was not possible to change positions on the list of priorities, I ask the clerk to drop this motion to the bottom of the list. The hour provided for consideration of Private Members' Business will, therefore, be suspended and the House will continue to examine the matters before it at that time.

PRIVATE MEMBERS' BUSINESS

[English]

CRIMINAL CODE

The House resumed from September 24 consideration of the motion that Bill C-251, an act to amend the Criminal Code and the Corrections and Conditional Release Act (cumulative sentences), be read the second time and referred to a committee.

Mr. Bill Casey (Cumberland—Colchester, PC): Mr. Speaker, it is a pleasure to speak to Bill C-251 to amend the Criminal Code and the Corrections and Conditional Release Act. I compliment the hon. member for Mississauga East for bringing this act forward. Most of the citizens in my riding would overwhelmingly support this bill which enhances penalties for sexual offences and murders.

I am not the critic for justice. I am not even a lawyer. Our very able critic for justice, the member for Pictou—Antigonish—Guysborough, is a former crown prosecutor. He has outlined the benefits of this bill and endorses it completely. I will follow his recommendation from a professional point of view.

From of a personal point of view I want to add my support. As I said, I am not a justice critic but I am a Canadian. I feel, as I am sure the member who put forth the bill feels, so often criminals get the benefit of the doubt. Some of our structures for offences and imprisonment are not in tune with what the Canadian people think or want. As a member of parliament I serve an area that has two correction facilities in it, a new one for women in Truro, Nova Scotia built in 1993, and the one in Springhill which is multilevel correctional institute.

• (1735)

Correctional Service Canada is probably one of the biggest employers in my riding. It plays a huge role in my riding and everyone is touched by Correctional Service Canada and the impact

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it has. It works with many of our other institutions like the community college in Springhill. It provides all kinds of information to us and the communities provide information back. It is very much a community effort. I believe in any community that has a correctional institution there must be a connection between the community and the institution to be successful.

This is why I recently proposed that the correctional training centre proposed by the solicitor general be established in the community of Springhill adjacent to the major prison there. Also it would tie in nicely with the expertise of the people. It would tie in nicely with the facilities. We have the community college in Springhill which would be more than glad to establish a curriculum that would help train correctional officers for correctional facilities all over Canada.

The Springhill institution is now the reception centre for all prisoners in Atlantic Canada. When a prisoner comes into the system the first place they go is Springhill. Springhill determines whether they should go to a maximum, medium or minimum security facility and then they are transferred from there. Every prisoner comes to Springhill, so it is an ideal spot for this correctional training centre as proposed by the solicitor general.

It will obviously save a lot of taxpayer dollars if it is established in Springhill just because the facilities are there, the training is there, the people are there and the expertise is there. I certainly endorse the solicitor general's proposal for a new training centre. I strongly recommend that it go to the Springhill community.

There is a third area where I run into justice issues even though I am not the justice critic. It is just as a member of parliament. One of the most frustrating and confusing issues that I have run into is the murder of James Mills. This murder took place on July 24, 1991.

I was involved with it as a member of parliament at that time. But the family has been dragged through a terrible ordeal for seven years, seven years of pain and frustration because there has never been justice for this murder. There has never been anyone held accountable for it. The justice department has never provided any information to satisfy the Mills family as to why its son was murdered while in a correctional facility in Renous, New Brunswick. He was in the care, custody and control of Correctional Service Canada. He was murdered and there has never been any penalty. There has never been a charged laid in this case. In this case I am certainly involved with justice issues.

James Mills was murdered in custody on July 24, 1991. This certainly indicates a breakdown in the system between Correctional Service Canada and the RCMP through the investigation and the evolution of the whole case. It has been closed several times and swept under the carpet. We have been able to drag it out several times. Time after time we have met with Correctional Service Canada people. We have met with the RCMP at all levels, senior, junior, everywhere. We have met with the commissioner of Correctional Service Canada. We have met with the minister over and

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over again and still we are not one step closer that we know of to a resolution to this problem.

The Mills family has never had closure. It has never been able to say somebody is being held accountable for the murder.

We have probably been through a half dozen solicitors general through this period of time since this murder and there still has not been a resolution.

The current solicitor general has certainly been the subject of a lot of attention lately because he talked about some things on an airplane he should not have talked about. The solicitor general has really been helpful in this case to try to secure a resolution to the James Mills case. To me he has gone above and beyond the call of duty because he has compassion for James Mills' family. I appreciate what he has done, although we still are not one step closer to closure.

I ask the solicitor general to continue the pressure to try to get this brought to justice and to ensure that the RCMP complete the investigation and the file is turned over the attorney general of New Brunswick. If the attorney general deems charges should be laid I hope he will lay them forthwith. If not, I hope and I demand that the Government of Canada apologize to the Mills family.

• (1740)

The first choice is that charges be laid, justice be done and penalties be given to the appropriate people.

This brings us back to Bill C-251 which is why we are here. Bill C-251 makes imminent sense to me and, as I said, it makes imminent sense to other people who support me in my riding. It basically says that in the case of sexual offences they be treated differently than other offences.

It says that if there are other offences that occur at the same time that sexual offences occur, the sexual offence penalty be paid completely, that the sentence be served completely and not be done concurrently so that the person who commits a sexual offence cannot get off earlier because of concurrent sentences. I think it makes imminent sense and I certainly support that.

The second part of the bill says the same thing for murderers. In a case like James Mills, perhaps the person who murdered James Mills was in prison already for another murder. If he is convicted under present rules, there is no deterrent to stop that person from committing another murder, another murder, another murder.

Under this bill, if the person is brought to justice, if he does pay the penalty, if he is convicted, then it will be consecutive and not concurrent with the time he is already serving.

A prisoner in Renous murdered another prisoner. If he is convicted under the prison rules, he serves no more time. There is no deterrent. There is no reason for him not to do it. Under Bill

C-251, the sentences will be consecutive and it will be a deterrent to that person from committing further crimes.

This bill emphasizes how completely out of touch with the Canadian people the present government is. The people in my riding want tougher sentences, not weaker sentences. They want criminals who commit violent crimes of a sexual nature or a homicide to stay in prison for their sentences. They do not want concurrent sentences. They want consecutive sentences and that is what this bill does. I certainly support it. My constituents support it totally, I am sure.

It seems the present policy now is for prisoners to be allowed out of prison at the earliest possible convenience to them, at the earliest possible time.

I do not disagree with that on non-violent offences if the prisoners indicate some rehabilitation, some desire to do better, some desire to improve their lives and play a role in our communities.

For violent offences I do not believe there should be exceptions. I do not believe there should be concurrent sentences. They should be consecutive sentences. I endorse this bill 100%.

The government should be focusing on just what this bill does, not things like registering shotguns and rifles. This makes no sense at all for people in my riding in northern Nova Scotia. What people want is for people who commit crimes of a violent nature to serve their time.

We want to focus on that part of justice. We do not want to focus on registration of shotguns and rifles in my riding. I want to add my support to Bill C-251 and I want to compliment the member for Mississauga East for bringing it forth.

Mr. Bryon Wilfert (Oak Ridges, Lib.): Mr. Speaker, I am pleased to speak to this bill in support of my colleague, the member for Mississauga East. She has worked very hard for quite some time to ensure that her proposal does not fall by the wayside.

I begin by quoting from one of her speeches on a similar bill in a previous parliament: "I have sadly been visited by too many victims of crime who have now come to realize that they also are victims of parliament. Some had lost children. Some had lost parents. Some had lost spouses but all had lost faith in the courts, lost faith in the parole boards and, most of all, lost faith in parliament". I believe that parliament can make a difference. To lose faith in parliament would, I think, be disappointing to say the least. All of us in the House believe that parliament can make a difference or else we would not be here.

My colleague has worked on her bill for two parliaments. Surely now is the time to re-establish her faith in parliament. Now is the time to look at this bill and to give it the respect and study it deserves.

• (1745)

My riding of Oak Ridges is evolving. From being a fairly rural and small-town atmosphere where everyone knew everyone else, it has grown to be an urban centre. The problems associated with urban crime and justice are now raising their ugly head.

The chief of police in my area has informed me that the number of first and second degree murders is increasing, as is the number of sexual assaults. These are horrific crimes, domestic homicide involving husbands strangling wives, and beatings and stabbings. I will give some examples.

On September 9, 1995 there was a domestic homicide. A husband strangled his wife. He pleaded not guilty. Upon conviction of manslaughter he served five years in jail.

On December 17, 1995 in my riding there was a domestic homicide. A son-in-law beat his father-in-law to death and attempted to murder another in-law in the same manner. He pleaded not guilty. Upon conviction of second degree murder, he was sentenced to 16 years in jail.

On January 23, 1997 there was a domestic homicide. A young offender stabbed his mother to death. He pleaded guilty and upon conviction of manslaughter was sentenced to six months of secured custody and four months of open custody.

Another problem in my riding is home invasions where people are stalked then attacked in their own homes. There was even a case of two offenders who invaded a home to rob the owners and then slashed the victim who bled to death. That occurred on February 18, 1997. They pleaded guilty. Upon conviction of manslaughter, the young offender was sentenced as an adult to six and a half years in jail; the adult offender was sentenced to seven and a half years in jail.

I want to make the point that one of the bill's objectives is to reduce our inhumanity to the families of victims. Who among us does not remember the horror suffered by the victims of Clifford Olson and their families, the victims of Paul Bernardo and their families, the victims of Denis Lortie and their families.

Half of all those convicted of second degree murder in this country and who are sentenced to life are released after less than 12 years. Denis Lortie machine gunned three people to death and was released after only serving 11 years.

I cannot even imagine what those families have gone through. They deserve our compassion and they deserve truth in sentencing. There should be no discounts in sentencing.

Convicted repeat offenders of these crimes should not serve penalties all at the same time and then be released. If the person has done the crime, he or she should do the time. That means serving

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the full sentence for each penalty, a full sentence for each specific crime.

I have no difficulty in supporting cumulative sentencing for convicted serial rapists and serial killers. I believe in stiff sentences and I believe in serving all the time on the sentence and not serving it all at the same time. If a person is given three sentences, add them up and serve the cumulative time.

I believe this is a way to restore the public's faith in the court system, faith in sentencing, and faith in parliament. We should be proud to send the justice system a clear message. We should be clear and concise. Canadians want criminals treated in a clear way.

According to Sentencing in Canada: "Previous research suggests that, for some offences at least, unwarranted variation in sentencing trends is a reality in Canada. Researchers found for example that the same set of case facts generated sentences that ranged in severity from a suspended sentence to 13 years in prison". This is not right. We should provide the justice system with clear and unequivocal direction.

A sentence should apply for each specific crime and for each victim. Full time should be served for each sentence.

By supporting this bill, we will establish faith in parliament for all Canadians, and certainly for my colleague for Mississauga East.

• (1750)

Mr. Gurmant Grewal (Surrey Central, Ref.): Mr. Speaker, I rise on behalf of the people of Surrey Central to address the contents of Bill C-251.

The bill calls for the imposition of consecutive sentences where a person commits sexual assault and another offence arising out of the same event or where the person is already serving another sentence at the time.

Also, the bill provides that a person sentenced to life imprisonment for first or second degree murder is not eligible for parole until that person has served in addition to the portion of the sentence that the person must serve for murder, one-third or a maximum of seven years of any other sentence imposed on the person in respect of an offence arising out of the same events, or a sentence that the person is already serving. The mandatory portion of each life sentence imposed on a person convicted of a second murder must be served consecutively before that person is eligible for parole.

My constituents and I cannot believe that there is anyone in the House who could disagree with the spirit and intention of the bill. In fact one of my motions in the House as a new member of parliament was along the same lines as Bill C-251. My Motion M-23 calls for the House to provide that in cases where an accused person is convicted of multiple criminal offences, that person

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should receive consecutive sentences. My motion was even broader than the scope of Bill C-251.

I would like to congratulate the hon. member for Mississauga East for bringing her bill forward. This bill would bring some measure of truth to sentencing.

We on this side of the House have been calling for truth in sentencing for many years. Without truth in sentencing we lose confidence in our criminal justice system.

Last summer we heard the justice minister admit in the House that Canadians have no confidence in our criminal justice system. That is what she said. We on this side of the House have been saying that for many years because we listen to what Canadians say to us.

Bernardo brutally killed two people. We feel that he should serve two sentences consecutively. Clifford Olson committed multiple murders. We feel that he should serve multiple consecutive sentences. Justice must be done and seen to be done. That is what we need for Canadians to have their faith in our criminal justice system restored.

What has the Liberal justice minister been doing to restore faith in our criminal justice system? Absolutely nothing. Where are the Young Offenders Act changes? It has been months since the minister last spoke about that.

Today with the passage of this bill, criminals would know that when they commit crimes they will serve the time.

We must hold criminals accountable and punish them for all the crimes they commit. That is what the bill proposes.

In Surrey, B.C. where I come from we have to help our RCMP detachment. The Liberals are allowing their funding to dry up. In my riding the RCMP is rationing the gasoline used in the police cruisers. We cannot believe this. It is like living under the War Measures Act. During times of war we ration gasoline.

Former Prime Minister Trudeau was the last Liberal to invoke the War Measures Act, but he declared it publicly. Our current Prime Minister is doing such a bad job running our country that we are living under War Measures Act rules, except the Prime Minister is not admitting it.

The solicitor general tells us that the RCMP can give us the same service today as it did 125 years ago. That is what he said in question period this week. The RCMP has not been rationing gas for 125 years. Never in 125 years has our RCMP been unable to conduct an investigation because of the lack of personnel and funding.

• (1755)

We can help by preventing the RCMP from having to deal with repeat criminals or their customers. We can ensure that multiple

crimes receive multiple consecutive sentences. We have no apology for keeping repeat criminals off the streets. We need tough sentencing. We do not need five star Liberal jails.

The Liberals should be concerned about the criminal committing further crimes. Instead the government is concentrating on aspects of how early can a person convicted of a crime be released. Again the Liberals are not getting tough on crime. This government should be ashamed.

It was this government that two weeks ago denied our law enforcement agencies the full use of DNA identification technology. Our police were pleading for the use of technology, but the Liberals said no. That is why the bogus refugees on our streets are selling drugs to our children today.

The hon. member for Mississauga East is concerned about the victims of crime. The bill she has introduced provides for consecutive sentencing. We should all support this bill. We should be looking through the lens of the issues and not through the lens of political stripes. We should support any member of the House when he or she is doing the right thing. On this side of the House we are allowed to do that and we expect the same courtesy from the government side as well.

We are supporting Bill C-251 submitted by a Liberal member of parliament because this is the right thing to do. This bill will contribute to bringing safety back to our streets. It will restore a measure of public safety. It will remove criminals from our streets for longer periods of time and it will protect innocent citizens. It will protect the most vulnerable members of our society, women, children and seniors. Yet the Liberals are not taking concrete measures to protect Canadians, make our homes and streets safe and reduce crime through deterrence measures.

The people of Surrey Central want our federal government to exercise a leadership role in terms of getting tough on crime, so we will support this bill.

[Translation]

Mr. Mark Assad (Gatineau, Lib.): Mr. Speaker, Bill C-251, introduced by our colleague from Mississauga East, is the result of a lot of hard work on her part to prove the need to amend the Criminal Code.

She proved, through statistics and studies, that people feel let down by parliament's unwillingness to rectify this rather serious flaw. Our colleague had three goals in moving this bill, the first one being to introduce a human element.

Through her work, she had the opportunity to meet the families of victims of the most abominable crimes you can imagine. They talked about the moral anguish suffered by family members and friends alike. This shows the law is flawed. Some of these crimes are so horrible that they have had a tremendous impact on the

victims' families. Of course, the victims are dead now, but their families are still suffering.

I believe this human point of view is extremely important and not negligible. Often these people feel that the members of their families who were victims of such horrendous crimes have been forgotten. When a sentence is handed down, it is a concurrent sentence. This means that if a criminal is sentenced to life in prison, it does not go any further; of course we know that legally they can ask for parole. After 15 years, they have the opportunity to recover their freedom.

• (1800)

Of course, this is horrible for the victims' families.

Statistics, and our colleague's study, show that in seven out of ten cases the victims fell prey to criminals who had already served prison terms for such horrible crimes as murder, and had reoffended upon being released after 15 years. Very often the victims were children or women.

When we hear such figures, seven out of ten victims due to the fact that these criminals reoffended, we have every right to be concerned and say that the law should be amended. We cannot afford to let people loose when we know that they are very likely to commit the same kind of crimes.

I believe the least we can do is amend the law so that in the case of such horrible crimes and when there are several victims, we do not take any chances and do not release them. These crimes are often beyond our imagination.

The member for Mississauga East is right to believe that the time has come for parliament and members of this House to take a stand on this issue. We have nothing to lose, but everything to gain, in making sure that in the future the kind of crimes we have seen in recent years do not happen again. There are people who were released who should never have been set free.

There is not much more to be said on this issue. Our colleague did her homework. Many people have voiced their opinion on this matter. It is obvious that an amendment was needed and at long last we will have the opportunity to rectify this serious flaw.

[English]

Mr. Janko Perić (Cambridge, Lib.): Mr. Speaker, it is an honour to rise today in this House to support private member's Bill C-251, an act to amend the Criminal Code and the Corrections and Conditional Release Act. This bill was brought forward with great determination by the member for Mississauga East.

This bill would bring justice to sentencing practices in Canada and would end volume discounts for rapists and murderers. By enacting consecutive sentencing for serial murderers and rapists

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this bill will give victims and families faith in parliament and the ability to sleep peacefully at night.

The Canadian public understands that the objectives of this bill are to reduce our inhumanity to the families of victims, to restore some truth in sentencing and to stop gambling away lives on the chance that a multiple murderer or serial predator will not attack again.

Disparity in sentencing in this country provides a strong argument for change. Consider this: half of those convicted of second degree murder who are sentenced to life are released after less than 12 years. Denis Lortie, who gunned down three people in the Quebec National Assembly, was released after only 11 years. That is about 3.5 years for each person he murdered.

• (1805)

Life imprisonment in Canada does not mean life. Canadians are misled to believe that once a murderer goes to jail he stays there. That is not always the case and it never was.

Researchers say that the same set of case facts, for some offences at least, generated sentences that ranged from a suspended sentence to 13 years in prison. There is no consistency from one end of the country to the other. This is very disturbing.

A shocking discovery is found in a study entitled "Sentencing in Canada: Recent Statistical Trends" written by two well-respected experts in this field, Julian Roberts of the University of Ottawa and Andy Birkenmayer of Statistics Canada. The report states:

One of the most basic failings of the current sentencing system in Canada is that there is no method for anyone—to know in a systematic, up-to-date, and accessible manner, on a continuing basis, what kinds of sentences are being handed down.

With no consistency and no proper, well-known precedence on sentencing, how can Canadians have confidence in their legal system? Change begins with this bill.

The tragic irony is that we have no problem invoking consecutive penalties for offences like parking tickets or speeding tickets.

As the member for Mississauga East has explained many times, if someone parks illegally 10 times they pay 10 tickets. There is no volume discount. If someone gets three speeding tickets they are going to pay three fines.

This bill seeks the same principle for serious and vicious crimes. One only has to look at the Clifford Olson case to be compelled to vote for Bill C-251. At Olson's disgusting 745 hearing last summer he read out a letter from his lawyer advising him to admit to all of his murders at once. In this way Olson could take full advantage of the concurrent sentencing law.

We should not accept the fact that Olson and other predators can be given concurrent sentences and that our justice system continues to offer bulk rates for brutality.

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It has been argued in this House that concurrent sentences counter any need to reduce sentencing dispositions for individual offences in order to achieve an overall and just result. It is never just to reduce a sentence for rape or murder just because the victim was not the only victim of the predator involved.

It is worse yet for the courts to mask the fact that they do discount sentences time and time again through concurrent sentencing. The courts should impose consecutive sentences when the crimes are as devastating as murder and sexual assault.

Is it not more logical and compassionate to keep those predators who have killed or sexually assaulted multiple victims securely away from future victims? If we need more space in prisons, then creative forms of punishment and rehabilitation should be introduced for those guilty of property or commercial offences.

Here is a compelling point. It is often said that the National Parole Board is an independent decision maker dedicated to public safety. However, in the real world an average paroled criminal murders one person a month. How can members of this House live with that statistic? How can we not care about victims who have every reason to fear the release of a predator and who can never escape the endless parole process that threatens to unleash the savagery of their assailants?

• (1810)

Consecutive sentences would help the parole board to distinguish the higher risk associated with rapists and murderers convicted of multiple offences from individuals who may be guilty of a single crime from a single incident.

Currently the lives of individual victims have been erased from the sentencing equation. It shows a justice system that cheapens life, where the courts have little regard for the pain, suffering and death of the second, third or eleventh victim. I find this unacceptable. Constituents in my riding find this unacceptable. Members on both sides of this House find it unacceptable as well.

I would like to believe that we live in a country where government would do everything in its power to protect the victims of predators like Clifford Olson, Paul Bernardo and Denis Lortie. Bill C-251 will do just that. The voice of Canadians who want to see important changes to the Criminal Code is growing and growing. We can all relate to the public's need to feel safe. However, it is time to do more than just relate. It is time to enact change to protect the peace of mind of every Canadian in this country.

I thank the member for Mississauga East for bringing these reasonable and required changes to light and for the strength and hard work she has shown in pushing this issue in the House. Our

justice system demands urgent changes. I fully support Bill C-251 and I strongly encourage all members of the House to do the same.

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, it is a pleasure to speak to Bill C-251. I give my encouragement, thanks and admiration to the member for Mississauga East who has worked so hard to bring this bill to the forefront. If we could clap today I am sure we would because she has truly done a tremendous job on something that is going to bring enormous justice to the Canadian people. It will improve our justice system and make our streets safer.

The member is addressing an issue that goes to the worst, most predatorial of all individuals, the violent offender, the murderer, the rapist. The member is introducing a bill that allows for consecutive sentencing, not concurrent sentencing, for individuals who have proven to be a danger to society, who have proven to have violated the fundamental rights of another individual by committing the most atrocious violations through murder or rape.

The Canadian public does not find it acceptable that somebody who commits multiple rapes or murders can only receive one sentence or sentences which run concurrently. It is absolutely unbelievable that only 13% of child molesters, who are often multiple repeat offenders, and 30% of individuals who commit sexual assaults receive a sentence of two years or more. Bear in mind that individuals who receive any sentence can receive parole after serving only one-sixth of their sentence. They can be out on the street after serving only a few months for committing a violation against an individual. The innocent individual will have to live with the violation for the rest of their life. Bill C-251 addresses the root of this problem and provides a constructive outlet for keeping the streets of our country safe.

I would caution the government to make sure that this bill does not languish in committee. All too often private members' bills go to committee and the government blocks them. It prevents those bills from ever reaching third reading and becoming law.

• (1815)

It would be an absolute travesty if this were to happen to Bill C-251. It would be an enormous problem and would do a huge injustice to the hard work by one member of parliament, the member for Mississauga East. She has done so much work for 166 members in the House to arrive at this level of support for the bill. For 166 members to support the bill and for the bill to go to the committee to sit there and languish would be a huge problem. We will be watching the government and government leaders on the other side very carefully to make sure this never happens.

This issue also illustrates a larger problem with respect to Private Members' Business. I know that the House leader, the government whip and all other members opposite who have the power to change it are very interested in constructive solutions to

Private Members' Business

making sure that Private Members' Business is a more lively part of the House.

Private Members' Business is one of the few opportunities for members of parliament to exercise ideas in the House. If the government continues to prevent it from being a useful tool it would violate the very basics of democracy. It would violate the ability of MPs to represent their constituents. It would violate the ability of the Canadian public to be represented in the House.

The government House leader was very vocal and provided many constructive suggestions when he was in opposition. He published a wonderful document along with Mr. Dingwall and a number of other people in 1992 which provided incredibly constructive suggestions on how to improve Private Members' Business.

I know the government House Leader is listening intently to me. I would encourage him to take the words he penned with his own hand in the wonderful document to reform Private Members' Business and make the House more democratic and more responsive to the needs of the backbenchers and the public. I encourage him to pull out that wonderful document, come to the House within the next two months and institute it.

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

Some hon. members: Question.

The Acting Speaker (Mr. McClelland): The House has heard the terms of the motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. McClelland): Call in the members.

• (1835)

And the bells having rung:

The Acting Speaker (Mr. McClelland): The question is on the second reading and reference of Bill C-251.

As it is the practice, the division will be taken row by row starting with the mover and then proceeding with those in favour of the motion sitting on the same side of the House as the mover. Then those in favour of the motion sitting on the other side of the House will be called. Those opposed to the motion will be called in the same order.

• (1840)

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

(Division No. 245)

YEAS

Members

- | | |
|----------------------------------|--|
| Ablonczy | Adams |
| Alarie | Anderson |
| Assad | Baker |
| Bélanger | Benoit |
| Bergeron | Bertrand |
| Bigras | Blaikie |
| Boudria | Brisson |
| Cadman | Canuel |
| Casey | Casson |
| Clouthier | Cullen |
| Dhaliwal | Drominsky |
| Dubé (Madawaska—Restigouche) | Duncan |
| Earle | Eggleton |
| Fournier | Gilmour |
| Girard-Bujold | Goodale |
| Grewal | Guarnieri |
| Hanger | Harb |
| Herron | Hill (MacLeod) |
| Hill (Prince George—Peace River) | Hilstrom |
| Hoepfner | Jones |
| Jordan | Kilger (Stormont—Dundas) |
| Konrad | Lalonde |
| Lastewka | Lee |
| Longfield | MacKay (Pictou—Antigonish—Guysborough) |
| Mahoney | Malhi |
| Mark | Martin (Esquimalt—Juan de Fuca) |
| Mayfield | McGuire |
| McNally | McTeague |
| McWhinney | Meredith |
| Mitchell | Murray |
| Myers | Obhrai |
| Pagtakhan | Pankiw |
| Penson | Peric |
| Perron | Pratt |
| Proctor | Proud |
| Richardson | Schmidt |
| Stewart (Northumberland) | Stoffer |
| Strahl | Tremblay (Lac-Saint-Jean) |
| Tremblay (Rimouski—Mitis) | Ur |
| Vanelief | Vellacott |
| Wilfert—81 | |

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Members

- | | |
|------------|---------|
| DeVillers | Mancini |
| Robinson—3 | |

Adjournment Debate

PAIRED MEMBERS

Axworthy (Winnipeg South Centre)
Caccia
Catterall
Duceppe
Gagliano
Guay
Laurin
Rocheleau
Turp

Bevilacqua
Cardin
Desrochers
Fontana
Gauthier
Ianno
Lincoln
St-Hilaire
Valeri

The Acting Speaker (Mr. McClelland): I declare the motion carried. Accordingly the bill stands referred to the Standing Committee on Justice and Human Rights.

(Bill read the second time and referred to a committee)

ADJOURNMENT PROCEEDINGS

[*English*]

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

THE ATLANTIC GROUND FISH STRATEGY

Mr. Peter Stoffer (Sackville—Eastern Shore, NDP): Mr. Speaker, I rise today to question the government's ability and ingenuity on the post-TAGS adjustment program, the one that was recently announced.

This may sound different but I have to give credit to the government for at least having some form of initiative in a post-TAGS adjustment program when all the indications out there were that it would not do anything at all.

The unfortunate part is that the new program falls extremely short of assisting those people who have been seriously affected by the downturn of the fishery as well as DFO government policies. There is no question at all that when the new TAGS adjustment program was announced, thousands and thousands of the fishermen and plant workers on the east coast of Atlantic Canada and in Quebec were shut out of the new system.

Basically what they have done is apply one set of fishing groups against another. During committee consideration in early May and June I begged the Minister of Fisheries and Oceans to announce the program while the House was in session so that we could debate the issue here and not through the media.

He had said at that time that he would take it under consideration but could not offer any guarantees. Unfortunately that wish went by the boards, and they announced the program in Newfoundland

which unfortunately turned into a bit of a shouting match between displaced fishers and representatives of the government who were there to announce the program.

● (1845)

The real essence of this entire equation is that fishermen and plant workers do not want the damn TAGS. They do not want it. They just want to work.

A classic example is that today I announced in a statement in the House that the town of Canso which was a viable fishing community with over 400 years of self-sufficiency will now announce at the beginning of January that it will have to claim civic bankruptcy because of the direct policies of DFO.

The fact of the matter is that a lot of fishermen and plant workers throughout the Atlantic coast and Quebec were shut out of any adjustment program. Another aspect to the adjustment program is the licence buyback. It falls extremely far short and is absolutely criminal of what the government has done to these people who invested their entire lives in historical attachment to the fishery to get crumbs from this federal government.

In conclusion we do not have an agreement with the United States on Pacific salmon because the minister himself said "the United States is a very powerful nation and we have to tread carefully in negotiations with them".

I have on my desk the fact that the very mighty and powerful nation of the Faroe Islands has convinced Canada that we have to open up the Flemish Cap which is just outside the 200 mile limit. We have to give it additional access to shrimp. This shrimp allocation should have gone to those Canadians in Canso and in Mulgrave. Unfortunately now hundreds of people will be losing their jobs because we capitulated to that great powerful nation, the Faroe Islands.

It is absolutely scandalous that thousands of Canadians in this country can be so seriously let down by this government.

Ms. Bonnie Brown (Parliamentary Secretary to Minister of Human Resources Development, Lib.): Mr. Speaker, the Atlantic groundfish strategy or TAGS was designed to ensure that individuals who had lost their livelihood and source of income could meet their basic human needs. On this score TAGS has been successful. Over 40,000 clients were provided with income support in a timely manner. The program has also been successful in helping some 15,000 fisher workers adjust out of the industry.

We realize that it will be a long time, if ever, before these fish stocks are returned. We realize that what fishers and their communities need are tools and programs to assist them to build new lives outside the fishery. Therefore on June 19, 1998 we announced an

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additional \$730 million for a program called the fishery restructuring and adjustment measures. These measures include a final cash payment, licence retirement, early retirement benefits, mobility assistance, employment programming and wage subsidies.

To date we have approved in addition 145 term job creation projects in Newfoundland which will put 1,645 Canadians back to work. In Nova Scotia we have already approved six projects putting 78 Canadians back to work.

In closing I wish to assure the hon. member that the Government of Canada is not abandoning its responsibility for the people on the east coast. On the contrary this government is providing millions of

dollars in funding to the east coast and Quebec to help these Canadians and communities adjust to the changing economy.

It is for this reason that the government remains committed to ensuring that all Canadians, including fishers and plant workers, can plan for their future.

The Acting Speaker (Mr. McClelland): The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

(The House adjourned at 6.48 p.m.)

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