House of Commons Debates

VOLUME 133 NUMBER 103 1st SESSION 35th PARLIAMENT

OFFICIAL REPORT
(HANSARD)

Tuesday, October 4, 1994

Speaker: The Honourable Gilbert Parent

HOUSE OF COMMONS

Tuesday, October 4, 1994

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

[*English*]

COMMITTEES OF THE HOUSE

AGRICULTURE AND AGRI–FOOD

Mr. Jerry Pickard (Essex—Kent): Mr. Speaker, I have the honour to present the second report of the Standing Committee on Agriculture and Agri–Food which deals with Bill C–49, an act to amend the Department of Agriculture Act.

[*Translation*]

PROCEDURE AND HOUSE AFFAIRS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, I have the honour to table the thirty–eighth report of the Standing Committee on Procedure and House Affairs with respect to the list of associate committee members.

With leave of the House, I intend to move for concurrence in this report later this day.

* * *

(1005)

[*English*]

CANADA LABOUR CODE

Mr. Allan Kerpan (Moose Jaw—Lake Centre) moved for leave to introduce Bill C–280, an act to prevent the interruption by labour disputes of the orderly progress of grain from the farm gate to export and to amend the Canada Labour Code and the Public Service Staff Relations Act in consequence thereof.

He said: Mr. Speaker, I rise today to seek leave to introduce a private members' bill entitled an act to prevent the interruption by labour disputes of the orderly progress of grain from the farm gate to export and to amend the Canada Labour Code and the Public Service Staff Relations Act in consequence thereof.

The purpose of the bill is to prevent work stoppages affecting the transportation of grain from the producer to the point of export by establishing a system of arbitration of disputes by final offer selection, a mechanism that is very consistent with the collective bargaining process.

I am very pleased that several of my colleagues have formally indicated to me their support of this bill. They are the members for Lisgar—Marquette, Vegreville, Okanagan—Shuswap, Prince George—Peace River, Yorkton—Melville and Kindersley—Lloydminster.

Theirs and other members' support is greatly appreciated and will be duly and officially recognized through the proceedings of the House as it deals with the bill.

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

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CORRECTIONS AND CONDITIONAL RELEASE ACT

Mr. Chuck Strahl (Fraser Valley East) moved for leave to introduce Bill C–281, an act to amend the Corrections and Conditional Release Act and the Prisons and Reformatories Act.

He said: Mr. Speaker, inmates in federal institutions have sometimes deceived innocent people by contacting them through the mail.

Recently a British woman began a relationship by mail with an inmate in my riding. She moved to Canada thinking that circumstances were normal and that she had a normal contact through the mail. However, she was murdered during a conjugal visit at the prison.

Today I have the honour to table a bill that would require officials to clearly mark all mail sent by inmates with the words: ''sent from a correctional facility''. I believe that this bill will protect innocent people.

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

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COMMITTEES OF THE HOUSE

PROCEDURE AND HOUSE AFFAIRS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, I think you will find unanimous consent to dispense with there-

ading of the 38th report of the Standing Committee on Procedure and House Affairs.

If that is the case I move, also with unanimous consent, that the 38th report of the Standing Committee on Procedure and House Affairs presented to the House earlier this day be concurred in.

(Motion agreed to.)

* * *

PETITIONS

ASSISTED SUICIDE

Ms. Margaret Bridgman (Surrey North): Mr. Speaker, pursuant to Standing Order 36, I rise to table two petitions from residents in my constituency of Surrey North.

The first petition, signed by 40 residents, asks that the Parliament of Canada prohibit and continue to prohibit assisted suicide and to support the Criminal Code provisions prohibiting such activities which exist at the present time.

HUMAN RIGHTS

Ms. Margaret Bridgman (Surrey North): Mr. Speaker, the second petition, also signed by 40 residents, requests that Parliament not amend the human rights code, the Canadian Human Rights Act or the Charter of Rights and Freedoms in any way which would tend to indicate societal approval of same sex relationships or of homosexuality, including amending the human rights code to include in the prohibited grounds of discrimination the undefined phrase sexual orientation.

(1010)

[*Translation*]

Mrs. Gagnon (Québec): Mr. Speaker, excuse me, I do not have a petition to present, but I have a motion. Should I have presented it earlier?

The Speaker: With the consent of the House, we could come back to it.

[*English*]

RIGHTS OF THE UNBORN

Mr. Chuck Strahl (Fraser Valley East): Mr. Speaker, I have the privilege to present two petitions today.

The first is on the subject of abortion which is very important and is in the news these last few days. I feel privileged to present a petition signed by 88 of my constituents who call on Parliament to pass legislation which protects the unborn child.

I and the petitioners are concerned that currently there is no abortion law in Canada. Together we call on the government to protect the weakest people in our society.

HUMAN RIGHTS

Mr. Chuck Strahl (Fraser Valley East): Mr. Speaker, I am pleased to present my second petition on behalf of members of my constituency, most of whom belong to the Netherlands Reform Congregation, regarding the subject of sexual orientation.

The petitioners state that same sex couples should not be accorded special status by including the undefined phrase sexual orientation in human rights legislation. They do not want the government to include it in legislation which they believe would encourage this type of lifestyle. I agree with their conclusions.

CRIMINAL CODE

Mr. John Duncan (North Island—Powell River): Mr. Speaker, I rise to present a series of petitions on five separate subjects which I have received from individuals of my constituency of North Island—Powell River.

I present two petitions that call for no amendment to the Criminal Code concerning physician assisted suicide, one petition calling for a ban of the serial killer board game, one petition calling for respect of the unborn, two petitions requesting Parliament to resist pressure to include sexual orientation in the Canadian Human Rights Act, and the final petition calling for greater protection of children from sexual assault in the memory of Dawn Shaw.

The Speaker: My colleagues, I inadvertently missed one of our colleagues on motions. I wonder if we could have unanimous consent to revert to motions.

Some hon. members: Agreed.

* * *

[*Translation*]

CRIMINAL CODE

Mrs. Christiane Gagnon (Québec): Mr. Speaker, I ask the House for unanimous consent to propose an amendment to the title of my Bill, C–277, an Act to amend the Criminal Code (circumcision of female persons), by removing the word ''circumcision'' and replacing it with the words ''genital mutilation''.

I would also like the English version of the title to be amended accordingly.

(Motion agreed to.)

* * *

[*English*]

QUESTIONS ON THE ORDER PAPER

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

The Speaker: Shall all questions stand?

Some hon. members: Agreed.

REQUEST FOR EMERGENCY DEBATE

WEST COAST SALMON FISHERY

The Speaker: I am in receipt of a notice of motion under Standing Order 52 from the hon. member for Kamloops.

Mr. Nelson Riis (Kamloops): Mr. Speaker, I rise pursuant to Standing Order 52 to request an emergency debate on what can only be described as an emergency today but as a crisis on the west coast of Canada.

When I first raised this matter two weeks ago it had been found that 1.3 million salmon had mysteriously gone missing. No one could account for them. We were concerned at that point and asked for an emergency debate. Now 1.9 million more have gone missing.

I know that the minister said there would be an investigation and he will report some time next year. Not only do members from the west coast want to debate this in the House but members from all sides do, knowing full well what happened on the east coast when the government was reluctant to take action and to provide strong leadership.

It is a disaster. It is a crisis situation.

(1015)

The public confidence in terms of the ability to manage those resources has, for all intents and purposes, evaporated completely in British Columbia. For that reason, Mr. Speaker, I ask you to consider calling for an emergency debate on this issue later today.

The Speaker: This indeed is an important issue. The hon. member has seen fit to bring it before the House on two previous occasions. However, I would rule that his request does not meet all of the conditions for emergency debate at this time.

GOVERNMENT ORDERS

[*English*]

CANADA GRAIN ACT

Hon. Ralph E. Goodale (Minister of Agriculture and Agri–Food) moved that Bill C–51, an act to amend the Canada Grain Act and respecting certain regulations made pursuant to that act, be read the second time and referred to a committee.

He said: Madam Speaker, I am pleased to introduce for second reading today this legislation to amend the Canada Grain Act. These amendments will contribute substantially to the competitiveness of our grain industry and the well–being of the many communities, families and individual Canadians who earn their livelihoods in this very important sector of the Canadian economy.

As members of this House will be aware, the Canada Grain Act is administered by the Canadian Grain Commission. Under the act the commission is responsible for regulating the handling of grain in Canada and for establishing and maintaining standards of grain quality. The commission plays an essential role in maintaining the international reputation which Canada enjoys for high quality grain products.

I therefore wish to take a moment as we begin this debate to acknowledge the hard creative work performed by commission employees from Prince Rupert, British Columbia to Baie Comeau. I would also like to thank commission staff for its contributions to the preparation of the amendments that I am bringing before the House today. In expressing these sentiments I am sure I am speaking for all members who appreciate and understand the challenges which we as legislators place before the men and women who work in Canada's public service.

I would be remiss if I did not also acknowledge the weighty contribution to this bill that has been made by Canada's grain industry. These amendments are the product of lengthy, detailed consultations throughout the Canadian grain industry with producers, grain industry executives and farm organizations which represent the full spectrum of that important industry.

I want to outline the consultation process so members of this House can share the confidence that I have that the legislation we have before us today does represent the needs, the expectations and the views of the overwhelming majority of stakeholders from all sectors of our grain industry.

In February, 1991 the Canadian Grain Commission initiated a review of licensing and security issues arising under the act. The commission circulated a discussion paper and held face to face consultations with the representatives of 45 organizations. These organizations represented grain producers, elevator companies, grain dealers and so on.

Then in August, 1991 the commission circulated a policy proposal which was the subject of wide discussion throughout the grain industry. The grain commission met with the representatives of 57 organizations. This second round of consultations produced much useful feedback and resulted in a revised proposal being circulated in November of 1991. Each group that had participated in those earlier consultations received a copy and was asked for additional written comments and recommendations.

(1020)

Based on the responses to this round of consultations the grain commission produced a revised proposal and circulated it again in February 1992. Additional suggestions were made in discussions with stakeholders that occurred during the 1992 federal regulatory review process.

The legislative amendments that I bring before the House today are rooted in this consultation process and form an essential part of government's general commitment to strengthening Canada's competitive position in world markets.

For purposes of our discussion today I would group the amendments that we have before us in three broad categories. The first deals with enhanced competitiveness. The second deals with more protection for grain producers. The third is focused on new safeguards for Canadian taxpayers.

I would like to deal with the issue of enhanced competitiveness. The grains industry in this country is changing and the pace of change is accelerating. To remain competitive in global markets, markets in which Canada sells most of its grain, we need a regulatory and legislative framework which protects the shared interests of all of the stakeholders.

At the same time it must assist individuals and groups within the industry to compete successfully, adding value where possible to their efforts. Our proposed amendments to the Canada Grain Act are designed with these concerns in mind.

The Canada Grain Act will be amended to strengthen the role that quality plays in Canada's grains industry. This will help reinforce the many things we do in Canada which ensure that only the best grain varieties are developed, marketed and transported through our bulk handling system. This amendment affirms that as Canada's grain sector evolves quality will continue to be a cornerstone of the Canadian grain marketing strategy.

Canada's commitment to grain quality will be strengthened in other ways as well. The definition of contaminated grain will be clarified and the responsibility of elevator operators for the safe handling of hazardous compounds and the safe disposal of contaminated grain will be clearly spelled out.

As well, an amendment will confirm the commission's authority to set standards for the drying of grain. This is perhaps more important than first might appear. Because improperly dried grain often cannot be detected until it is actually processed the first sign of a problem in this area could be a dissatisfied customer, and that is obviously too late.

This amendment provides the commission with another means by which to maintain Canada's reputation for grain quality. This translates into enhanced competitiveness for Canada's grains industry.

In the spirit of removing unnecessary laws, process elevators will not be required to undergo weigh–overs. A weigh–over is a procedure in which an audit is conducted to verify tonnage in store by grade. Weigh–overs obviously serve a useful purpose when conducted at terminal and transfer elevators because in those instances the elevators are often handling grain they do not own. By contrast, process elevators own the grain they have in stock and therefore weigh–overs serve no useful purpose.

A central objective of this government is to remove laws and regulations which have outlived their usefulness and this amendment supports that objective.

As I announced in July 1994, the grain commission will no longer be required to set maximum tariffs for elevators. Elevator tariffs are the fees that grain elevator companies charge for their services. Government regulation of tariffs dates back to a time when producers were much less able to protect themselves from the setting of unfair prices. However, because producer owned or controlled companies now control the majority of elevator capacity in Canada, there is no need for government to continue to regulate tariffs on behalf of producers.

(1025)

This deregulation of maximum tariffs will proceed in two stages. First, during a two–year transition period, the commission will retain the authority to set tariff ceilings by order. I would not anticipate any significant problem with this process.

In the current crop year terminal elevator operators were given the power by commission order to set their own elevation tariffs. For the most part, their increases were relatively minor and on the whole fair. This bodes well for the future and I am confident that allowing the market to function more freely will provide benefits to everyone concerned.

At the same time, even after the two–year transition period the commission will continue to have the authority to deal with maximum tariffs if that should become necessary. During and after the transition period the grain commission will perform an ombudsman role, responding to complaints and seeking remedies.

I wish to stress that this amendment arises from our commitment to regulatory reform, removing regulations that hinder the competitiveness of Canadian industry, and developing a regulatory regime which adds value to the efforts of Canadian enterprises to compete in international markets.

Bill C–51 will remove the requirement that only public carriers transport grain interprovincially. This will benefit producers, providing them with transportation options that may help them to reduce some of their marketing costs. Other amendments will allow the grain commission to stipulate that electronic transmission of transactions may replace paper documents. This will save money and time for the grain commission and for the industry as a whole.

I would now like to turn to the issue of protection for grain producers. The Canada Grain Act of 1912 established the Canadian Grain Commission in large measure to protect the interests of Canadian grain producers. This remains a central feature of the act, and several of the proposed amendments

before us today are designed to maintain this protection function.

They include granting authority to the grain commission to act against companies that illegally use Canada Grain Act grade names. The bill also includes provisions that require licensed grain dealers to use Canada Grain Act grade names in all of their transactions with producers, provisions to specify the way in which grade, dockage and moisture content are determined and recorded at the country elevator, and provisions to allow the suspension of licences of primary elevators where overages exceed allowable limits.

Overages are discrepancies between the amount of grain an elevator has in store and the amount that it should have according to records of shipments and receipts. The amendments will also include provisions that confirm the authority of the grain commission to require operators to fully ensure the grain in their elevators.

The current reporting requirements are not as effective as they should be under the law for determining the financial health of a prospective licensee. Therefore, this bill contains provisions that require prospective licensees to provide specified financial data which demonstrate their financial viability.

I would now like to turn to the issue of enhanced protection for taxpayers under this proposed legislation. The amendments will provide such protection for the taxpayers of this country. Members will recall that in 1991 the Federal Court of Appeal ruled that the grain commission was liable for losses sustained by producers in the early 1980s when two licensees went bankrupt and their security posted with the commission did not cover their liabilities.

As a result of this, Canadian taxpayers were required to pay more than $3.9 million, an amount equal to the difference between the security posted by the companies and their actual liabilities to grain producers.

While the Federal Court of Appeal has obviously disagreed, it is the view of many in the industry that the Canada Grain Act was not intended to provide unlimited protection for grain producers in all circumstances.

(1030)

Unlimited business protection of the kind apparently envisaged by the Federal Court of Appeal judgment is unknown in virtually any other sector of our economy. Most producer organizations understand how it can lead some producers into making unwise business decisions.

Therefore, while protection by security posted by licensees is one of the rights producers have under the act I believe, and the majority of producer organizations with which the commission consulted agree, that grain producers need to assume somewhat more responsibility for their own business dealings.

While certain of our amendments give the commission more authority to deal with licensees whose security may be insufficient, other amendments place an onus on the farmer to help minimize his or her own risk. These provisions include, first, an amendment that will provide by regulation protection for producers for a prescribed period from the date of delivering their grain to a licensee.

If producers decline to accept payment for their grain within that specified period, they will not be eligible to be paid out of the licensee's posted security should that company ultimately fail. Based on consultations which the grain commission has conducted with producers and the industry the prescribed period will be 90 days. There will be a requirement that the farmer must notify the grain commission within 30 days of a failure to pay or default by a grain company.

The amendments will also place a responsibility on the farmer to determine if he or she is in fact dealing with a duly licensed company. As only licensed companies must post security with the grain commission, claims will not be valid if the farmer is dealing with an unlicensed company.

A provision will require the producer to obtain grain commission authorized documents from grain dealers and other grain commission licensees. The amendments will permit the commission to set percentage limits on security coverage. The commission would not however be able to use that particular regulatory power without governor in council approval. Currently coverage is 100 per cent. I expect this will remain the case for the foreseeable future.

Finally, the amendments explicitly limit the ability of the Canadian Grain Commission to have the amount of security posted by licensed companies through the commission. This provision is designed to bring the protection enjoyed by producers more in line with security provisions common in many other areas. It is a bit analogous to the limits placed on what the government will guarantee depositors in a financial institution that fails.

These provisions are not a cure–all. No legislation can ensure that grain companies will not make bad decisions. No law will prevent bankruptcies. Nonetheless, these amendments will place more responsibility with the producers for dealing with licensed, viable companies. As well these provisions will encourage producers to refrain from taking unnecessary risks when dealing with any company, licensed or otherwise.

These amendments will reduce the risk which has been borne in the past by the taxpayer. As I said in my first introductory remarks this package of amendments was preceded by a series of

in depth industry consultations across the grains industry in this country.

These consultations demonstrate conclusively that the industry has changed, strengthening our conviction that Canada's legislation has to respond to those changes. I believe the amendments before the House today have the support of the majority of participants in our grains industry. These organizations share my belief that these amendments will produce substantial benefits for producers, taxpayers and the grains industry as a whole. I recommend the amendments contained in Bill C–51 to the House for approval.

[*Translation*]

Mr. Jean–Guy Chrétien (Frontenac): Madam Speaker, I welcome this opportunity to participate this morning in this debate on Bill C–51, an Act to amend the Canada Grain Act.

(1035)

Bill C–51, this bill to amend the Canada Grain Act we are debating this morning will not cause much of a stir. The proposed amendments are rather technical and are aimed at increasing efficiency in the administration and operation of the Canadian Grain Commission and the grain industry.

The Canadian Grain Commission is responsible for the implementation of the Canada Grain Act. It is required to establish and maintain standards of quality for Canadian grain and to regulate the handling of grain in Canada.

The bill before us has a triple objective: first, to improve the competitiveness of the grain industry; second, to ensure better protection for producers when they do business with grain dealers and big companies; and third, to protect taxpayers more adequately.

Last Saturday, I had the chance to meet with greenhouse tomato producers in my riding, and one of them told me this story that I would like to share with you this morning. Here is how the story goes: tomatoes he sells 70 cents per pound to the supermarket and delivers himself because he handles the marketing are sold minutes later at the same location not for 79 cents per pound, not for $1.39 per pound, but—listen to this— $2.39 per pound.

So, this greenhouse producer said: ''You know, I have to work four months to grow my tomatoes before I can sell them at 70 cents per pound, but all the owner of this supermarket has to do is to keep them in his refrigerator or display for 24 or 48 hours to make a net profit of $1.70 per pound''.

Producers are sometimes believed to pocket the biggest share, but they are not the ones. In this case, there was no intermediary; this producer handles marketing himself, yet the tomatoes he gets paid 70 cents a pound for, the very same tomatoes sell for $2.39 per pound, just 24 to 36 hours later.

Coming back to Bill C–51, in order to increase competition, the commission will no longer have to set maximum elevator charges. Such deregulation will come about gradually however, and the commission will retain the discretion to set a ceiling through regulation. It will also have the power to investigate complaints and, of course, settle them. We are told that this will give elevator operators more flexibility in setting their prices based on market conditions.

If there is a problem, the board reserves the right to set a ceiling. Producers must enjoy sufficient protection so that the time needed to handle their complaints does not push them into bankruptcy.

Some of the amendments have aroused concern, however, since the regulations that go with the bill will have a very big impact on the bill itself. We hope that the Minister of Agriculture and Agri–Food will table the regulations in committee so that we can assess the impact of the bill before us this morning.

(1040)

Furthermore, it is unlikely that the deregulation provided for in this bill will lead to a rise in consumer prices. Let me explain. The Canadian Wheat Board pays producers based on the price it gets on the international market. The government for its part, after assessing the market outlook, sets a base price it is committed to paying to producers.

In the last several years, the base price has been set at a very low level, which minimizes the government's obligation to reimburse producers in case sales collapse on the international market. When the international price is higher than the initial price, the board pays producers the difference. If the reverse is true, the difference is paid by the government. It should be pointed out that production or transport costs have no impact on the initial price level.

In the event of a significant decline in the market price, producers will rely on the income support program that includes the Gross Revenue Insurance Plan and the Net Income Stabilization Account. If the market price remains stable but production costs rise, producers will dip into their Net Income Stabilization Accounts. This account is financed by producers' premiums. Up to 2 per cent of his gross revenue is matched by the federal and provincial governments and a further 20 per cent that is not matched can be added.

The producer receives interest on the invested funds at 3 per cent above the market rate. He draws on his account if his profit margin is less than the moving average of previous years. As a result, the operators would have to overcharge considerably to lower the producer's profit margin; the producer could then draw on his stabilization account.

It is therefore unlikely, but nevertheless, should it occur, taxpayers would have to supplement a drop in the producer's net income with matching payments. Deregulation also allows producers to use private rather than public transportation to take grain from one province to another. That is something new.

Madam Speaker, let me now show you and this House how this everyday bill is a perfect example of the gulf between Quebec and the rest of Canada. Since most grain growers are in Western Canada, logically the associations representing them should be consulted about the impact of the bill before us, C–51.

(1045)

Out of curiosity, I went to find out what Quebecers are thinking. The producers who should be concerned, Quebec's grain growers, are not. The reason is very simple: they are mainly under provincial legislation. So Quebec producers again have to deal with two levels of government. For example, the primary elevators are in provincial jurisdiction, while the transfer and process elevators are in federal jurisdiction.

The Government of Quebec has authority for everything concerning the domestic market, including the shipment of grain. Outside Quebec borders, federal jurisdiction takes over. There is a long list of such waste of time and money in every sector and department.

In terms of the grain required to feed its cattle, Quebec is 70 to 80 per cent self–sufficient. Here, I must pay tribute to the former Quebec Minister of Agriculture, my friend Jean Garon, with whom I had the pleasure of working on several occasions. By the time he left the agriculture department, in 1985, he had increased the province's self–sufficiency to over 80 per cent.

The other 20 to 30 per cent comes from Ontario or the United States. These percentages clearly show why Quebec producers have concerns other than those addressed by this legislation. Their situation is completely and totally different. Since the federal government gives us so many opportunities to make suggestions, I will make one this morning: Why does the Minister of Agriculture not look at the problem experienced by maple producers, considering that 86 per cent of all the maple syrup on this planet comes from Quebec?

The monies invested in that sector by his department are absolutely insufficient. In my riding of Frontenac, where exceptionally good quality maple syrup is produced in great quantities, producers are lamenting over the fact that their syrup is still being sold at the same price as ten years ago. Because there is a major surplus, they have no choice but to accept the price offered to them. Their latest idea to dispose of their stock is to sell maple syrup to be used in ice cream, in the form of maple sugar bits. This product is extremely popular right now in the U.S., in Canada and of course in Quebec. There is also maple syrup yogurt. I do hope, however, that nobody finds a way to replace maple sugar or syrup by a substitute which will taste the same but will not be the real thing and may well not be much cheaper.

I urge you, Madam Speaker, as well as hon. members in this House, to sample the cakes made with maple syrup by the bakery in Saint–Méthode. You have? Good. These are made with real maple syrup and not a substitute. Last spring, when I visited that bakery, they were proud to tell me that they had already used 500 barrels of maple syrup.

(1050)

Now, if the federal government would only look beyond what it is doing in Western Canada for farmers and realize there is a case for investing in research and development in Quebec. This morning I mentioned the maple syrup industry. There are other examples of areas where Quebec is well ahead of the other provinces or other countries. Milk production is case in point, since Quebec is responsible for 48 per cent of Canada's milk production.

So why not invest more to develop the potential of a sector that already has an excellent record? We in the Bloc Quebecois have no objection to the measures being sought by Western farmers, and we have no objection to their excellent association supporting such measures. We have conducted consultations and checked our facts, and Bill C–51 appears to have the approval of Western farmers. Farmers in Western Canada are in the best position to know what is good for them. It is only fair to give them the tools they need to develop their potential.

In turn, we would like to see the same respect shown for the choices Quebecers will make in this coming year. Let the people who know what is best for them decide what kind of future they want.

Madam Speaker, I thank you for this opportunity, and I can assure the Minister of Agriculture and Agri–Food that all Bloc Quebecois members in this House will support Bill C–51.

[*English*]

Mr. Jake E. Hoeppner (Lisgar—Marquette): Madam Speaker, I appreciate the comments of both members this morning. I will address this bill on the basis that I agree with some points and feel very negative about others.

The Canada Grain Act is administered by the Canadian Grain Commission which is the agency mandated to establish and maintain grain quality and regulate the Canadian grain handling system.

I can support the main intentions of this bill as it aims at making our grain industry more competitive. We all want to see Canada build on its reputation as a producer and supplier of quality grain to the world.

It is important to remember that there are many important components that make up the grain industry and we should be sure that they are all working in top form to ensure the health and viability of this sector.

For example, last year we had problems caused by disruptions in the grain transportation system. This year it looks like we are going to experience some of the same problems which are disastrous and detrimental to our industry. Clearly we have to learn to start taking problems for what they are and try to solve them from past experiences without jeopardizing the future or the well–being of the industry.

Turning to the bill, I will outline some of its provisions. The Canadian Grain Commission will no longer be required to set maximum tariffs charged by grain elevators. Over time it is hoped that this will allow elevator operators to be more flexible and competitive in pricing their services while encouraging capital investment. This will also give grain buyers more authority to penalize people who put grain into terminals but do not move it quickly enough.

(1055)

This amendment may solve a problem that was evident last year when the Canadian Wheat Board plugged elevators with grain for which there was not immediate buyers.

With the current legislation, terminals do not have to wait for boards to sell. They can legislate increased premiums or tariffs. This will probably have a positive effect on the system. Cabinet through governor in council will have the power to reverse these amendments. It remains to be seen whether this amendment will give terminals any real power or whether the Canadian Wheat Board will continue to be protected by the government through the undemocratic governor in council process.

I also wonder if the government in the future will invoke governor in council provisions to give more power to the Canadian Wheat Board and further regulate the industry.

The legislation states that after the maximum tariffs are eliminated the role of the Canadian Grain Commission will be that of a conciliator in resolving tariff disputes. This raises the question that if there is a need to further define this role, how will this be accomplished? Will it be through legislation or through governor in council?

The legislation allows for free movement within the western jurisdiction and within the eastern jurisdiction but not between the two jurisdictions. I wonder why there are these restrictions on interprovincial trade within Canada. As hard as it may be to believe, there are more barriers to trade between provinces in Canada than there are between countries in the European community. I really question the rationale that says there should be restrictions for grain movement within Canada.

This summer we saw the first ministers sign an interprovincial trade agreement that actually did very little to promote free trade. It surprised me that when they had an opportunity to solve a problem that has to be resolved, they accomplished little, especially in the area of agriculture. This is all the more surprising when one considers that these restrictions are not imposed by us, by foreign governments or international regulations. These are pitfalls that we have set up for ourselves and which we have to be more determined to remove.

By eliminating internal trade barriers we can remove the distortions in our markets and ensure that producers in this country have more control in setting prices instead of having a system where internal trade barriers ensure that trade prices are artificially inflated.

This bill will also remove the requirement that only public carriers can transport grain interprovincially. This is a good idea that will hopefully allow producers to reduce their marketing costs by giving them more transportation options.

The amendments in Bill C–51 also attempt to provide increased protection for grain producers. These include giving the Canadian Grain Commission authority to act against companies which illegally use Canada Grain Act grade names; requiring licensed grain dealers to use Canada Grain Act grade names in all their transactions with producers; specifying the way in which grade, dockage and moisture content are determined and recorded at the county elevator; authorizing the Canadian Grain Commission to suspend the licences of primary elevators where overages exceed allowable limits, which is very preferable; confirming the authority of the Canadian Grain Commission to require operators to fully insure the grain in their elevators; and, requiring prospective licensees to provide specific financial data which demonstrates their financial viability.

Certainly increased protection for producers is something that should be pursued but there is always a danger that by adding more regulation the system is being weighed down more and more. We have to find ways to get protection for producers without getting into the way of how they conduct their businesses.

(1100)

There are also aspects of these amendments that will hopefully result in increased protection for taxpayers. Under the bill producers will have 90 days to seek payment for their grain after delivery to a licensee. If producers do not seek payment within that time period they will not be eligible to be paid out of the licensee's posted security. Then the companies go bankrupt.

The farmer would also be required to inform the Canadian Grain Commission within 30 days of a failure to be paid by grain companies. The onus will be on farmers to determine if the companies they are dealing with are licensed by the Canadian Grain Commission.

Since licensed companies must post security with the Canadian Grain Commission, claims will not be valid if farmers are dealing with unlicensed companies. The Canadian Grain Commission will be limited on its liability to the amount of the security posted by the licensee. It is intended to be similar to the limits placed on what the government will guarantee depositors if a financial institution fails.

These are some of the bylaws I can support. As the House knows, I am no great friend of the Canadian Transportation Agency or the Canadian Grain Commission. Why is that so? I would like to remind the House that as a farmer and as a politician today I like to deal fairly with every individual.

In May of this year the Manitoba *Co–Operator* published an article that read: ''Double standard claimed. The Canadian Grain Commission, guardian of the quality control system that makes Canadian grain exports the best in the world, tells farmers to do one thing but one of its assistant commissioners has been practising another. This commissioner has grown unregistered wheat for a whole year before it was internally licensed''. If that is not a double standard, if that is protecting the Canadian farmer, I cannot agree with the bill.

When questioned one Domain area farmer said: ''How political was the decision not to register Grandin grain or how political was the decision to bring it in?'' When the wheat board commissioner, Mr. Murta, replied to it, he said: ''It is an indication of a system that almost got ahead of itself and you can see the result''.

We were to have a grain commission to protect the quality of our grain and what did it do? It illegally allowed one of its assistant commissioners to bring in grain.

When another farmer was asked how he felt about it, he replied: ''Although the first Grandin wheat came into the prairies illegally, one of the first farmers to import it says Agri–Canada officials told us how to do the paperwork. They told us we didn't have to use variety name. We could use lot number''.

Is this the type of grain commission we want? Not I, not as a farmer. It bothers me when I see there will be no limits on storage costs. Will it really increase competition or will it allow big grain companies to fill their terminals and then charge farmers through the wheat board for these costs? There is no incentive for the wheat board to move that grain because I pay the costs, not the wheat board.

One prime example is the situation at Churchill to date. As of Monday there were two ships sitting and waiting for grain. There is no grain available. Elevators in southern parts of the provinces are plugged. Boxcars are sitting idle. We do not need hopper cars to go to Churchill. Boxcars are sitting idle. Transportation costs to Churchill are from $10 to $20 per tonne cheaper than either to the west coast or to the east coast. There is no incentive for the grain companies to move grain to Churchill because the terminal is owned by the government.

(1105)

Last July I went to investigate the port, to have a look at it. A ship was due for arrival that took on 40,000 tonnes. That terminal with the capacity to store five million bushels had 4,000 tonnes in it. Are those the regulations we are debating? Is that the type of system that is protecting farmers? I feel we are getting shafted.

Why should we be worried? I received a letter last week from a seed cleaning plant which does not come under the rules of the Canadian Grain Commission. Through its expertise and incentive it developed a market for special crops. The seed plant was notified that it would have to become a grain dealer or an elevator with a licence. It would have to put up bonds. It would have to put on insurance. There will be extra costs for the small seed cleaning plant, of which there are hundreds in rural parts of the prairies. The operator told me point blank: ''If that is enforced upon me I will be shut down. There is no way I can compete with a UGG or a pool cleaning system. No way will I survive''.

Is that increasing competition? I think it is decreasing it. Why are we doing it? Why are we continually allowing bureaucrats and government to enforce regulations or stipulations that hurt the small person?

I would like to go a little further. I noticed in his opening remarks the hon. minister indicated that they wanted to save taxpayers' money. That is one thing Reform is always pushing for. We could very easily do so by removing some wheat board commissioners who were politicians, are drawing a gold plated pension plan and are still drawing a wage more than that of an MP in the House. If that is looking after the small guy, I do not want to be looked after. These grain board commissioners are lifetime appointments.

I read in the new bill that the age limit will be removed. Why? Is 65 not old enough? Why would we want to increase the age until these grain commissioners finally die? That is the only way we will ever remove them and get people to represent farmers.

It is not only that. Further in the bill I read that we are going now to give the commissioners the authority to set their own wage scale. They will not have to go to the cabinet or use an order in council. If that is saving taxpayers' money, I do not think I want to support the bill.

How do I feel about the bill? It reminds me very much of a chicken farmer who is trying to protect his flock in the hen house. He is looking for a guard dog and finally somebody camouflages a fox and says: ''Here is a good guard dog. Set him in front of your door''. Not only are we being brainwashed or whitewashed with the guard dog; we are throwing him into the chicken coop and closing the door. The guard dog will have his meals any time; he will have any one of the chickens he desires. I cannot support legislation like this.

(1110)

When I look at section 84 that deals with transportation of grain I see that it is to be deregulated. It will now require not only an export permit from the wheat board to move grain from province to province. It will also require documentation from the Canadian Grain Commission allowing farmers to transport their own grain. Does it make sense? To me it is more regulation, not deregulation.

As a farmer and a new politician I did not think I would see democracy at the point I see it this morning. When I am told as a member of the House that I must accept what the government wants to do and I had better like it or else I will have nothing to say, I get very upset.

I remind hon. members on the other side that come the next election this farmer–politician will not forget those kinds of actions. He will continually remind western farmers that this was how we were treated by hon. members across the way.

We are going to go to our graves physically healthy. We can spend millions and millions in building pools and supporting hockey rinks, but we cannot support a grain transportation system; we do not have the funds.

The other day I saw a news release stating that $4 million was to be spent in the city of Winnipeg for recreation by the government, but we cannot afford to upgrade the line to Churchill. We are going to starve healthy.

Mrs. Rose–Marie Ur (Lambton—Middlesex): Madam Speaker, I will be splitting my time with the member for Prince Albert—Churchill River.

I wish to add my voice to those supporting Bill C–51, an act to amend the Canada Grain Act. I do so for many reasons. As colleagues have noted, these amendments offer a multitude of benefits in terms of enhanced competitiveness for Canadian grain in world markets, better service to the industry, and protection for grain producers and taxpayers.

I congratulate all involved for putting together such a comprehensive and useful package of legislation. I am impressed with the ways in which the bill reinforces and fulfils the original intent of the Canada Grain Act, 1912, while at the same time it adapts to many challenges posed by the international grain markets of the 1990s.

Its original intent was and remains, to act in the interests of producers. It is on behalf of grain producers I wish to address my remarks today. To act on behalf of the grain producers it is first necessary to understand what they are. The process that led up to the drafting of the legislative amendments was one of lengthy, in–depth consultations with representatives of all facets of the grain industry.

Prominent among those were grains producer organizations. These organizations through their representatives told the Canadian Grain Commission to continue to protect the integrity of the Canadian grain handling system, to strengthen and to maintain the system that has given Canada the enviable reputation enjoyed worldwide for top quality grain.

At the same time they said they needed flexibility to meet the new markets and challenges, to pursue new opportunities, and to adapt to rapidly changing conditions. While on the one hand we are maintaining and strengthening Canada's grain quality system, on the other hand we are removing restrictions which have become burdensome and counterproductive. With the foregoing in mind I will now outline the features of this bill which I feel most effectively accomplish these objectives from a producer's point of view.

(1115)

To protect the integrity of Canada's grading system which producers understand enhances the marketability of their grain, the act will amend to strengthen the concept that quality meeting the needs of the end users is central to Canada's grain handling system.

This will help to reinforce the many unique things we do in Canada which ensure that only the best grain varieties are developed, marketed and transported through our bulk handling system.

As Canada's grain system evolves over time this amendment will affirm that quality will continue to be the foundation of Canada's grain marketing strategy.

Canada's commitment to grain quality will be strengthened in other ways. For example, the definition of contaminated grain will be clarified and the responsibility of elevator operators for safe handling of hazardous compounds and safe disposal of contaminated grain will be clearly spelled out. This works to the obvious benefit of the producers who will understand the ethical concerns and the marketing advantages of delivering a safe, wholesome product.

As well, an amendment will confirm the authority of the commission to set standards for the drying of grain. This is more important because improperly dried grain often cannot be detected until it is processed. The first indication of concern would be a dissatisfied customer.

This very point was brought up on September 22 at an annual meeting of the Ontario Wheat Producers Marketing Board in my riding of Lambton—Middlesex. When its primary customers, American producers along the south shore of Lake Erie, are demanding wheat with 13.5 per cent moisture content, there had better be a means of ensuring this standard.

This amendment provides the commission with another means by which to maintain Canada's reputation for grain quality. It therefore contributes to enhancing the competitiveness of Canada's grain producers.

This bill will remove the requirement that only public carriers transport grain interprovincially. This will benefit producers, providing them with transportation options that may help them to reduce costs. This provision coupled with the June 8 announcement by the ministers of agriculture and transport to expedite changes to the Western Grain Transportation Act will ensure the foundation of a fair and effective delivery system for crops in all regions of Canada.

Several other proposed changes to the Canada Grain Act speak directly to the opinions expressed by grain producers that the CGC continue to maintain the integrity of grain transactions. These include granting authority to the commission to act against companies which illegally use Canada Grain Act grade names; requiring licensed grain deals to use Canada Grain Act grade names in all of the transactions with the producers; provisions to specify the way grade, dockage and moisture content are determined and recorded at the county elevator; provisions to allow the suspension of licences of primary elevators where over usages exceed allowable limits.

Over usages are discrepancies between the amount of grain an elevator has compared with what it should have based on records of shipment and receipts.

Also included are provisions which clarify the authority of the commission to refuse licences to companies which it deems to be unreliable.

These provisions fit well with others contained in the bill which require that grain producers take more responsibility for grain transactions. I believe this balanced approach reflects the basic value that is held by producers, the industry and this government, one that says we are all obligated to share in the risk and responsibilities. In doing so producers, the industry and all Canadians share in the benefits.

Taken together, these amendments to the Canada Grain Act offer producers a comprehensive package of measures that support their efforts to work and to prosper in an increasingly competitive global grain market. For this reason I most heartily encourage members of this House to support this bill.

(1120)

Mr. Gordon Kirkby (Prince Albert—Churchill River): Madam Speaker, I rise to speak today in favour of Bill C–51, which contains amendments to the Canada Grain Act. This is a government of action. I am very proud of this government, particularly the actions and successes of the Minister of Agriculture and Agri–Food.

I would like to commend the Minister of Agriculture and Agri–Food for his important role in the successful completion of the Uruguay round of the GATT talks. For years the international community has been engaged in a grain subsidies war that has had a very negative effect on grain prices and therefore a very negative effect on Canadian farmers and the economy, particularly western Canada which is so dependent on grain.

Canada had a much more limited treasury than our friends in Europe or the United States. As such we could not compete with the subsidy levels offered by those countries. Therefore, our minister had to fight hard at the GATT talks to reduce these levels of subsidies around the world and was successful in the pursuit of that endeavour.

Over time we are going to see grain prices rise as these subsidies fall. We can all be very grateful for that. This is going to be good for farmers in my riding of Prince Albert—Churchill River and for all the farmers of Canada. That is something we can all be very happy about.

In addition, our Minister of Agriculture and Agri–Food has shown negotiating skill and leadership in striking a good deal for Canadian farmers in the recent wheat export dispute with the United States. Limits on exports were obtained that are far above any levels of wheat export that we have seen in history.

Second, we obtained an agreement that repressive trade sanctions contained in American trade law would not be implemented for a year. This will allow the GATT to become effective, thereby blocking the use of these heavy handed trade tactics in the future.

These actions by the Minister of Agriculture and Agri–Food typify the way this government deals with issues. The government identifies the problem. The government consults with all of the stakeholders who are affected by the issue and the government works hard with these stakeholders to fix the problem.

In spite of this heavy agenda, the Minister of Agriculture and Agri–Food has not stopped there. Through the mechanism of actively seeking public input and the input of farmers and farm organizations, grain companies, all of the people involved in grain transportation and the grain industry, the minister has proposed effective amendments to the Canada Grain Act intended to improve the operating and administrative efficiencies of the Canadian Grain Commission and the grain industry.

The world is changing. Technology is improving. The international marketplace is increasingly competitive and the deficit of the federal government and the protection of our taxpayers are things we all need to be concerned with. These are problems we must deal with. Our taxpayers, our farmers, all of us must be protected and looked after.

Generally speaking the proposed amendments are quite varied but not insubstantial in consequence. Some of the changes are of a bookkeeping or tidying up nature, which change definitions contained in the act or change some of the translations to increasingly make the act more internally and externally consistent.

Other changes give the Canadian Grain Commission the authority to establish by regulation, subject to cabinet approval, what constitutes a hazardous substance, which financial documents licensees must submit, the types of insurance an elevator must hold and how elevators must dispose of contaminated grain.

New authority also has been given to the Canadian Grain Commission rather than the cabinet to establish allowances to be paid to members of grain appeals tribunals and grain standards committees. There is no doubt that Canada produces the best quality grain in the world. The international community recognizes this fact and when a choice is given it will pick our grains every time, provided we continue to be competitive and reliable suppliers.

Amendments to the Canada Grain Act reiterate and recognize Canada's longstanding commitment to grain quality. Quality is a very important factor in the marketability of our grain. We must continue to do all we can to maintain that.

(1125)

The amendment also gives the Canadian Grain Commission the authority to establish by regulation, subject to cabinet approval, the time limit for realizing on security posted by licensees with the Canadian Grain Commission and provides a limit of 30 days to the time following the default on payments that a producer has to claim on CGC held security.

Also the amendments provide the authority to establish by the Canadian Grain Commission, subject to cabinet approval, a percentage limit on the value of the claim against the grain commission held security. The amendments make clear that the Canadian Grain Commission is only liable to producers who deal with Canadian Grain Commission licensees and who obtain the prescribed documents upon delivery of their grain only up to the amount of security posted.

These provisions among other things provide certainty and security for the taxpayers of Canada as well as the farmers of Canada. During the recent consultation held with all the stakeholders who have an interest in grain transportation it became apparent that in order to achieve reliability of supply and to keep intact Canada's well–deserved reputation as a reliable supplier of grain products, the Canadian Grain Commission requires the flexibility to eliminate the requirement of establishing maximum elevator tariffs.

In all probability these amendments will ensure that grain will keep moving through our ports and on to our ships and will save the payment of demurrage fees that have been paid in the past when we have seen a lot of ships sitting in harbour empty and not moving our grain.

We all want to have payments made to keep the grain moving. This is a very progressive action. In addition to this we have the safety valve that the commission still maintains the authority to impose maximum tariffs if necessary.

Other amendments to ensure balanced enhanced competitiveness, better financial security, more protection for taxpayers and greater operational flexibility for the Canadian Grain Commission are contained within the legislation.

I wish to commend our minister of agriculture for bringing forward these amendments to ensure the continued success of the Canadian agricultural industry. I think the hallmark of this government and our minister of agriculture is that when there is a problem we move to fix it and our government will continue to support our farmers and our taxpayers by sensible regulation, of which this is a fine example.

Mr. Jake E. Hoeppner (Lisgar—Marquette): Madam Speaker, I enjoyed that speech very much. It sure makes me feel better to know how good things are on the farm.

I would ask the hon. member whether he is aware that under the free trade agreement article 705(5) clearly stipulates that there cannot be a cap put on imports unless there is excessive production by new farm programs. This was very well known by the Liberal government in the free trade agreement it signed.

About a week before this wheat deal was signed I heard someone on that side say, I think it was the hon. minister of agriculture, that no deal is badder than a bad deal. I wonder if he would comment on those statements.

Also, could he give us an indication on the action taken on the transportation problems, such as back–tracking, if that is the rate of movement we will see from this government, whether it is going to resolve problems as fast as it has up to now because it is sure encouraging?

Mr. Kirkby: Madam Speaker, I wish to thank the hon. member for his questions.

The deal reached by the minister of agriculture concerning the wheat dispute with the Americans is an excellent deal for Canada. If we look back at the historic relationship and the historic levels of wheat exports to the United States Canada came out of this negotiation very successfully.

(1130)

First, the minister ensured this very high level of continued export, well above the historic levels. However, in addition to this, and most significantly, the minister of agriculture achieved a moratorium from both countries in future trade action which could have very detrimental effects on the grains industry in western Canada. This delay allows the GATT provisions to come into force and prevents the American government from implementing these very draconian, heavy–handed trade provisions in the future. As an interim step this was an excellent result

obtained by the minister of agriculture and he should be commended.

With respect to the hon. member, the minister of agriculture is doing a lot of things to ensure that the grain transportation system is improved. Some of the examples of this are in this bill. The government is going to continue to support the farmers of western Canada. When we hear statements from the leader of the hon. member's party saying there are too many farmers in western Canada, let me say that the Liberal Party does not agree with that. We ask that hon. member to retract the statement he made about two years ago in Halifax. That is the kind of support they get from across the House.

Mr. Vic Althouse (Mackenzie): Madam Speaker, I am pleased to hear that the member for Prince Albert—Churchill River still believes that his government is acting on behalf of farmers.

It seems to me that this bill and its two companions which were introduced this fall have made a fairly sizeable shift toward dealing with the agri–food and the agri–business side of agriculture in providing protections and provisions for their needs sometimes at the expense of the farmer.

Just as a brief illustration of that, I wonder if he would explain to us, since he raised it in his speech, how open–ended fees being set by elevators in terminals are a help to farmers. How is it a help to a farmer to deliver grain to an elevator for use at the terminal and find out that the fees have been changed after he gets the product into the system?

Mr. Kirkby: Madam Speaker, with respect to the fees that will be charged, first, open competition at the ports for different shippers is going to ensure that the rates charged are reasonable. However the grain commission retains the ability to regulate this issue.

Does the hon. member believe that it is wise for farmers to pay for ships to sit empty and have grain not move or does he believe it is wise to pay and have the grain move so that we continue to be a reliable supplier of grain to all our world markets?

Mr. David Chatters (Athabasca): Madam Speaker, I am pleased to participate in the debate on Bill C–51 because this bill impacts directly on an industry that is very dear to myself and my family, having been part of this industry all of my life.

After studying this legislation, generally, with only a few exceptions, there is little about it that I would not support. This is not because it is outstanding or comprehensive legislation. Far from it. My first impression from reading the bill would be that the minister instructed his bureaucrats to introduce some kind of legislation that would demonstrate the government's commitment to agriculture, but certainly not to introduce anything that might be controversial or innovative or new, but something that could be demonstrated to Canadians as their commitment to our industry.

(1135)

This bill ratifies for the most part what already exists and makes a few minor procedural changes, in spite of the fact that the grain producing sector of this industry has been in crisis and has been struggling to undergo a very basic restructuring for the last number of years because of extremely depressed prices caused by an American–European trade war and a severe world recession.

This fundamental restructuring has taken a terrible toll on countless families that were involved in the production of grains and oilseeds, particularly those producing for the export market. Many of my neighbours have lost their homes, their families and lifetimes or even in some cases, several lifetimes of work.

Those who have managed to stay in the industry by consolidation, refinancing or off–farm income have been asking government for some time to provide the same kind of basic, fundamental restructuring of the regulations and services governments provide to the industry.

Regulations are needed governing the transport and marketing of their crops to provide more flexibility and choices to meet the needs of this new high volume, low margin market environment of today. What does the government offer this new generation of farmers? Nothing but do–nothing status quo tinkering with the obsolete ideas of yesterday.

Bill C–51 moves to remove the onus of responsibility from the government to the seller to investigate the integrity of those buying and selling grain. That in itself could be the proper direction to move but only if those regulations are followed and adhered to strictly and not as was done by the former agriculture minister when a number of producers with close connections to him got in trouble and the minister quickly moved to bail them out at great cost to taxpayers.

If that is how these regulations and procedures count then it really makes little difference whether they are there or not. It also deregulates the elevator industry to operate in an open market environment.

These initiatives would be acceptable also if at the same time, farmers were free to sell their crops where and how they chose to. Twenty years ago there would have been substantive benefit in the deregulation of elevator tariffs when almost all of the crops moved through the primary elevator system to market. This certainly is no longer the case now.

Another disturbing trend we see in legislation coming from the government dealing with agriculture, as dealing with all other sectors in our economy, is the movement to consolidate decision making authority in the cabinet. This trend is obvious in the bill in clauses 2, 4, 9, 15, 33 and 35 and is an affront to this House which was elected to represent the interests of all Canadians.

This trend should be of concern to all Canadians in all sectors but it should especially be troubling in this particular sector, the grain industry. I remember well an earlier Liberal Prime Minister referred to just yesterday by a member of the government as the greatest prime minister in Canadian history.

Many of those sitting in the benches opposite were also members of this earlier government. This Prime Minister in my opinion did more to destroy Canadian unity than anyone has before or since. As I said, I well remember the arrogant disdain that this Prime Minister had for Canadian grain farmers. We all remember the infamous Trudeau salute to western grain farmers.

The present Liberal government shows more and more of the same arrogant disdain toward those who are asking for real change and an open response of government. While there was little reference to the concerns of agriculture in the red book, there was a commitment to open, effective government.

If there really is a commitment to Canadians, why do we continually have to deal with these do–nothing, go–nowhere bureaucratic tinkering pieces of legislation? Why are we not dealing with these minor adjustments as part of a comprehensive plan to restructure regulations dealing with the licensing of new crop varieties, the bottlenecks in the grain transportation sector, the restrictive marketing policies of the Canadian Wheat Board and the free flow of agricultural products anywhere in Canada?

(1140)

To demonstrate briefly some of the things that I have tried to talk about and tried to demonstrate, earlier this year, back in April, a group of producers in my area were attempting to receive an experimental licence to grow a variety of hemp used to produce industrial fibre. These varieties have been long grown in France and Britain and to some degree in the United States because the hallucinogenic quality of this particular product no longer exists and has been removed from the product.

I believe we have an opportunity to get in on the ground floor of the development of a new crop with terrific potential for the production of industrial fibre. One acre of hemp is capable of producing as much fibre as four acres of trees and this one acre can do it on a yearly basis where it takes some 70 or 80 years to produce the kind of growth in our forests to produce that kind of fibre.

In an attempt to assist this group I approached the minister and he responded to me in a letter received some two and a half months after my initial approach on the subject. In his letter he says: ''The information you provided presents a strong case for the exploration of the commercial production of hemp as a source of industrial fibre''. Further on he says: ''The legislation currently before Parliament would have enabled the minister of health to license growers of hemp for industrial purposes''. Further on he says: ''Bill C–7 would provide the foundation for the legal framework that would allow for the exploration of hemp as a source of industrial fibre''.

Not having realized there was this huge potential in Bill C–7 I went to the bill and examined it very carefully to see where this provision could be. I failed to find any implication that would show me where this might happen. Being confused I contacted the offices of the Minister of Health who was sponsoring the bill. I contacted the Solicitor General's department and the justice department. All three departments assured me there was absolutely no provision in Bill C–7 that would deal at any level with the production of industrial fibre from hemp.

We are at a stalemate and seem to be at a dead end in our efforts to get Canadian agriculture involved in the development of a crop with huge potential for income and a crop that could displace some of the lower income producing crops that have traditionally been grown on the prairies.

Not only was the minister not prepared to help this group he did not understand the issue or in fact western Canadian farmers at all in their mission here. This is so typical of what we get time and time again. If the government, as we heard a few minutes ago, is going to be the protector of Canadian agriculture and to try and bring back some of the strength and financial equity to our industry which is so important to Canadians, we certainly have not seen any demonstration of that, at least to this point with the legislation we have been dealing with.

I encourage the government, as a new government in the first year of its mandate to bring forward some new initiatives, some real changes, and to listen to the industry that has been asking for these changes instead of this tinkering and do–nothing stuff we have seen to this point.

Mr. Boudria: Point of order, Madam Speaker. Pursuant to Standing Order 43(2) I wish to indicate to the House that members of the government party will from here to the end of the debate on this particular item be dividing their time.

Mr. Lyle Vanclief (Parliamentary Secretary to Minister of Agriculture and Agri–food): Madam Speaker, first of all to the members of the Bloc Quebecois and Reform I would like on

behalf of the minister to extend apologies that he could not remain for the debate on this bill because of cabinet duties. He assured me he will be reading your comments.

(1145)

I would like to clarify a couple of things for the Reform Party today. The member for Lisgar—Marquette made some comments. Since we could not comment at that time I would like to do so now. The member made reference to Grandin wheat. I would point out to the member that soon after taking office this government consulted with the industry. It felt that Grandin wheat was not going to improve the quality of the great Canadian product we sell. It did not grant a licence to that variety of wheat.

There was reference to an assistant commissioner who had some dealings with that. I would clarify for the member that that person is no longer an assistant commissioner of the Canadian Grain Commission.

I find this passing strange and I would like to have some comments from the member for Athabasca at this time. As the great free enterpriser that the Reform Party sees itself, I find it interesting that it has some concern that we as a government want anyone who is dealing with it, people who are buying grains from Canadian farmers to have licences and the support or the bonding or whatever term should be applied to it in order to protect Canadian farmers.

That is one of the duties we have. If it was a producer in one of their ridings who was found to be dealing with someone who was not bonded, I wonder what their feeling would be on that.

In closing, I would make one further clarification for the Reform Party members. The member for Lisgar—Marquette said that commissioners are appointed for life. That is not the case. They are seven year appointments. Assistant commissioners are five year appointments. I just wanted to put that clarification on the record.

Mr. Chatters: Madam Speaker, I will respond briefly to the point about the requirement for licensing and bonding through the Canadian Grain Commission. Certainly I support those initiatives. They are more important now than ever before in our industry. Some years back when most of the grain produced in the industry went to the primary elevator system and most of that primary elevator system was owned and operated by producer managed or controlled elevator companies, those regulations were less important.

Today with a proliferation of grain dealers popping up around the world every day that protection is more important now than ever before.

I do have some concerns as to why now when it is so much more important than ever before the government moves to put the onus on the farmer rather than on the Canadian Grain Commission to identify those who are licensed and bonded properly. Certainly I support that particular initiative and I think most producers would.

Mr. Bernie Collins (Souris—Moose Mountain): Madam Speaker, I wish to speak in support of Bill C–51, an act to amend the Canada Grain Act.

Bill C–51 contains a variety of necessary changes to the Canada Grain Act. I believe that producers, the grain industry and Canadians in general will find measures to address their specific concerns.

The aspects of Bill C–51 that I wish to comment on are those which enhance the international competitiveness of Canada's grain industry. Canada is a trading nation and competitiveness is essential.

In the world of free trade that we see before us, our ability to compete will directly affect our capacity to sustain and improve the living standards of Canadians. Few Canadian industries depend on international trade more than our grain industry. Every year we export 25 million to 30 million tonnes of grain, more than half our annual production. In wheat and barley we rank second among the world's top exporters. In other grains, canola and flaxseed for example, we are world leaders. There is no question that we depend on our trade for continued help to our grain industry. Our grain industry's success is central to the health and well–being of rural communities throughout western Canada especially.

(1150)

Part of the role of government in this regard is to create a regulatory environment that adds value to the efforts of Canadians to create, to produce and to compete. This includes developing new laws that support our shared interest and also includes removing laws which no longer are useful or purposeful.

An important initiative contained in Bill C–51 concerns the deregulation of maximum elevator tariffs. Elevator tariffs are the fees that grain elevator companies charge for their services. They cover the cost of handling, storage, cleaning and the drying of grain. Under the current Canada Grain Act, the Canadian Grain Commission is required to regulate elevator tariffs by establishing maximum allowable levels. As well, companies are required to provide 14 days notice of any change they wish to make to these tariffs.

Bill C–51 will remove the requirement that the CGC place a ceiling on tariffs. Companies will be allowed to adjust their tariffs without giving prior notice to the CGC.

Critics of this legislation may charge that the government is abandoning producers, exposing them to excessive charges by elevator companies. However, a close examination will demonstrate that regulation of tariff maximums is no longer needed and that ample safeguards exist to protect producers from

excessive charges. Government regulation of tariffs dates back in time to when producers were less able to protect themselves from the setting of unfair prices. However, because producer owned or controlled companies now control the majority of elevator capacity in Canada, we believe that there is less need for government to regulate tariffs on behalf of producers.

On the west coast, producer owned or controlled companies own 54 per cent of terminal capacity. At Thunder Bay the figure is 75 per cent. It stands to reason that these companies will act in the interests of producer owners by offering competitive prices. With no competition there will be no need for government to set prices.

Even though we are confident that elevator companies will behave responsibly, Bill C–51 contains numerous safeguards for producers. Deregulation of maximum tariffs will proceed in stages. Initially, the commission will retain the authority to set tariff ceilings by order of a two–year transition period. After this transition period, the commission will continue to have authority to set maximum tariffs by regulation if needed. During and after the transition period the CGC will perform a mediation role responding to complaints and seeking remedies.

Based on the responsible behaviour of the companies involved, we have reason to be optimistic in the current crop year as terminal elevator operators receive power by commission order to set their own elevator tariffs. For the most part their increases were minor and on the whole, very fair. This augurs well for the future. I am confident that allowing the market to function more freely will provide more benefits for all. These benefits will include more capital investment by elevator companies and a more flexible, competitive elevator industry.

I should note that regulation has not prevented a high tariff system. For example, for a variety of reasons, U.S. rates which are less regulated are lower than Canada's.

This amendment arises from our commitment to removing regulations which restrict the competitiveness of Canadian industry. Bill C–51 contains other similar initiatives. For example, process elevators will no longer be required to undergo weighovers. A weighover is an audit conducted to verify that the weight and grade of grain stored by an elevator corresponds with what is recorded. Weighovers help maintain the integrity of grain transactions when conducted at a terminal and transfer elevators because in those instances the elevators are often handling grain they do not own. However, process elevators own the grain they have in stock. Therefore weighovers saddle them with an unnecessary cost and thus hamper their competitiveness.

(1155)

Earlier I spoke of the need for laws which add value to the efforts of Canadians. I said that this involves removing unnecessary obstacles such as maximum tariffs and weighovers at process elevators. It also means that new laws are required from time to time.

In the context of Bill C–51, there are provisions which strengthen the role equality plays in Canada's grain industry. As well, Bill C–51 sets out the responsibility of elevator operators for the safe handling of hazardous compounds and the safe disposal of contaminated grain. It confirms the CGC's authority to set standards for the drying of grain. All of these measures add value to Canadian grain and serve to enhance our competitiveness in the world.

In conclusion, Bill C–51 is the product of lengthy, detailed discussion with stakeholders throughout the grain industry. Producer organizations played a major role in these consultations as did elevator companies, processors and marketers. Because Bill C–51 reflects a broad industry consensus I believe it deserves the support of all members of this House.

Mr. Glen McKinnon (Brandon—Souris): Madam Speaker, I rise today to express my support for Bill C–51, an act to amend the Canada Grain Act.

Bill C–51 has much to commend it. It addresses the need for regulatory reform. It introduces necessary protections for producers and taxpayers and it gives the Canadian Grain Commission more of the tools it needs to do the job on behalf of producers, the grain industry and Canadians in general.

There are many aspects of Bill C–51 worth commenting on. The one I wish to speak on however is the strengthened emphasis on grain quality.

We depend very heavily on international trade. As my colleague has mentioned, we export from 25 million to 30 million tonnes of grain per year, more than half of our annual grain production. It is difficult to overstate how crucial grain quality is to our success in international markets. No other factor is as central to Canada's impressive international marketing record.

When we consider some of the disadvantages Canadian producers face it is easy to see why quality has emerged as our marketing edge. Our producers must move grain farther to export locations than any of our competitors in other countries. Our harsh climate works against high yields. Our tax base is smaller than those of competing countries and we cannot play the export subsidy game and win. We are left with the quality of our product, a card that Canada plays with great effectiveness.

With approximately 20 per cent of the global market, we are on average the world's second largest wheat exporter, ahead of the European Community, Australia, Argentina and everyone

else. We are surpassed only by the United States. We are second in barley, accounting for over 30 per cent of the world market. We command over 40 per cent of the world's canola markets, almost as much as is exported by all the countries of western Europe combined. We are unique in that we are the only major exporter of that product.

We lead the world in flaxseed exports that account for over 70 per cent of the market. Canada's refusal to compromise on delivering cargoes of uniform consistent quality has served us well. As the CGC plays a pivotal role in Canada's grain hauling system, I am pleased to see provisions in Bill C–51 that reinforce this marketing strategy.

For example, there is a provision allowing the CGC to set out methods, visual or otherwise, for determining the characteristics of the grain for purposes of meeting the quality requirements of purchasers of grain. The significance of this amendment is that it gives the commission the authority to specify procedures for determining the quality of grain so that the industry can deliver the quality desired by the end users.

(1200)

With the commission's considerable expertise in grain quality assessment this amendment positions the CGC to ensure that emerging procedures and technologies meet end user needs and increase returns to producers.

Another provision of Bill C–51 confirms the CGC's authority to specify the correct handling and treatment of grain and hazardous substances in grain elevators. This provision strengthens Canada's commitment for safe, wholesome food and to environmentally sustainable practices.

Finally, Bill C–51 confirms CGC's authority to set grain drying standards. The commission has paid careful attention to this issue over the years because improper drying seriously harms grain quality. Often the damage is not visually apparent and problems are only detected when the grain is processed. The commission has worked hard to educate producers and others on the proper techniques. This provision will give the CGC more authority to move in this area.

There are some who believe that Canada over emphasizes grain quality. In a hungry world they argue Canada need not place as much emphasis or effort as it does on ensuring that Canadian grain meets the high standards it is known for.

I believe quality will become more important than ever before. With the ratification of the GATT tariff walls will soon be falling around the world and subsidies will melt away. To maintain their position our wealthier competitors in Europe and the United States will have to become more quality conscious, more like Canada if they want to compete. Already we are seeing signs they are beginning to understand this.

I will conclude with the words of one of Canada's grain customers spoken at Grain Vision'93, an international symposium that the Canadian Grain Commission held last year: ''The current Canadian system of utilizing quality to link all aspects of business to achieve the marketing strategy of exporting at a premium 80 to 90 per cent of total wheat crop is now unique in the world. If you begin to implement changes for short term volume goals the end result will all too quickly be a situation where you become just another 'me too' supplier of which the world has all too many at present''.

This sentiment was echoed by speaker after speaker at this conference. More tellingly, their appreciation of Canada's quality system is illustrated by their continued purchases of Canadian grain.

Bill C–51 strengthens Canada's grain quality system. For this reason alone it deserves our support.

Mr. Ray Speaker (Lethbridge): Madam Speaker, it certainly gives me pleasure to enter into the debate on the Canada Grain Act, Bill C–51.

It is the second opportunity I have had in this assembly to speak on one of the agricultural bills, the former being Bill C–50 which we debated last week.

In Bill C–50 we took in this House steps that would increase producer control over agricultural research. When we look at Bill C–51 in comparison it is a bill that grants the Canada Grain Commission greater operational flexibility and promotes enhanced competitiveness in the grain industry. Those are certainly both worthy objectives to support for an entity that is responsible for a very important aspect of our grain industry in this country. It is important to give it those kinds of responsibilities.

We in the Reform Party will be supporting this bill today as we did with Bill C–50. We will also take the opportunity in these debates to outline some of our broader concerns about where agriculture is headed in Canada. In particular, we would like to emphasize that government created boards and agencies like the Canadian Wheat Board, which were originally designed to assist and help the Canadian farmer, are becoming an entity, increasingly becoming an impediment to the free market system. They should come under scrutiny and review at this time.

(1205)

Since the details of Bill C–51 have already been discussed and thoroughly enumerated in this House, I will make one or two quick points about one feature of the legislation before taking this opportunity to broaden my focus on other subjects relative to agriculture in Canada.

The aspect of Bill C–51 that I wanted to comment on was the provision which removes some of the interprovincial trade restrictions faced by farmers. Clause 25 repeals the restriction

of transporting grain from one province to another and repeals the restrictions on transport of grain by public carriers.

The measure is a step in the right direction, but one has to ask a very important question at this time: Why should there be any restrictions on trade within Canada at all at this point? Why can we not have open boundaries and free movement in this country where all Canadians should share and have equal opportunity? That is an important issue that must be addressed not only by this federal government but by each of the provinces as we work together to enhance the agricultural industry.

There are more barriers to interprovincial trade in Canada than there are barriers to trade between the nations of the European Community. That has already been mentioned by one of my colleagues. What is the rationale for the Canada Grains Commission to have any restrictions for grain movement to and from Canada enshrined in this legislation?

For that matter, why are Canadian farmers being prevented by the Canadian Wheat Board from taking full advantage of the international trade opportunities created by the signing of GATT or NAFTA? Should the Canadian Wheat Board not also be forced to eliminate some of the restrictions that it is placing now on farmers?

I said in the House the other day that we should raise some of those restrictions for the farmers so they can enter into a freer trade market or determine their own markets. There should be certain restrictions or a certain framework placed on the farmers if and when they wish to deal through the Canadian Wheat Board on some certain aspects at a future time.

As farmers we cannot have our cake and eat it both with a board that is created by government and also by utilizing the free market. There must be a trade off when we have that kind of opportunity.

Reformers have already made it clear that there is a need to reform the Canadian Wheat Board. However, this is just one example of the agricultural issues that need to be addressed in this assembly.

When considering the agricultural sector, it is important to note that on the major questions of the day, it is the farmers who are leading. We heard that very clearly from the minister in his presentation earlier to this assembly. The legislation before us has been farmer directed, farm organization directed and I certainly appreciate that.

We often find in this circumstance that we as government scramble to keep up with some of the farm attitudes. This is certainly very typical in the discussion regarding the Canadian Wheat Board at the present time.

I looked at an article in the *Financial Post* that talked about the direct sales of grain to American markets that are classed as illegal under the Canadian Wheat Board at the present time. Those sales to the American markets now represent about 20 per cent of the total volume of Canada's grain exports to the U.S.

We can only hope that this massive display of somewhat civil disobedience on the part of Canadian wheat farmers will convince the government that changes must be made to the practices of the Canadian Wheat Board. Again, it is a situation in which farmers are leading, finding markets, maintaining their economic stability as farmer but we as government have not looked at the circumstances and reacted in a positive way.

(1210)

The trend is similar with the restrictions on the movement of grain from east to west and on the government's reluctance to create a continental barley market. In both instances, fed up farmers have decided not to wait around for the government to make changes. They are going ahead and doing it themselves. Then, as a government, we are reacting. As an assembly here we must get ahead of the circumstances and be able to respond to the farmers when they see that there is a need.

In this latest example, I read with interest that the minister of agriculture has now promised the Canadian grain farmers a chance to debate the future of the Canadian Wheat Board at a special forum to be held this fall. I commend him for that.

I also encourage him to go one step further and hold a referendum on the issue of the Canadian Wheat Board's selling monopoly. It is clear that Canadian agriculture has changed a great deal since 1912 when the Canadian Grain Commission was established.

This next decade will be a crucial time for the agricultural sector. As farmers prepare to make the adjustments required by GATT and free trade, they need a government prepared to assist them and help them gain the competitive edge to compete in an increasingly global marketplace. That is the environment in which we must prepare ourselves, the global marketplace. It is not just Canada. It is not just the United States. It is the global marketplace in which we work as farmers today.

Reform has worked hard to create a comprehensive and balanced agricultural strategy capable of supporting the needs and challenges of the 21st century. We intend to elaborate on those in this assembly.

The Liberal government on the other hand—I look at this with some disappointment—seems to be moving from one crisis to another and legislation that comes before this House seems to be motivated through the public service, albeit a point of view by the farmers or farm organizations rather, than from the legislators of this assembly.

I look at Bill C–50 and Bill C–51 and they are good pieces of legislation in their own right but not in the broader context of what we have to do as leaders in the agricultural field. They are

modest pieces of legislation which only seek to fine tune and present some of the parts of an agricultural regime.

When will the government respond to growing pressures originating both within and outside Canada and bring forth the major broader legislative initiatives that are necessary for the farmers of this country?

Mr. Bernie Collins (Souris—Moose Mountain): Madam Speaker, I listened with interest to the hon. member opposite. I commend him for having the wisdom to support Bill C–50 and in supporting Bill C–51.

As he went through his presentation we came to a summary. In the summary on one hand he wants to allow the farming industry and farmers in general to have some input into the direction that we are to go and we are committed within the red book to maintain the process that we support the Canadian Wheat Board.

We have here an opportunity on behalf of the member to say why does the government not just go through and hold a referendum. What I would like to know from the hon. member opposite is would he not sooner have that total input from the farming community and say: ''In our opinion there should be a referendum and we would like you to move in that direction''?

As it is now, he is saying government, back off. I support that. We have to. Some of our comments in Bill C–51 are directed in that response. I would like to know how we can as a government move through and hold a referendum when we are at this point allowing the opportunity for the farming community through the minister of agriculture to have it place its input before us before we would start with the legislation.

(1215)

Mr. Speaker (Lethbridge): Madam Speaker, in short, the minister of agriculture has not made it clear to farmers, particularly western farmers and those under the Canadian Wheat Board, that a referendum is a possibility and an option. It is not clear that it is there.

It would be good if the government made a statement that there would be a referendum, that in the preamble or in preparation for the referendum there would be major hearings and major submissions to the standing committee on agriculture of the House to determine what the question would be, the content of the question, and what the implications of the answers would be following the referendum.

At the present time we are unsure of the sequence and the pattern of commitment of the government. If it would make the commitment we could move ahead.

Mr. David Iftody (Provencher): Madam Speaker, I rise to speak in support of Bill C–51, a bill to amend the Canada Grain Act. The bill has many positive measures that will contribute to the prosperity and competitive advantage of farmers and indeed all Canadians.

The aspects of the bill I intend to address are the amendments that will remove the obligation of government to establish maximum tariffs for services performed by primary transfer and terminal elevator operators.

For the benefit of members who are unfamiliar with the grain industry, a tariff is a charge assessed by an elevator company for services such as handling, cleaning of grain, storage and drying of grain. As the Canada Grain Act is now written, the Canadian Grain Commission is required to establish by regulation the maximum allowable tariff for each elevator service. If an elevator company wishes to change its tariff, it must give the commission 14 days of notice. If it wishes to offer a new service it cannot provide it until the commission has established a maximum tariff for the new service.

These laws date from an era when farmers had few marketing choices and farmer organizations were relatively weak. In the early decades of this century these provisions made sense because elevator companies were not always as scrupulous as they should have been. Farmers were vulnerable so these changes were brought in at an appropriate time for protection. I know all members of the House continue to support them.

In the grain industry of the nineties however this kind of government intervention, as I know the Reform Party would agree, provides no measurable benefit for producers as it places unnecessary obstacles in the path of grain companies.

These are not merely my opinions. They reflect the advice the commission received from the grain industry and producer groups during the 1992 grains and oilseeds regulatory review. As the minister said this morning 57 groups were consulted. In addition we received written responses. The government shares the perspective of those representative groups.

If the key participants want this change who are we to deny them? We will go along with it. We have concluded that regulating elevator tariff maximums is not in the best interest of the grain industry. We believe that removing maximums will encourage increased urgently needed capital investment by elevator companies. We are therefore confident the measures we are proposing today would result in a flexible, more competitive elevator industry.

What are the changes we are proposing? First, the obligation that the Canadian Grain Commission set maximum elevator tariffs will be eliminated. Elevator operators will be able to decide for themselves how much they will charge for their services. As well, while we will still require elevator companies to file their tariffs with the commission, the requirement to give 14 days notice of the change they wish to make in their tariffs will be removed. This will allow elevator companies the same freedom enjoyed by other businesses, other farm groups and

agri–groups, namely the freedom to adjust their prices quickly to respond to local market conditions.

We have discussed these notions with respect to the wheat board and other kinds of institutions in place for the Canadian grain farmers. This is the way to respond to those niche market needs. We have that in the particular bill. As well, operators will no longer be required to charge the same tariff at all of their elevators. This will allow them more flexibility in rate setting.

(1220)

We will not be making these changes overnight. Again, on the advice of producers and acting with due prudence with the grain companies, we recognized the need for a transition period. For a two–year period, the Canadian Grain Commission will retain the power to set maximum tariffs by order, if situations arise where the tariff charged is excessive. Those checks and balances are there. Those protections are there for members of the House representing grain farmers in their areas who are concerned about drastic changes that may not have the policy outcomes we intend.

When the two–year transition period has concluded, the commission will still exercise its power to investigate complaints. It is hoped that problems which may arise after the two–year transition period has ended will be resolved through discussion and moral suasion. We want to bring the people back to the table again to discuss any concerns and glitches that may still be evident in the policy.

Nevertheless government will retain the power to intervene if intervention is required. The commission will continue to have the authority to reimpose maximum tariffs subject to the approval of the governor in council if circumstances so warrant.

Inevitably in a situation like this one the first question to be asked will be: How will the measure affect the producer? All of us in the House today engaging in this debate have those interests firsthand.

Protection of the interests of grain producers remains one of the most primary purposes of the act. The government has introduced numerous amendments to the act which will benefit producers. This particular amendment is no different.

How are producers protected in a deregulated tariff environment? First an important point I want to stress particularly for the members of the Reform Party, and I speak in terms of Manitoba. They have their own producer owned or controlled elevator companies to protect their own interests. I am referring to such companies as the United Grain Growers. Manitoba Pool Elevators with 18,000 members in that province own the elevators. The interests of elevator owners and the interests of farmers are one and the same. We are not going to have the kind of subjugations and conflicts of interest leading to taking advantage of producers bringing their products to the elevators if we have that kind of producer involvement at the elevator door.

It is the same for the Saskatchewan Wheat Pool and the Alberta Wheat Pool. We do not believe for one moment that farmers will allow—and I have full confidence they will not—their own companies to take advantage of them. Producer owned co–operatives are formidable players in the grain industry. At Thunder Bay, for example, 75 per cent of the terminal capacity is operated by producer owned or controlled companies.

As my hon. colleague from Saskatchewan had mentioned earlier, on the west coast producers own 54 per cent of that capacity, the majority holders. In the interests of their producer owners these companies will maintain downward pressure on tariffs, forcing privately owned companies to compete. Moreover most producers will have choices they did not have in 1912 when the Canada Grain Act was passed. If they did not like what one company was charging they would take their grain to another. Allowing opportunities is the secret to that competitive advantage and open market competition. Competition will keep the rates in line and in some cases, I am convinced, will reduce them.

If the grain producers' own companies in the competitive marketplace are not able to set fair prices, the Canadian Grain Commission is still there to investigate. The commission will be able to limit tariffs and will retain the right to set maximum tariffs by regulation. This right will only be exercised, however, in extreme situations.

Members can rest assured that even in a deregulated tariff environment the Canadian Grain Commission will have the legal tools to defend the interest of grain producers whether in Lisgar—Marquette, Provencher or Brandon—Souris, important Manitoba ridings with grain producers.

In conclusion, I encourage members to support the legislation and I thank those who support it. It offers significant opportunities for grain farmers to become more competitive. At the same time it retains appropriate means to protect the fair interests of grain producers should these interests be threatened.

(1225)

Mr. Vic Althouse (Mackenzie): Madam Speaker, I appreciate the remarks of the hon. member. I have two questions on the many arguments he made.

He said that the problem of the grain companies having difficulty setting tariffs for new services was now to be resolved by simply not having them report these services to the grain commission and that it would be completely deregulated. I wonder if he would give the House some idea of what the new services might be that would require charges that are not being made now.

The second matter that got my attention was his argument that unlike at the turn of the century grain companies are now quite scrupulous in their dealings with their customers and their farm deliverers. I remind him that a number of grain companies operate internationally. Those operating in both Canada and the United States, as an example, each year have been found to be shorting customers on weight, delivering the wrong grades, shorting farmers on payments and so on.

His faith in the modern day elevator company is really one of having faith in a very good policeman, namely the Canadian Grain Commission which will be backing off and not be patrolling the neighbourhood so fully. Many grain companies may find it much easier to revert to the practices they engage in outside Canada as soon as the grain commission backs off. Would the member comment on those two items?

Mr. Iftody: Madam Speaker, I thank the member for those helpful comments.

I would like to respond as quickly as I can to the second one first. On his question of companies shortchanging producers, I do not have any facts to that effect. I have never seen any documents or heard any representations from farmers in Provencher in support of those rather surprising statements.

I refer the hon. member to a phone call I made this morning to the Manitoba Pool Elevator. I asked: ''How many members do you have? What kind of support do you have in Manitoba?'' They have 18,000 members. I assure the hon. member that I have faith in the good judgment of those members to make decisions and to keep an eye on those institutions which respect their best interests.

In terms of the service charges I would say the same. In terms of new service charges and outcomes from these policy changes which will be reviewed in two years, I believe the members will have that input. I assure the hon. member we will not allow grain companies to run away unchecked, at a complete arm's length from their producers.

Mr. Jake E. Hoeppner (Lisgar—Marquette): Madam Speaker, I am wondering if the hon. member for Provencher would comment on the pools going toward public companies or corporations. UGG is finished with them. They are public corporations now. The shareholders do the voting and the directing.

It is of interest to me that one director of the Manitoba pool was very upset that the Canadian Grain Commission lacked the support of an independent inquiry into the Winnipeg Grain Exchange, the commodity markets. The Canadian Grain Commission is supposed to regulate the commodity exchange. Why has the government not supported an independent inquiry into the operation of the commodity exchange?

(1230)

Mr. Iftody: Madam Speaker, again, if there was a question of impropriety with respect to those responsible in either the handling of grain or trading in this commodity, I find these suggestions a bit surprising.

I just want to say to the hon. member for Lisgar—Marquette that I am sure the crown and the minister represent the interests of farmers. If there is any impropriety or any evidence of it, if this member has received any facts or actual information to support that from this particular gentleman, I would be pleased to pass it on to the minister of agriculture and conduct an investigation.

Mr. John Maloney (Erie): Mr. Speaker, I rise today in support of Bill C–51. The purpose of Bill C–51 is to update and modernize the Canada Grain Act as outlined by the hon. minister of agriculture.

These amendments will put more responsibility on the shoulders of the users of the grain system, the producers, the grain dealers and the elevator operators.

We in the government know that we must learn where to regulate and where not to regulate. It is shown that in this bill we will regulate to improve the quality and protection of the producers, but we do not wish to regulate the exact pricing of services or in any way restrict the marketing of grain.

Part of this legislation is designed to renew and enhance our commitment to a quality product. Canada has built a reputation as a supplier of consistent and uniform quality grains. This reputation has served us well in our marketing of grain around the world. Buyers expect top quality when dealing with Canadian grains. We should give them no less.

The bill clearly defines the commission's role in setting grades and grade names as well as methods of determining such grades. This gives the commission the solid ground to actively improve the consistency of Canada's grain grades.

The legislation also removes the requirement for the Canadian Grain Commission to set maximum elevator tariffs. This will allow market pricing of those services that the commission feels will benefit from market pressure. Also removed from legislation is the requirement that an elevator operator give the commission 14 days' notice of a change of tariffs. This will allow operators more flexibility in dealing with the changing pressures of the market.

To address concerns about excessive charges, the Canadian Grain Commission will have the right to establish maximum tariffs by order for the next two years. If an investigation of a complaint from an elevator user finds that a particular tariff is not justified, the commission may set maximums. The Canadian Grain Commission also has the ability to set tariff maximums

through regulation if elevator operators set tariffs at excessive levels.

The government notes as well that the majority of primary and terminal elevators are owned by the producers themselves through the various wheat pools. The government does not think it necessary to protect western grain farmers from themselves.

The legislation improves protection to grain producers by authorizing the commission to require additional security from dealers and elevators as is determined by the commission. This ability improves the protection to the growers to help ensure that they will be paid for their produce.

The legislation protects Canadian taxpayers from footing the bill when a grain dealer or elevator goes bankrupt and does not have enough security placed with the commission to cover amounts owed to producers. When the posted security is not enough to cover its debts, the creditors will be paid on a pro rata system, which is the fairest way of dealing with such a problem. The taxpayers of Canada should not be paying for the bad business practices of an operation.

The legislation improves the Canada Grain Act provisions to facilitate the movement of grain interprovincially and for export. The amendments simplify the regulations governing the transport of grains. It removes regulations controlling transport of grains wholly within the western or eastern divisions. Public carriers are required when shipping grain between divisions and in or out of the country.

I encourage our members to support this legislation. We wish to support our grain growers and facilitate the sale and disposition of their product. I think this legislation achieves that end.

Mr. Elwin Hermanson (Kindersley—Lloydminster): Madam Speaker, it is good to again be able to talk about agriculture here in the House. We are dealing with Bill C–51. It is a bill to deal with the Canadian Grain Commission and its powers.

On the whole, Bill C–51 is a good starting point for improving the agriculture industry in Canada.

(1235)

Parts of the bill give me cause for concern. I will outline those areas in more detail later. There are some positive aspects to this legislation and I would like to briefly touch on them.

First and perhaps more important, the bill places the onus on farmers to ensure that they are dealing with a duly licensed grain company. This bill makes it clear that the Canadian Grain Commission and therefore the Canadian taxpayer is only liable to cover claims from duly licensed companies.

This protection lets farmers know exactly where they stand as well as protecting taxpayers from unreasonable expenses. Canadians have paid up in the past for claims coming from unlicensed companies and I am glad to see that this protection will be included in the act.

There are those who would argue that the language in clause 13 of this bill may still leave some doubt as to which claims are to be paid. Therefore I would encourage and support any strengthening of the wording during the committee stage that would ensure taxpayer protection from unlicensed claims.

I had a case in my constituency prior to the election where a seed cleaning company ceased to do business and left many farmers out on a limb. It was a very messy situation. There were accusations of political involvement and patronage. Certainly we do not want to hear those horror stories repeated in the future.

Clause 12 of the bill allows the Canadian Grain Commission some latitude when deciding whether or not to close an elevator having financial or cash flow difficulties. This is a positive step for farmers. Many have been caught by an insolvent elevator company or seed cleaning company in the past.

The bill also provides for better financial protection for farmers by making them responsible for obtaining adequate security for grain shipped to an elevator and for ensuring that the grain name and amounts shipped is on the ticket.

The bill brings the protection offered to farmers more in line with security provisions common in other financial areas. Farmers have long been saying that they do not want special treatment, they only want a fair shake the same as other small businessmen. This bill moves, however slightly, in that direction.

Farmers will be pleased to see that there is some movement on the issue of interprovincial trade flexibility. Of course in good Liberal style, this is done as a half measure. The bill only allows for flexibility within the western wheat block and within the eastern wheat block. It does not go nearly far enough in removing interprovincial barriers to trade. Perhaps more important, the bill does not address the issue of trade with the United States at all, a bone of contention which the current Liberal government has not been prepared to deal with in a positive manner.

The bill would solidify and enforce the use of common grade names. This too is welcome news for producers. There will be much less confusion about the quality of grain shipped to an elevator.

As I stated at the outset of my remarks, the bill does have some positive aspects. However, there are some very serious problems with certain parts and clauses of the bill on some very important issues that are entirely ignored by this legislation.

In the bill an increasing amount of decision making is being placed in the hands of the governor in council. We are aware that this is a formalized constitutional body through which the cabinet exercises executive power.

If members would study the bill they would see that clauses 2, 4, 9, 15, 33 and 35 all move powers into the hands of the executive, into the hands of the cabinet. This extensive power grab on the part of the government directly contradicts the commitment to a more open and democratic government promised in the now infamous red ink book.

In taking so much power away from the legislators and producers and giving it to cabinet to exercise in the form of orders in council, the government is doing the opposite of what farmers want. Agricultural producers have been consistent in saying that farming boards and institutions should be democratized and accountable. Moving more power and decision making behind closed doors and off the public record is continuing to be counter to the will of Canadian farmers.

A good example of this power grab can be found in clause 34. This clause allows cabinet to approve and define all regulations not specifically contained in the act. This is tantamount to Parliament passing blank cheque legislation allowing the minister to fill in the blanks later.

This seems to be a mindset of the Liberal government. Do not deal with the issues, allow the bureaucrats and the cabinet to make up the rules as they go. History teaches us that we get into trouble when we follow this procedure. We should learn lessons from the previous Tory government that authorized the establishment of a continental barley market through an order in council rather than bringing it to Parliament as it should have for a decision in the House that is elected by the people. Had Parliament been able to deal with that issue the matter would have been resolved one way or the other and producers would not be struggling and demanding a plebiscite and action on the part of the government at this date.

(1240)

The bill demonstrates once again that this minister of agriculture is a bureaucrats' minister, not a farmers' minister. Not only does cabinet take powers from Parliament but the bureaucracy also gets a whole raft of new authority.

For example, the Canadian Grain Commission would now have the power to set the salaries of the western and eastern standards committees and the grain appeal tribunal. I would suggest it is not a common practice for bureaucrats to set their own salaries, at least it should not be. Not only do these people have the power to set their own pay but they also are often patronage appointments as well.

The standards boards, while expensive and patronage filled, are only advisory. This means that the minister may ignore their recommendations in any case.

It will be interesting to see how the salaries of these advisory patronage committees change as a result of this bill. Of course, I suppose they are watching what happens in this House where MPs set their own pay and pensions. Perhaps they are saying that if parliamentarians are going to play that game we want to play it and we demand to be able to play it as well.

My concern is that one of these days Canadian taxpayers are going to start fighting back by saying that if MPs set their own salaries, if bureaucrats set their own pay, then perhaps we will decide how much we are going to pay in taxes whether the government demands it or not.

It would seem in many ways the bill is designed to protect the bureaucratic empire from the changes that are coming to the industry. I want to refer for a few moments to the special crops or pulse crop initiative that is changing the way the industry operates, particularly in my province of Saskatchewan.

As the minister knows many farmers have been diversifying crops over the past few years as a way of remaining viable and competitive. This diversification has been a boon to the agriculture industry. Many farmers have remained in a viable position because they have diversified and tried some non–traditional crops such as peas, lentils, canary seed, mustard seed, and many others. This industry has flourished and prospered without massive government intrusion, regulation and control. Perhaps it has prospered because of little government involvement. I know many farmers believe so.

An example of a crop being developed and becoming a major staple in the prairies is canola which was an experiment a few decades ago. This year canola is one of the main cash crops in the prairie region and we believe—I know I believe and I am sure my Reform colleagues believe—that these other crops can be expanded and provide much income to producers if again government does not interfere and place too many regulations and restrictions in the way of development of these new commodities.

Groups of farmers, in consultation with all the players in the industry from the pools, the wheat board, and everyone else have spent years developing pulse crop initiatives.

The minister has had a copy of that initiative for quite some time and even so he has chosen not to include the speciality of pulse crops in this legislation. It is expected, and rumour has it, that some legislation dealing with these crops will be introduced a year or year and a half from now.

In light of the enforcement provisions of Bill C–51, what does the minister expect will happen to this vital industry in the interim? A lack of legislation for special crops, combined with the witch hunt under way by the Canadian Grain Commission to licence and control the special seed cleaning and distribution

sector will potentially have a devastating effect on agriculture as a whole.

With the provisions of Bill C–51 only to pay claims from duly licensed companies, the current push on the part of the Canadian Grain Commission to licence and audit pulse crop companies can only be interpreted as a move to push many of the small companies out of business. This would lead to a monopolized industry with the bureaucrats comfortably in control.

The farmers want the pulse crop sector left the way it is. The customers want the sector left the way it is. Everyone wants a free market pulse crop sector, apparently that is everyone except senior agriculture mandarins.

Because pulse crops are not grown in quantities comparable to grains such as wheat, barley or canola, the cleaners and handlers of these commodities are much smaller operations. The cost of Canadian Grain Commission licences, bonds, and audits can run anywhere from $20,000 to $30,000 every year. This would unnecessarily force most of the operators out of the specialty crops sector at a time when the sector should be expanding and should be strengthening.

(1245)

I am very concerned that this legislation does not adequately protect those operators and the producers who deal with them. It is a serious flaw in this bill. I am concerned that a wait of 12 to 18 months or however long it takes the minister to bring in legislation to deal with that sector may be too late and drive many of them out of the industry.

The absence of this pulse crop legislation makes Bill C–51 a farmers versus the bureaucrats bill with regard to pulse crops.

I challenge the minister to show it ain't so. If he can do so, I would be one of the most pleased people in this House. I call on him to bring in the kind of legislation that works for farmers, not just measures that protect and enhance the jobs of his senior bureaucrats.

Although this bill contains some very positive aspects it is legitimate to ask why the minister would introduce legislation that makes the government mandarins more comfortable and secure while making the farmers wait at least another year before moving on issues that they really care about.

This bill is a good place to start but there is a lot of work that needs to be done at the committee level to make it good legislation.

I would hope that the minister can solve his in house power struggle soon so that farmers can get some movement and government action on the issues they care about.

It is quite interesting to note that in the life of this Parliament, now almost one year old, that not many steps or perhaps no steps have been taken by the minister or his government to put producers in the driver's seat in their own industry.

If there is one thing I know from being a producer it is that they are not afraid to take responsibility and they are not afraid to make decisions and by and large they make very good decisions. Often it is government through order in council decisions, through legislation that is incomplete such as Bill C–51 that has been a hindrance to the industry rather than an asset.

I encourage the minister to review his legislation with a view to seeing what he can do to put producers in charge of their own industry so that they can be adequately able to make decisions, to take steps to strengthen their industry without being hindered by the government that is supposed to represent and serve them.

Mr. Wayne Easter (Malpeque): Madam Speaker, I welcome the opportunity to speak on Bill C–51, amendments to the Canada Grain Act.

It is important at the beginning to put into perspective the role that the Canadian Grain Commission has played in terms of Canada being seen as the reliable supplier of high quality grains in the world.

The combination of the Canadian Wheat Board as the single desk selling agency for export wheat and barley and the quality control and inspection system and watchdog capacity of the Canadian Grain Commission has worked extremely well in Canada's interests and in the interests of Canada's primary grain producers.

The key selling point for grains out of Canada in the international marketplace has been certainly our quality control system. Millers around the world know that when they buy Canadian wheat they are going to get high quality grains that they can blend in with other countries' products and still have a reasonable quality of bread.

The Americans, on the other hand, the system that some of our colleagues in this House on the other side want to emulate, are looked upon by the world as a residual supplier of grain. They are used in terms of setting the price worldwide but they are a residual supplier, a supplier of last resort because they do not have the quality control system that we have in this country that is made possible because of some of the regulations of the Canadian Grain Commission that we have in this country.

This bill's objective is to maintain that support for quality grades and inspection. However, we have to be constantly aware

of the danger in terms of our legislative processes of knuckling under to those who believe that cost cutting should be all that matters.

The principal concern of the federal government on this issue of inspection and quality control are two elements key to the security of our export markets, quality and inspection.

(1250)

When appearing before the agricultural committee, Dennis Wallace, executive director of the commission made the following comment: ''We are looking at streamlining, weighing and inspection that will move at the pace the industry sets and our comfort that we can sustain the standard of quality in the process. In our view quality has not been affected by the steps we have taken to this point''. That is an important point.

We must ensure on this side of the House and as the government that we maintain those standards that have been so true and beneficial to the Canadian grain industry.

I had hoped that I would have time to indicate to the House some of the dangers within the system because several of the groups that have come before the Standing Committee on Agriculture, the Public Service Alliance of Canada for one, outlined some of the problems that have happened at Thunder Bay. They provide a good example of the dangers that can happen to quality control in the grain system if we do not have a strong, dedicated agency like the Canadian Grain Commission with strong regulations behind it to protect the interests of producers and the interests of the grain industry.

I do not have time to quote that evidence but I would refer members of the House to the April 26, 1994 submission of the Public Service Alliance outlining some of the dangers of quality control.

We must ensure as a government that the security of a regulatory and inspection system is maintained, that the future of either downsizing or efforts to promote competitiveness do not result in a loss of our competitive position which is based upon production and exports of the highest quality standards of grain in the world.

There has been a lot of talk by members on both sides of this House on the questions regarding clause 14. Under clause 14 the Canadian Grain Commission will no longer be required to set maximum tariffs charged by grain elevators.

This is a point that, to be honest, is open to question for me. We will certainly have an interesting debate at the agricultural committee on this point. There are a number of questions that need to be raised.

I do not believe for a moment that we can depend on the co–operative movement or the pools to protect producers' interests. I have been involved in that industry out west for a number of years and the co–operative movement, the pools, when they are making decisions in the kind of international arena we now face have to weigh in their own minds whether they are making a decision in terms of their corporate business interests and the bottom line as a corporation or making a decision in their membership's interests as a co–operative. Therefore, I believe there need to be some government safeguards in terms of protecting primary producers' interests, and certainly we will debate that at committee level.

Other questions need to be raised. Some clarification is needed of the ombudsman like role the commission will perform. Under what circumstances will it be able to intervene, what powers will the commission have to act upon complaints, and under what authority? Under what circumstances will the commission be able to set maximum tariffs by regulation if needed?

An important point in the bill and one I strongly support is that if there is a danger there the Canadian Grain Commission can step in and impose maximum tariffs if the grain industries, the companies or the trade is abusing the system set in place.

(1255)

I raise those points because I think this is the place, the House of Commons, in this arena and at the committee level, for good, strong, informed debate on the facts so that we can come up with better decisions in the end.

I recognize that my time is getting short. I have heard from members opposite talking about competition. We have to look at that infrastructure in western Canada where the Canadian Grain Commission operates and recognize that more and more in those small community towns with elevators that there is less and less competition between grain companies.

Grain companies are now consolidating their system. Because you are going to gain a lower tariff rate at one elevator does not necessarily mean that you are going to haul to that elevator because it may be 50 or 100 miles away and you would lose all you had saved or more by hauling that distance.

We have to be very careful in making these decisions to ensure the kind of international arena we are entering into, the kind of consolidation that is happening, especially in western Canada, and the impact that may have on primary producers if there is not a very strong Canadian Grain Commission in place to protect the interests of primary producers and the interests of the country in terms of the grains we sell.

Let me conclude by saying that the Canadian Wheat Board and the Canadian Grain Commission have served this country well in the past. I believe they can in the future. I look forward to maintaining those kinds of standards and see that Canada remains the kind of reliable supplier of grains that we have been in the past.

Mr. Jake E. Hoeppner (Lisgar—Marquette): Madam Speaker, I must thank the hon. member for that speech. I do agree with him once in a while on certain areas.

I know he is a very good and efficient operator and does probably employ people and pay their wages. Does he not think that when I as a farmer pay 92 per cent of the grain commission's wages I should have some input into who these people are? I would feel a lot more comfortable if I as a farmer had some input into who these people were and how they were working. The people employed on an operation are really the backbone of the operation because management depends on them. I wonder whether the hon. member would respond to that.

Mr. Easter: Madam Speaker, I did have some figures. I believe you are correct, Mr. Hoeppner, in the figure you indicate in terms of how much—

The Acting Speaker (Mrs. Maheu): May I remind the hon. member that we do not address members as mister, we use the riding, which is Lisgar—Marquette.

Mr. Easter: My apologies, Madam Speaker. I believe the figures by the hon. member are correct. Members opposite often talk about user pay on that side of the House. Canadian society as a whole gains from many of these institutions, the Canadian Grain Commission, some of our inspection standards in the meat and horticultural industries as well. I do not believe producers should pay the full shot.

To the member opposite, in terms of farmers having a say in the Canadian Grain Commission, they do through their primary producers as well as through the Canadian Wheat Board Advisory Committee which is an elected body in 11 districts in western Canada. They advise the wheat board, they should advise and I am certain they do, at least the ones I talk to, advise the minister in all matters related to grain including this issue in terms of grades, standards and regulatory controls.

There is input at the moment through the Canadian Wheat Board Advisory Committee and through members elected in this House directly to the minister who is responsible for the Canadian Grain Commission.

(1300)

The Acting Speaker (Mrs. Maheu): I see no one rising on debate. Is the House ready for the question?

Some hon. members: Question.

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

Some hon. members: Agreed.

Some hon. members: On division.

(Motion agreed to, bill read the second time and referred to a committee.)

DEPARTMENT OF EXTERNAL AFFAIRS ACT

Hon. Herb Gray (for the Minister of Foreign Affairs) moved that Bill C–47, an act to amend the Department of External Affairs Act and to make related amendments to other acts, be read the second time and referred to a committee.

Mr. Jesse Flis (Parliamentary Secretary to Minister of Foreign Affairs): Madam Speaker, it gives me great pleasure to rise today in support of Bill C–47, an act to amend the Department of External Affairs Act.

Our government made a commitment when we were sworn into office to change the name of the Department of External Affairs to the Department of Foreign Affairs and International Trade. This change in title is a recognition of the changes of the department's mandate that have occurred over the 85 years since its inception.

The Department of External Affairs was created in 1909 by Prime Minister Wilfrid Laurier to conduct Canada's foreign policy. Since then the mission of the department has adapted to reflect Canada's growing role on the international stage.

During World War I for example, Canada played an important role internationally as part of the allied forces and a member of the imperial war cabinet. By the end of the war, Canada was emerging as a fully independent nation. This maturation was reflected in changes to the fledgling department.

In the 1920s under the leadership of Dr. O. D. Skelton, the Under–Secretary of State for External Affairs, and Counsellor Loring Christie, the department began to evolve into its current structure and the Canadian diplomatic corps was formed.

The second world war contributed further to the growth of the department. Canada became an active world player. We were a founding member of the United Nations and a full participant in such other international organizations as the North Atlantic Treaty Organization, NATO; the General Agreement on Tariffs and Trade, GATT; the International Monetary Fund, the World Bank and, of course, the Commonwealth.

In more recent years, Canada has steadily increased its role in world affairs and joined additional organizations such as the G–7, the group of seven major industrialized nations, La Francophonie, and the Organization of American States, the OAS.

The department contributes significantly to this role, fulfilling its mission to portray, promote and defend the interests of Canada, to improve Canadians' awareness and understanding of the world and to serve Canadians at home and abroad.

Bill C–47 will amend the External Affairs Act to change the legal name of the department and the titles of its ministers and senior officials. Under this act, the Secretary of State for External Affairs becomes the Minister of Foreign Affairs. The title of the Minister for International Trade remains unchanged. The title of the junior minister, the Minister for External

Relations, will change to become the Minister for International Co–operation.

(1305)

Senior official titles currently including the term under–secretary will reflect ministerial changes, thus the Under–Secretary of State for External Affairs will become the Deputy Minister for Foreign Affairs, referred to as the DM for foreign affairs.

Bill C–47 makes no substantive changes to the structure of the department. Rather the change in name affected by this legislation reflects the current mandate of the department.

I would like to add a few words about the roles of the two new positions not written into the act but important to the development of Canadian foreign policy. These are the positions of Secretary of State for Latin America and Africa, and I see the secretary of state listening very attentively to what I am saying, and of course the Secretary of State for Asia Pacific.

The secretaries of state have proven to be invaluable contributors to Canada's foreign policy. They travel and meet widely with leaders in many countries where Canadian foreign policy interests are being pursued. I know how active they are in liaising with the diplomatic corps here in Canada. They complement the work of the minister very effectively.

Let us not forget the role of the Parliamentary Secretary to the Minister of Foreign Affairs, a position also not incorporated in this act but a very important role to represent the Minister of Foreign Affairs in his absence when he is out representing Canada in his many, many duties. I know personally what a heavy role that minister plays. Therefore the roles of secretaries of state and parliamentary secretary are very helpful to the minister and to the department.

[*Translation*]

To conclude, I say that the object of the bill is very clear. It is simply to make sure that our presence abroad and in international organizations reflects today's reality.

In our history, we went from colony to dominion and finally independent nation. The new title of Department of Foreign Affairs and International Trade makes this evolution official.

Mr. Stéphane Bergeron (Verchères): Mr. Speaker, it is my pleasure to speak on Bill C–47, an Act to amend the Department of External Affairs Act and to make related amendments to other Acts.

I would like to take this opportunity to congratulate my colleague, the parliamentary secretary to the Minister of Foreign Affairs, for his excellent remarks. As he pointed out, the purpose of Bill C–47 is to change the name of the department from the Department of External Affairs and International Trade to the Department of Foreign Affairs and International Trade. In fact, the purpose of the Bill is to update the name of the department and of some of its officers with respect to the existing administrative structure.

With your permission, I would like to recall a number of historic reasons for making what we feel is an appropriate change of name.

From 1867 to 1909, Great Britain retained overall responsibility for Canada's external relations, and it was Great Britain, as it were, that declared war on behalf of Canada in 1914, as Canada did not have its own ambassadors at that time.

In 1909, as the parliamentary secretary pointed out, Canada's own Department of External Affairs was created. It was headed by a secretary of state for external affairs, a position that had already been created in 1868. But actually, the prime minister continued to be largely responsible for this department. It is interesting to note, incidentally, that when it was created the department had five employees and, in 1911, no more than 15.

On April 1, 1912, the Department of External Affairs was placed under the direct jurisdiction of the prime minister; it concerned itself essentially with the Canadian government's relations with other dominions of the British Crown, whence the use of the term ''external'' to describe something that was not completely foreign. And this is the term that has remained.

(1310)

Just before the outbreak of World War I, Canada was represented abroad, outside British dominions, by one office in Washington, with a staff of nine, one high commission in London, with a staff of eleven, and one general commission in Paris, with a staff of eight.

After the war, Canada's international status gained recognition through battle exploits of Canadian troops at Vimy for example. In 1923, Canada signed its first treaty as an independent state, the Halibut Treaty, and sent diplomatic representatives abroad. In 1931, as we know, Canada officially became an independent state under the Treaty of Westminster, which conferred complete independence to Canada.

The 1935–39 period is considered as a period of growth for the Canadian foreign service and one during which several countries established diplomatic representation here in Ottawa. In 1939, it is as an independent state that Canada declared war upon Germany and other Axis powers.

The foreign policy of Canada, one of the founding members of the United Nations, enjoyed new growth after the Second World War, particularly in 1946, with the appointment of the first truly independent secretary of State, and the passage of the Canadian Department of External Affairs Act. The same legislation is still

in effect today, except for minor amendments made from time to time since then.

During the 1960s, efforts started to be made to bring the various programs relating to trade and commerce under the purview of External Affairs. In 1983, the position of Minister for International Trade was created as well as that of Minister for External Relations. Over the years, various programs such as that of the export market development board came under the jurisdiction of the Department of External Affairs, while others, like that of the Grain Marketing Office, were transferred to other departments.

Today, we have before us in this House Bill C–47, a bill which, as I mentioned earlier, changes the name of the Department of External Affairs for that of Department of Foreign Affairs and International Trade.

As we speak, the Department of Foreign Affairs and International Trade employs over 4,000 Canadians and nearly 5,000 locally–engaged staff around the world. Thinking back to the rather modest beginnings of the department that I described earlier, we can see that it has come a long way.

Naturally, we intend to support this bill because, as the hon. parliamentary indicated, we believe the time has come to update the name of this department because, in its present form, it evokes the dominion status Canada had for so many years. The wish could also be expressed to see the government go ahead and eliminate the last traces of this colonial era by abolishing plainly and simply the other place, an institution which is a glaring anachronism and does not suit the Canadian reality at all. The government of Canada could also have used this opportunity to make progress on the political and constitutional status of Canada.

I think that this bill is also appropriate, given the foreign policy review aimed at updating Canada's present one. We, however, have three reservations about this bill which are far from trivial, to say the least.

First of all, we deplore the fact that the minister did not take this opportunity to put some order into all the positions that have not been filled since the Liberals came to office. I am referring specifically to clauses 4, 8(2) and 9 of the bill, under which the government may appoint—again, since the Liberals came to office, and even before in some cases—a Minister for International Co–operation, Associate Deputy Ministers as well as a Co–ordinator, International Economic Relations when these positions are vacant.

In fact, the positions that remain unfilled would allow the government to distribute them as it sees fit. If these positions are useless, they should simply be abolished. Such is the case with the position of Minister for International Co–operation, formerly the Minister for External Relations, which is now vacant. If the government does not find any use for it, it should simply abolish it instead of putting it aside for highly partisan appointments.

(1315)

We also think that CIDA, whose mandate is rather vague, should have its own constituent act governing its activities as an independent body. Such an act would give the minister responsible for CIDA a clear and unequivocal mandate. It would, of course, also prevent financial and human resources from being wasted.

My third reservation concerns clause 7, subsection (3). If I may, Mr. Speaker, I will now read this clause: ''The Minister may develop and carry out programs related to his powers, duties and functions for the promotion of Canada's interests abroad, including the fostering of the expansion of Canada's international trade and commerce and the provision of assistance for developing countries''. We think it is inappropriate for the minister to link Canada's commercial interests with development assistance so explicitly and so directly in the same clause.

We recognize, of course, that development assistance provided by Canada works in favour of Canada's political interests at the international level. But keeping development assistance together with international trade in the same clause can be confusing and suggest that the government again intends to continue to favour tied aid. In this regard, I think that we cannot allow these two items to be together in the same clause of the bill.

In conclusion, of course we will support this bill, bearing in mind that we have these three very serious reservations which we would like the government to take into consideration in the process leading to the adoption of this bill. As I just said, this bill is part of a historical process which unfortunately has taken too many years.

I think it was high time for the Canadian government to update the name of the Department of External Affairs and the Department of International Trade to make it a real Department of Foreign Affairs and International Trade. Unfortunately, as I just said when I was talking about our reservations, we regret that the minister did not take this opportunity to make some adjustments that would have made the department even more up to date.

I think that the goal which the government is pursuing with this bill is bringing this department up to date. So it is rather disturbing and surprising to see that the government wants to keep in this bill some positions of questionable usefulness, given that they are still vacant even as we speak.

I end my remarks here. We will certainly have the opportunity to talk about them again in subsequent debates.

[*English*]

Mr. Charlie Penson (Peace River): Mr. Speaker, as the Reform Party's international trade critic it is a pleasure for me to speak today on Bill C–47 and its implications for a modernized and revitalized Department of Foreign Affairs.

This bill does not make any huge changes. It changes the name of the Department of External Affairs to the Department of Foreign Affairs and International Trade and it changes the titles of ministers and the deputy ministers to reflect the new name of the department.

I suppose the name change is intended to ensure that the Department of Foreign Affairs and International Trade reflects the needs and values of Canadians in the 1990s. However I wonder whether changing the name of the department is necessary and whether the cost of doing so can be justified. I know that printing 4,000 new sets of business cards and redoing all the stationery does not amount to a monumental cost in the larger scheme of things, but the taxpayer expects a new standard of efficiency in government and this does seem to be frivolous.

(1320)

The Department of External Affairs has operated for some 10 years with international trade as one of its components. It is suddenly necessary to add the long phrase of international trade to the name of the department. Why is this?

Why after so many years of operating just fine as external affairs do we now need the title of foreign affairs and international trade? What if in its wisdom some future government decides to move the international trade component back to the industry department? What if one day a crown corporation is formed to take over the trade promotion? What if that function is privatized altogether? Do we then have to go through this exercise all over again?

Changing the way trade promotion is handled is not inconceivable. Just this morning the *Globe and Mail* carried an article stating that a group of business people says Ottawa could save nearly $117 million a year by concentrating its trade promotion efforts on smaller companies ending duplication and tying trade to aid. The article goes on to quote the chairman of the International Business Development Review to say that it would require courageous decisions to wean business off trade support initiatives but the federal government would be surprised by the positive response from an overtaxed population. I encourage the minister to look at these options and explore this further.

Let us talk a bit about what Canadians do want from their department of foreign affairs as it is now going to be known. The foreign policy joint review committee heard many representations from Canadians. The resulting report will guide the department to restructure as necessary and to address those concerns and set Canada's future foreign policy.

Specifically Canadians told us of the need to restructure CIDA and to make it more accountable and more focused in its approach to development assistance. They told us of the need to more clearly define the criteria for Canada's participation in future peacekeeping operations. They told us that non–government agencies, NGOs, can play a larger role in Canada's foreign aid delivery and development. They told us that the need for Canada is to aggressively seek to develop the fast growing Asia–Pacific area for trade. There were many other suggestions and recommendations but we will have to wait for the report to hear them all.

We know for certain however that Canadians want economic security and that over two million Canadians depend on international trade for their jobs. For every $1 billion in new exports 11,000 new jobs will be created. Therefore the Department of Foreign Affairs must do its utmost to make sure that Canadian business succeeds in the international marketplace.

In 1993 Canada exported $181 billion worth of goods and services totalling 30 per cent of our GDP. To see this number increase Reform would like to see Canada be a strong advocate for free trade or freer trade worldwide. We have made some important steps in this direction and I give this government credit for that.

One of the most important vehicles for this will be the world trade organization which will soon be in place as a result of the GATT negotiations. It is vital that Canada help this organization to be successful. Canada must take a leadership role in the new WTO in making this rules based organization work. We must continue to strive for further trade liberalization in the second round of negotiations in agriculture at the GATT or WTO in six years time. Canada must actively pursue new free trade agreements which could enhance our international trade position.

Of special interest to Canada would be the rapid and successful expansion of NAFTA. When reviewing potential new members Canada should encourage our current partners, the U.S. and Mexico, not to drag their feet in these negotiations. In the long term the expansion of NAFTA will help us all. Canada is a trading nation. We need to develop this further.

Of principal interest to Canada however will always be our trading relationship with the United States which currently accounts for about 75 to 80 per cent of Canada's two way trade. This strong relationship with the United States has allowed Canada to become the seventh largest trading nation in the world, even though we are only 31st in terms of population size.

While Canada must always strive to diversify in the area of trade so that we do not remain dependent on our neighbour to the south for our prosperity, we must recognize that the Cana-

da–U.S. trade relationship is something which needs to be encouraged and promoted to the fullest.

(1325)

Beyond nurturing our trade relationship with the United States, the Department of Foreign Affairs must always strive to carve out new markets for Canadian international trade. Its job is to tap into emerging growth markets throughout the world and make sure Canadian business can get its foot in the door and go on to develop a comparative advantage over our competitors.

One of the most exciting new growth markets for Canadian trade, as I have said, is the Pacific rim which within five years could represent 40 per cent of total global consumption of exports. Obviously the Department of Foreign Affairs should do its utmost to make sure that Canada remains an active and successful player in the region.

To date we have had some success. Japan is already our second biggest trading partner and purchases more Canadian exports than the U.K., Germany and France combined. In addition, China has the fastest growing economy in the world. With its huge population it is predicted that by early in the next century China could be the second largest economy in the world.

As has already been mentioned, Canada has a significant stake in expanding trade within our hemisphere, preferably through the NAFTA. It has already given Canada unprecedented and preferential access to Mexico's growing market of over 85 million consumers. Other countries such as Chile have demonstrated a very real desire to join this agreement. Canada must ensure that we are a leader in the area of NAFTA accession otherwise the Americans will take this leadership role and will dominate the agenda and look after their own trade interests.

The Department of Foreign Affairs should make sure Canadians remain well represented by acting as a leading force in defending Canadian interests and values. In order to successfully fulfil this task, foreign affairs should seriously consider reallocating its resources in order to optimize this important trade promotion task. This will require some tough decisions, including the withdrawal of resources from regions that do not represent growth markets for Canadian trade. Also in these countries where we have primary diplomatic and consular missions we should investigate cost cutting measures.

Our dealings with other countries of course must be on many levels and not just on those involving trade. Canada has a very special role to play in the area of international affairs because of our proud tradition of acting as an honest broker for dispute resolution and effective multinationalism. Canada must build upon this tradition and promote our position as a respected and effective middle power. With our capabilities, record of innovation and energetic use of diplomacy, many countries expect a special contribution from Canada in the area of international affairs. We should be proud to provide this service.

While Canadians will always want us to promote this positive middle power image, they also want us to live within our means. Therefore, Canada must aim for a foreign policy which is proactive, effective and fiscally responsible. This means that we must get our own fiscal house in order. We must concentrate on reducing internal trade barriers and generally reduce the cost of doing business here at home so that our companies can be more competitive in the world marketplace.

Whether acting as a catalyst for positive international change, a facilitator working to bring parties to an agreement, or mediators to defuse international conflict, the Department of Foreign Affairs must also strive to be a world leader in everything it does.

One area where Canada is already a leader is in our dealings with the United Nations which turns 50 years old this year. Improving the success of the UN is an important task for Canada. There are many ways to improve and overhaul it in the 21st century. I suggest there are several areas Canada should be looking at which would improve the efficiency, accountability and effectiveness of the United Nations.

First, rules that force countries to pay their UN dues must be enforced. Otherwise the UN will always be ineffective and all other reform will go for naught.

Second, the newly appointed UN inspector general must be given a wide mandate to rein in overspending, duplication and waste.

Third, an early warning system should be set up to pre–empt disastrous international conflicts and environmental degradation.

Fourth, an international court should be established through the UN to punish international criminals who currently use national borders and weak international co–ordination to avoid being punished.

(1330)

Fifth, the structure of the UN Security Council and the veto powers of its permanent membership should be reviewed. During the review Canada should be considered for permanent membership because of its longstanding service and dedication to the United Nations and peacekeeping.

For any of these reforms to work it is necessary that the Department of Foreign Affairs play an effective role both behind the scenes and by publicly setting the agenda for change.

In conclusion, while the Reform Party was elected on a domestic agenda we realize we must be able to present a credible foreign policy and develop a good working relationship with the Department of Foreign Affairs. I would therefore like to express my support for the bill, not as a housekeeping measure to be dealt with quickly but as a sign of a new dynamic and efficient

Department of Foreign Affairs. There will be support for Canadian interests and values into the next century.

While the Reform will have plenty more to say in the area of foreign policy in the coming session, I hope I have illustrated some of the points we think are important for the department.

The Acting Speaker (Mrs. Maheu): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mrs. Maheu): 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: On division.

(Motion agreed to, bill read the second time and referred to a committee.)

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DEPARTMENT OF PUBLIC WORKS AND GOVERNMENT SERVICES ACT

The House resumed from September 30 consideration of the motion that Bill C–52, an act to establish the Department of Public Works and Government Services and to amend and repeal certain acts, be read the second time and referred to a committee; and of the amendment.

Mr. Patrick Gagnon (Parliamentary Secretary to Solicitor General of Canada): Madam Speaker, I am pleased to speak on Bill C–52, known as the Department of Public Works and Government Services Act. It serves the purpose of bringing together or consolidating four former common service agencies of the federal government.

[*Translation*]

These are the former departments of Public Works and Supply and Services, as well as the Government Telecommunications Agency.

The new department will play an essential role in that it will allow the federal government to effectively increase the efficiency of its operations. This grouping of important services under a single authority with consistent policies and a co–ordinated long–term approach will allow us to provide better service to the federal administration as a whole and, consequently, to Canadian taxpayers.

The government is firmly committed to offer all Canadians a fair, efficient, innovative and accessible administration.

[*English*]

Canadians are aware that overlap, duplication and poor co–ordination have contributed to the tax burden they must all bear. Canadians expect and demand that we take every measure possible to streamline our operations, reduce administrative costs, cut out red tape and improve our service delivery in implementing government programs.

The creation of a new Department of Public Works and Government Services responds directly to that challenge. It will provide more effectively than ever before a central focus for the provision of a wide range of services that contribute in a vital way to the efficient operation of some 150 government departments and agencies.

[*Translation*]

The purpose of this bill is not to table new policies but to set up a structure which, thanks to the synergy and dynamics generated by the new organization, will help us streamline government services to Canadians and improve their effectiveness.

[*English*]

The new department is a major service element of the federal government. At the time of amalgamation it was comprised of 18,000 employees based in 200 locations across Canada and with an annual budget of approximately $4 billion. The range of services is extensive, including providing telecommunications and professional and technical informatic services to departments and agencies; acting as the chief contracting agent of the federal government; ensuring value for money through a procurement process that is open, fair and competitive; issuing some 200 million payments annually by cheque and direct deposit as part of the receiver general's responsibility; giving the government a full range of communication services, including publication of thousands of titles annually; providing consulting and auditing services on a fee for service basis; handling most of the architectural and engineering services needed by the government as well as providing a wide variety of realty services; and, my personal favourite, providing translation services for the Parliament and the public service for which we in the House are grateful. It also provides for the disposal and sale of crown assets. These are just the highlights of the many and varied services offered and provided by the department.

(1335)

To fulfil its mandate effectively, Public Works and Government Services has to establish close and productive working relationships with a number of varied interests, most notably those who do business with the Government of Canada, the many departments and agencies of government that depend on

Public Works and Government Services for its services, and the Canadian public that wants and expects fast efficient delivery of government services.

We must remember the federal government is by far the largest purchaser of goods and services in the country. Annual federal procurement, exclusive of crown corporations, is in the order of $16 billion. Public Works and Government Services is responsible for the orderly processing of about 65 per cent of the total or $10 billion.

[*Translation*]

There is no doubt that this more global approach regarding government procurement will benefit all Canadians concerned.

Indeed, it will allow us to implement better co–ordinated and standardized methods and policies, to use state–of–the–art technologies enabling us to streamline existing procedures, and to give eventual suppliers a more precise idea of who they are dealing with.

Initial reaction to this amalgamation process has been positive. It will be even more so once legislation is passed and the new department's structure is farther advanced.

[*English*]

Our government has stressed again and again that the operations of government must be responsive and geared to action and results rather than to the bureaucratic process to which some members on the opposite side often refer.

This is very true of the central services provided by the new department. I believe it will be better equipped to develop stronger, more responsive relationships with its client departments in its new formation.

[*Translation*]

Direct benefits of this amalgamation, for the government but particularly taxpayers, are quite remarkable. Already, overlapping, which the Bloc Quebecois constantly talks about, and duplication have been significantly reduced everywhere in the department, and the streamlining of operations is well underway.

Taking into account operational reviews and related recommendations, as well as the new systems to be implemented and the amalgamation itself, the estimated savings over five years should total approximately $180 million.

[*English*]

The overall staff requirement will be reduced by more than 20 per cent, from 18,000 at the time of amalgamation to about 14,000 at century's end. Specifically the administrative services of the component groups in the new departments have already been consolidated and this will result in savings of some 500 full time positions.

[*Translation*]

I want to point out that all these savings will be made by eliminating duplication, streamlining systems and making increased use of state–of–the–art technologies such as infometrics.

I can assure you that these savings will in no way diminish the quality of service currently provided to the department's clients and to Canadians in general.

(1340)

Regardless of the structure of joint services, efficiency will always be the key to success. In that regard, we must reduce overlapping and duplication everywhere in government operations and we must become a centre of excellence striving to develop new methods and technologies to deliver services.

The net result will be savings to taxpayers, a one–stop service centre for existing departments, a special expertise accessible from anywhere within the government, a single–window service for suppliers and entrepreneurs dealing with the government—this single–window concept is important, because that is all the opposition talks about these days—and, more importantly, an improved ability on the government's part to serve Canadians.

[*English*]

In the current climate of fiscal restraint the pursuit of efficiency and economy in government operations is clearly not a luxury. It is an absolute necessity. Bill C–52 which will integrate the majority of all common services into one department will help us operate more efficiently and deliver the best we can to our clients.

I hope all members will join me and this side of the House in supporting this innovative legislation. Much has already been achieved, and with the passage of the bill we could move forward with confidence in further streamlining and improving the operations of the federal government.

[*Translation*]

Mr. Gérald Asselin (Charlevoix): Madam Speaker, I welcome this opportunity today to speak on Bill C–52. Perhaps I may mention that during my 14 years as a municipal councillor in Baie–Comeau, I was Chairman of the Public Works Commission.

The responsibilities of a municipal councillor are similar to those of a member in this House. A councillor is expected to administer taxpayers' money, and the same applies in the federal government. Members of this House have to make sure that government revenues raised through taxes are properly administered, in the name of openness.

Increasingly, politicians are losing their credibility, and they are finding it harder to field questions from their constituents about contracting out, privatization, transparency and a host of similar questions.

In my speech I intend to discuss Bill C–52, but mainly as it concerns contracting out, privatization and how the government should take advantage of this opportunity. Bill C–52 is an Act to establish the Department of Public Works and Government Services, which will also include communications and translation.

In fact, this legislation goes back to the 1870s, and it does not give the government or the minister any additional powers. However, we in the Bloc Quebecois would have expected this bill to give the minister additional monitoring and administrative powers, and that the Liberal government, as it promised in the red book, should at least have tried to provide some transparency in this bill by legislating structured parameters for administration and control, thus enabling it to make future decisions based on the principle of openness and a clear knowledge of the facts.

(1345)

As the old saying goes, if you want something done, you are better off doing it yourself. I wish the government would tell us how much it saves by contracting out, and by privatizing federal services. If the past is any indication, I think there is some cause for concern about the future, when we consider the disgusting case of Pearson Airport, the only profitable federal airport in Canada.

Of course, the federal government wants to get rid of some of its facilities that no longer make a profit, mainly in Quebec. However, if the federal government cannot turn a profit with them, it is doubtful whether municipalities, regional municipalities or regional economic partners would be more successful.

There are plenty of federal facilities in my riding. We have airports in Baie–Comeau, Forestville and Charlevoix. There are about 20 federal wharfs in my riding. Some wharfs are still operational, but many have been declared redundant by Fisheries and Oceans, Transport Canada and Public Works.

I am also concerned about contracting out, and by the Department of Transport's plans for privatizing railway and marine transportation, as well as airport facilities. In my riding, there is a company called Sopor, that carries goods for Reynolds and Quno to the South Shore. Sopor plays an important role in the region's economic development and is particularly useful as a carrier, shipping Reynolds aluminum products and Quno newsprint throughout the world.

Also, in the transportation industry, contracting out or privatization means we are not in a position to develop the railway line between Quebec and Pointe–au–Pic, because the line will be transferred very shortly to the private sector. It is taking forever to settle this matter. Furthermore, we are still waiting for the tourist train from the central station in Quebec City to the Casino in Charlevoix to come through.

Contracting out should mean better quality and better services at a better price. I am not saying I am against contracting out, but what I want from the government, the department and the committee is some proof that contracting out or privatization is cost–effective for the government.

As you know, the government is obliged to call public tenders for all contracts exceeding $25,000. In the case of contracts between $2,500 and $25,000, the department can award contracts, even by invitation. Of course, within the departments there is some flexibility for contracts up to $2,500.

In this House, the Bloc Quebecois has been blasted regularly by various ministers, who have claimed that it often criticizes but never proposes solutions. I can tell you that, in the context of Bill C–52, the Bloc does offer very substantial alternatives, so that greater control can be exercised and the government can demonstrate more transparency.

(1350)

To ignore the solutions put forward by the Bloc Quebecois is to prevent reductions in program expenditures and the deficit as well as prevent finding ways of providing services to the Canadian public in an cost–effective and efficient fashion.

At a recent meeting of the government operations committee, I asked the minister responsible: ''Do you undertake, before this committee, to identify clearly the needs for a department, develop solid specifications and estimates, launch a fair public tendering process, call for public tenders and have a bidders report produced, evaluate tenders openly, receive a recommendation through the deputy minister and, following this process, accept the lowest bid that complies with the specifications established by the department?'' And the answer I got was ''no''.

How can a department or a minister claim to be transparent while refusing to accept the lowest bid, that meets all requirements? The minister is setting himself up to be criticized, sometime down the road, for favouring a friend of the government or a person who attended at some point in time a dinner at $1,000 a setting.

The issue of transparency was raised in the government's red book and during the election campaign. Transparency must be more than just part of a campaign platform. It must last throughout the government's mandate. Every department is very interested in good management. Our job, as politicians, as members of this House, is to demonstrate our willingness to earn as much credibility as possible from our constituents in each of our ridings.

Does the current contracting–out policy save us money? If so, how much do we save and how are these savings achieved? What are the major pros and cons of contracting out? Some drawbacks, such as poor quality, have been revealed. Increasingly, there are concerns about the protection of the confidentiality of certain documents.

Other questions come to mind. What constitutes acceptable justification for contracting out? How many civil servants have

been put on a shelf? Will their numbers keep growing? In short, many questions remain unanswered.

It seems to us that contracting out is expensive. More and more contracts are let, while no one has been laid off in the Public Service. Job safety in the Public Service, the case of this Communications Canada Group that used up funds left over at the end of the year so that its budget would no be cut the following year, the privatization of Pearson International Airport, these are cases that should convince the government to support the amendment put forward by the Bloc Quebecois and to vote against the bill, if that amendment were not adopted.

In the National Capital Region, 79 per cent of federal government services are provided by temporary personnel. It is reported that, in the NCR alone, $64.4 million were devoted to temporary assistance in 1993, while thousands of full–time employees were declared surplus. This is a ridiculous approach as well as an exercise in squandering public funds.

(1355)

In 1992–93, a full–time government secretary made $24,000 plus benefits, while a temporary personnel agency charges the government $36,000 per year or $20 an hour for secretarial services.

I wish to give a few examples of what the federal government used to pay versus today's contracting–out costs.

A government mechanic made $16 an hour, while the agency charges the government $26 an hour. A plumber working in maintenance for the federal government earned $18 an hour, while an agency charges $26 an hour. A carpenter working in maintenance for the federal government made $17 an hour, while an agency charges $25 an hour for the same services.

It is not true that contracting out saves on space and equipment. In the national capital, hundreds of contractors work in federal government offices and use the equipment and facilities paid for by Canadian and Quebec taxpayers.

It is time to stop this waste. In 1991, contracting out in the public service cost $5 billion. Between 1984 and 1985 and from 1992 to 1993, these costs rose by 7.5 per cent on average compared with 5.3 per cent for other government operating expenditures.

According to a recent report, contracting–out costs amounting to $2.9 billion in 1984–85 rose to $5 billion in 1992–93, about twice as much. I will resume my speech after Question Period.

Mr. Patrick Gagnon (Parliamentary Secretary to Solicitor General of Canada): Madam Speaker, I listened with interest to the comments made by the hon. member and his colleagues. They always talk about duplication, waste and transparency.

In this respect, I think that the federal government has made a considerable effort to open up the process. In fact, we have an Open Bidding Service or OBS whereby even opposition members, small entrepreneurs and big businesses are invited to bid on federal government contracts, in order to provide services to businesses in your ridings.

I can even give some examples. In my riding of Bonaventure—Îles–de–la–Madeleine, fishermen often submit tenders to provide various services to the federal government. For instance, bids have been solicited for providing CIDA with cases of herring. So I can tell you this: Because of the quality of their products and their competitive prices, Magdalen Islands fishermen got—

The Speaker: Order. It being 2 p.m., pursuant to Standing Order 30(5), the House will now proceed to Statements by Members pursuant to Standing Order 31.

STATEMENTS BY MEMBERS

[*English*]

TERRY FOX RUNS FOR CANCER RESEARCH

Mr. Peter Adams (Peterborough): Mr. Speaker, Terry Fox runs have now spread around the world but I am delighted that the runs are still thriving in parts of Canada like Peterborough that Terry visited on his own run.

This year more than $17,000 was raised by the city of Peterborough run organized by Doug Boden and his committee. Peterborough schools raised over $90,000. My thanks to everyone involved.

In the tiny village of Havelock, which had close personal ties with Terry during his run, more than $10,000 was raised through the amazing efforts of Ernie Hamilton. Our thanks to the village of Havelock, the townships of Belmont and Methuen, the Havelock Legion and all those involved in this remarkable effort.

Special thanks to the students of Havelock, Belmont and Methuen Public School for their $246.

Terry Fox is still raising money for cancer research.

[*Translation*]

FEDERALISM

Mr. Bernard Deshaies (Abitibi): Mr. Speaker, leaks of the working discussion paper to be used by the Minister of Human Resources Development confirm for us that the ghosts of centralizing federalism are on the move again. These ghosts which we had hoped to see disappear forever are supposedly preparing to cut $2.3 billion in transfer payments to the provinces for post–secondary education so that the federal government can meddle further in this field of exclusive provincial jurisdiction.

Why does this government want greater visibility for what it does in fields of exclusive provincial jurisdiction? Does the federal government want to give the impression that it is in a better position to solve the existing problems?

In both cases, the federal government is showing complete disregard for the provinces' ability to act and members of the Bloc Quebecois do not want to support that idea.

* * *

[*English*]

JUSTICE

Mr. Dick Harris (Prince George—Bulkley Valley): Mr. Speaker, on October 2 the Ottawa *Sun* reported that a man convicted of a savage murder in 1976 will be given a second chance at early parole because the Supreme Court ruled that the crown consistently and improperly appealed to the jury's passions during his first hearing.

The court has decided that this killer who stabbed his victim 132 times and used five different knives in the process deserves a second chance. What about his victim? What about her chances? What about her chances to live a full and happy life? She got no second chance.

It is time to give law abiding Canadians a second chance, a second chance to regain faith in our criminal justice system. It is time to close the loopholes and throw out the bleeding heart liberals who so frequently allow such dangerous offenders back into society.

For crimes as savage as this, Canadians demand that a life sentence must indeed mean life with no second chance.

* * *

PARLIAMENTARY PAGES

Mr. Paul Steckle (Huron—Bruce): Mr. Speaker, it is a particular honour for me to rise today in recognition of our parliamentary pages. Parliamentary pages have served parliamentarians since Confederation in 1867. Prime Ministers Sir John A. Macdonald, Sir Wilfrid Laurier, Lester B. Pearson, Mackenzie King and Louis St. Laurent were served by distinguished young Canadians.

Their many duties include carrying messages, Order Papers and *Hansard* to members' desks, even the occasional glass of water.

At one time the opportunity of participating in this program was a privilege only extended to young men. In 1974 this practice was changed to include young women who also serve us today.

There are 42 pages in the House of Commons program today. Each and every province of Canada is represented. These young students set an example for all young Canadians. One of them is Roger Label who comes from my riding of Huron—Bruce, more particularly Port Elgin.

The pages are hardworking and dedicated individuals. I would like to take this opportunity on behalf of all members of Parliament to thank them for their work and their support.

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NATIVE COUNCIL OF NOVA SCOTIA

Mr. John Murphy (Annapolis Valley—Hants): Mr. Speaker, on Friday, September 30 I had the honour of attending the 20th Annual General Assembly of the Native Council of Nova Scotia. This three day conference offered an ideal opportunity for Nova Scotia's off reserve Mi'kmaq population to participate in discussions on how best to achieve aboriginal self–government.

In conjunction with this conference the province of Nova Scotia announced it has initiated a tripartite forum in order to examine major native issues. This is the first of its kind in Canada. I am proud of the role all parties are playing in order to find positive, proactive solutions.

I applaud the work being accomplished by this council in promoting positive change. We must now lend our support to the Mi'kmaq nation as it moves toward a more traditional role of governing itself.

* * *

CELIAC AWARENESS WEEK

Ms. Hedy Fry (Vancouver Centre): Mr. Speaker, I want to bring to the attention of the House a disease that is not at all exciting or high profile but which is tragic all the same. The week of October 2 to 8 has been designated as Celiac Awareness Week by the Canadian Celiac Association.

Celiac disease is a medical condition in which the absorptive surface of the small intestine is damaged by gluten, a common substance found in all bread, wheat, rye and oat products. The result is an inability to absorb nutrients, proteins, vitamins and minerals vital to growth and normal health.

Celiac disease affects 20,000 Canadians. It is a lifelong condition whose treatment involves a gluten free diet. That means these people cannot eat pastas, breads, or any other baked goods containing any source of gluten whatsoever.

(1405)

The Canadian Celiac Association promotes awareness of celiac disease. It offers services to alleviate problems faced by persons with celiac disease in obtaining expedient diagnosis and accurate information and support.

I wish to take this opportunity to salute the Canadian Celiac Association for its efforts on behalf of a disease which is not a high profile one.

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[*Translation*]

BLOC QUEBECOIS FUNDRAISING

Mr. Michel Daviault (Ahuntsic): Mr. Speaker, a headline in *La Presse* today suggests that the Bloc Quebecois is refusing to release its financial statements and the names of its contributors.

The Bloc Quebecois wants to clear up these inaccurate allegations. We are now barely halfway through its first fiscal year as a recognized political party; next spring, the Bloc will submit its first financial report containing the list of donors for the period from the 1993 election to the end of 1994.

The list of donors who have given over $100 to the Bloc Quebecois is now available on request from the party's Montreal office. The Bloc accepts donations only from individuals and limits their contributions to $5,000 a year. It respects the spirit of the Quebec law, which was the basis of a motion that the Liberals refused to pass last week.

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[*English*]

GOVERNMENT NEWS RELEASES

Mr. Chuck Strahl (Fraser Valley East): Mr. Speaker, this month a news release from the Western Economic Diversification Fund crossed my desk announcing a grant of $39 million. The final line of the release said: ''This announcement is an example of how this government is prioritizing its spending so that it can better serve Canadians by making efficient use of their tax dollars''.

I inquired about that statement. I discovered that the Privy Council Office has ordered this sentence to be placed at the end of every government news release having to do with funding. Since when is this kind of partisan statement news? This is nothing more than political advertising. Decrees of this type insult the civil service, forcing it to ignore impartiality.

For the sake of the morale in the public service, I ask the government to rescind this order immediately, leave the political rhetoric where it belongs: in the dusty unread portions of its own little red book and not foisted upon our independent civil service.

Spending of this kind has brought our national debt now to $532,956,930,422.47.

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[*Translation*]

MERGER OF RADIO MUTUEL AND TÉLÉMÉDIA

Mr. Nick Discepola (Vaudreuil): Mr. Speaker, after 40 years, five months and one week on the air, CJMS 1280, long known as Montreal's news leader, ceased operations. Along with it, six other stations of the Radio Mutuel network in Quebec City, Hull, Trois–Rivières, Chicoutimi and Sherbrooke went out of existence.

This loss deals a heavy blow to the regions, which thus lose some power and where it is increasingly important to strengthen and diversify the news available to the public instead of reducing it. This merger of Radio Mutuel and Télémédia seems to concentrate the news media too much, and the very security of democracy in the regions is at stake.

I therefore ask the CRTC to pay close attention to this issue before agreeing to this merger.

* * *

[*English*]

CHILD POVERTY

Mrs. Karen Kraft Sloan (York—Simcoe): Mr. Speaker, a new report by the Canadian Institute of Child Health details the unacceptable levels of child poverty in this country.

Poor children are more likely to die at birth and more likely to suffer from low birth weight, chronic health problems and psychiatric disorders.

I urge the Minister of Human Resources Development and the government to put Canadian children first when undertaking the upcoming social security reforms. Canadian children have been neglected. It is time to show real leadership and humanity. It is time to improve the lives of Canadian children and their families.

* * *

ENVIRONMENT

Mr. Tony Valeri (Lincoln): Mr. Speaker, currently the environment committee is reviewing the Canadian Environmental Protection Act. One aspect of the review which has great potential is the consideration of the introduction of economic instruments.

Economic instruments can provide the incentive required for industry to adopt the philosophy of pollution prevention. They do offer the potential of changing behaviour and preserving the

environment for future generations. By providing the incentive to improve technology we not only prevent pollution in Canada but develop technologies that may be exported throughout the world.

(1410)

Pollution knows no boundaries or jurisdictions. I call upon all levels of government to work together to address our environmental concerns and implement pollution prevention legislation.

* * *

[*Translation*]

INTERGOVERNMENTAL AFFAIRS

Mr. Michel Bellehumeur (Berthier—Montcalm): Mr. Speaker, yesterday, the Minister of Intergovernmental Affairs compared the repayment of Quebec for the referendum costs to a fixed wrestling match. Defending Quebec taxpayers' interests is not a game. If there is a wrestling match, as claimed by the minister, it is because he himself tried to act like a bully.

It is not the first time that the Minister of Intergovernmental Affairs makes a blunder. After the disgraceful episode related to the telephone conversation between Mr. Chrétien and Mr. Parizeau, and the referendum episode, during which he arrogantly claimed that the federal owed nothing to Quebec, he now persists in demanding that Mr. Parizeau, and no one else, be Quebec's representative on the so–called Team Canada going to Asia.

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[*English*]

"OCTOBRE"

Mrs. Jan Brown (Calgary Southeast): Mr. Speaker, the film ''Octobre'' is an example of extreme tolerance to protect the free expression of opinions in Canada. Tolerance in this country is being stretched to the limit with daily threats of separation.

''Octobre'' is a separatist film, funded once again on the backs of Canadian taxpayers. The federal government spent $1.4 million to propagate a lie. The National Film Board gave $400,000 and Telefilm Canada gave a million dollars to fund this flimsy stab at accuracy.

The facts are simple: Pierre Laporte was murdered by separatist terrorists and now federal tax dollars are being used to glorify and distort this senseless murder by a separatist gang of murderers and thieves.

To reduce the cold–blooded murder of Pierre Laporte to something as intellectually fraudulent as ''Octobre'' is appalling and to provide Canadian tax dollars to accomplish it is scandalous. The pathos and emotions of his murderers are irrelevant.

* * *

[*Translation*]

FEDERALISM

Mr. Gilles Bernier (Beauce): Mr. Speaker, the world is in constant evolution. Changes occur everywhere and people easily adapt.

However, we do not see that evolution with the government. Why insist on maintaining an uncompromising, static, hermetic and rigid, if not obsolete, federalism? The time has come to be more open and flexible. What is the government waiting for to end the status quo in its relations with the provinces? For goodness sake, try to be more modern in your federalist approach! The government should take heed of the legitimate claims made by provinces, including Quebec, because they reflect modernism and common sense.

The word ''evolution'' is not part of the vocabulary of mandarins and some elected representatives display a lack of thoughtfulness. Everywhere in this country there is a consensus in favour of decentralization. The time has come for the government to give back to Quebec and other provinces the powers which are theirs under the Constitution.

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[*English*]

LIBERAL BACKBENCHERS

Mr. Paul DeVillers (Simcoe North): Mr. Speaker, last week at a press conference in Toronto the leader of the Reform Party said that Liberal backbencher MPs from Ontario are not going to bat for their province because they do not want to do anything that could put them at odds with party policy.

The hon. member for Calgary Southwest and indeed all members of the Reform Party should realize that Ontario Liberal MPs are simply following the will of over 69 per cent of Ontarians who support the government in its policies.

The next time the leader of the Reform Party says that people in Ontario do not think the Liberals are working for them, he should take into consideration the opinion of over 69 per cent of Ontario residents who disagree with him.

Is the leader of the Reform Party really suggesting that Ontario Liberal MPs should solely represent the 7 per cent of Ontarians who support Reform Party ideology?

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WORD ON THE STREET

Mr. Tony Ianno (Trinity—Spadina): Mr. Speaker, I would like to take this opportunity to congratulate the organizers, participants and sponsors of the fifth annual Word on the Street book and magazine fair which was held on Sunday, September

24 in my riding. It is a celebration of our culture and excellence in Canadian writing. More important, it draws to our attention the importance of literacy.

This year a crowd of over 100,000 filled Queen Street West to browse the many exhibits by merchants, publishing houses and the numerous groups promoting literacy and learning.

As we all know, if Canada is to grow and prosper all Canadians must have the tools to reach their potential. The ability to read and write is fundamental to allow us as a nation to succeed and compete internationally.

Next year, thanks to funding from the federal government and our commitment to the national literacy program, Word on the Street will expand nationally to Vancouver and Halifax where parallel festivals will make this a truly national event.

* * *

(1415)

TRACADIE

Mrs. Elsie Wayne (Saint John): Mr. Speaker, I rise today to congratulate the new MLA–elect to the New Brunswick riding of Tracadie on his truly decisive victory during the by–election on September 27.

The provincial riding of Tracadie resides in the federal riding of Acadie—Bathurst. This seat has traditionally been a Liberal stronghold for 82 years. The provincial Liberals have called the seat their rock of Gibraltar.

The margin of victory, 1,364 votes, is clearly an incredible win for the Conservative Party. The people defeated the provincial Liberals because they have not improved the economy, their policies are hurting our job creation and they are just not listening. The people have spoken and have said enough is enough.

The Conservative Party is alive and well in New Brunswick and the rock of Gibraltar has fallen.

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THE ECONOMY

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, the government's review of social policy should be accompanied by a review of the policies which really caused the deficit. Social spending in Canada is not out of line with what is spent in other developed countries. It is how we finance that spending that needs a hard look.

On the revenue side, successive Canadian governments have given up billions of dollars in the form of tax breaks of one kind or another, starting with John Turner's budgets in the mid–1970s. On the monetary policy side, a policy of high interest rates combined with a diminishing of the role of the Bank of Canada in the financing of Canada's debt has led to a deplorable dependence on foreign lenders and bond holders.

Of course on the economic side, the so–called free trade and free market fetish has destroyed hundreds of thousands of jobs and stressed the social system designed for less stupid economic policies.

The government would do well to look at these things rather than blaming social programs and/or their recipients for our fiscal problems.

ORAL QUESTION PERIOD

[*Translation*]

INTERNATIONAL TRADE

Hon. Lucien Bouchard (Leader of the Opposition): Mr. Speaker, the federal government's refusal to compromise, in the case of the Team Canada trade mission to China, is leading straight to a useless confrontation between Ottawa and the new government in Quebec. Yesterday, the Prime Minister again stubbornly refused to let Mr. Parizeau send one of his ministers instead.

Does the Prime Minister not realize that Mr. Parizeau, who has just been elected with a mandate to put Quebec back on track, has more pressing priorities than spending 15 days with him in China?

Right Hon. Jean Chrétien (Prime Minister): Mr. Speaker, when we discussed these plans in December among first ministers, it was decided we would work together, and the Premiers said it was a very good idea for those who were able to do so to accompany me on this trip.

At the time, we thought about three or four would be coming along. Since then, there has been a lot of interest from the business community, and there will be a large number of people on this trip, including quite a few from Quebec.

During the summer, some Premiers who thought they would not be able to come had asked to be replaced. They were told that those who could would come along and as for the others, it was just too bad. In any case, this is a Canadian delegation that will include a large number of business people. There will be twice as many as we had planned. Canada, Quebec and the other provinces will be represented by the business people on the trip and by the Prime Minister of Canada, who also happens to be a Quebecer.

Hon. Lucien Bouchard (Leader of the Opposition): Mr. Speaker, if we look at this logically and ignore the politics, it is hard to explain the Prime Minister's stubborn attitude. Could it be that after being forced to pay the bill for Charlottetown, which he had refused to do, for no good reason, he is now trying to turn around and show English Canada that he can hold his own against Quebec's demands, even if they are legitimate?

Right Hon. Jean Chrétien (Prime Minister): Mr. Speaker, the Leader of the Opposition should explain that the trip will involve only five or six days in China, not two weeks. After that, I am going to Hong Kong, then to the Asia–Pacific Economic Cooperation Council conference in Indonesia and, finally, to Vietnam. The business part of the trip is the visit to China, which will take three or four days. This is to create jobs. I am prepared to co–operate with all governments. As for the money we paid last week, we made sure that the promise made to Quebec was a genuine promise. I made that decision very carefully.

(1420)

The Leader of the Opposition should have the courtesy to rise in the House and thank me for reversing the decision of the previous government, which did not want to pay. This was a case of Mr. Mulroney having said something in private but never having mentioned it, nor did Ms. Campbell, to the Conservative government at the time. I dealt with the problem. I am not afraid of how English Canada will react, on the contrary. All Canadian editorial writers approved what we did, with very few exceptions. The rest felt that we made the right decision. If people want to criticize me for being careful to avoid turning this into a controversy, I accept that criticism, but I can never be too careful with taxpayers money.

Hon. Lucien Bouchard (Leader of the Opposition): Mr. Speaker, the Prime Minister better not think he can silence the Bloc just because he paid Quebec the money it was due, and very reluctantly at that.

[*English*]

Can the Prime Minister not see that his obstinacy will seriously undermine the credibility of Canada's commercial delegation to China by excluding the two governments of Ontario and Quebec which represent more than 60 per cent of the Canadian population?

Right Hon. Jean Chrétien (Prime Minister): Mr. Speaker, we are not excluding anybody. It is a federal initiative. I am leading the delegation. I have offered provincial premiers to come with me.

At the beginning there were very few who thought they could come along, but enthusiasm has developed over the months with a growing number of business people coming from all over Canada. There is a large delegation of Quebec business people coming who have confidence. They want to be with me to work and create jobs for the people of Quebec. I am sorry the premier of Quebec and the premier of Ontario cannot come. They are not obliged to be there because I am going there representing all Canadians.

Some hon. members: Hear, hear.

Mr. Chrétien (Saint–Maurice): I would be delighted to represent the interests of the Bloc Quebecois as well.

[*Translation*]

Mr. Michel Gauthier (Roberval): Mr. Speaker, the Prime Minister's natural talent for generating conflict between the federal government and the government of Quebec has been in evidence for some time now. When he is not sticking his nose in someone else's jurisdiction, he is putting his foot in it.

Does the Prime Minister of Canada not realize that by choosing who must represent the governments of Quebec or Ontario, he is interfering directly in an area of responsibility exclusive to the heads of these governments, and that it is none of his business?

Right Hon. Jean Chrétien (Prime Minister): Mr. Speaker, last December the provincial premiers and myself reached an amicable agreement to work together. I invited them to come with me. Several of them said: ''We would like to, but we cannot''. Some of them called me to ask if they could send a representative and I told them they could not, because it had been agreed that the heads of each of these governments would be attending. So, I was not seeking confrontation. It is a Canadian delegation; the premiers have been invited and those who can are coming, and those who cannot are not.

I have been accused of provoking the provincial government, and yet the Minister of Finance, for example, is looking for ways to replace the GST and is seeking the co–operation of the provinces. But the government of Quebec has already said that it will not take part. When the Minister of Natural Resources, at the request of members of the Bloc Quebecois, attempts to do something for Canada's forestry development program, the Quebec Minister of Forestry refuses to attend the forestry ministers' conference in New Brunswick. Yet some very nice people show a willingness to work with the federal government. Last week, the premier of Quebec said that his sole objective in the months to come was to derail the federal machine.

(1425)

Mr. Michel Gauthier (Roberval): Mr. Speaker, what we are talking about right now is the conduct of the Prime Minister of Canada.

My question is as follows: In requiring the premier of Quebec to bow to his diktat, does the Prime Minister not realize that he is heading towards an inevitable and pointless confrontation with the government of Quebec, given that the real objective, the unspoken objective is to isolate the sovereign government of Quebec and exclude it from his federal mission?

Right Hon. Jean Chrétien (Prime Minister): Mr. Speaker, frankly, this is an exaggeration. The decision not to allow substitutes was taken last December. There was a Liberal government in power at the time, and I wish this had not changed. I did not pick the election date, and if the premier of Quebec is unable to leave Quebec for a few days to come to China with us, then Quebecers should tell themselves that we will be ably represented by Quebec businessmen and by a

member from Quebec who also happens to be the Prime Minister of Canada.

* * *

[*English*]

THE DEFICIT

Mr. Ray Speaker (Lethbridge): Mr. Speaker, it is interesting in this House that the government and the Bloc fight over who is going on a trip when the finances of this country are in grave difficulty.

The finance minister has indicated in this House that the savings from the social policy review would go toward reducing the deficit. The Deputy Prime Minister has said that the savings from the social policy review would not go toward reducing the deficit.

Will the Prime Minister indicate to this House whether the savings from the social policy review will go to reducing the deficit, yes or no?

Right Hon. Jean Chrétien (Prime Minister): Mr. Speaker, the member will have his answer in reading the document.

Mr. Ray Speaker (Lethbridge): Mr. Speaker, just last Thursday in this assembly the Minister of Finance said the savings from the social policy review would go to cut spending and indicated that to this assembly.

Would the Prime Minister indicate whether that is the policy of the government? If it is not it should be made clear to Canadians here today.

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification): Mr. Speaker, I am pleased to see the avid interest of the hon. member in the matter of social reform.

I would say it comes about nine months too late because the fact of the matter is we set out very clearly the fiscal parameters as applied to the social reform program in the February budget.

Mr. Ray Speaker (Lethbridge): Mr. Speaker, the government does not want to tell the Canadian people where it stands on this issue and whether it is ready to face its responsibilities.

Will the Minister of Finance indicate whether his economic statement which I understand is to be released in mid–October will advise the Canadian people that the government has enough courage to reduce spending in social policy areas to deal with the deficit of this nation?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development –Quebec): Mr. Speaker, there have been a number of statements from the government. They have been very consistent on the fact that we regard social security reform as a means of making this a more cost effective and efficient country and of delivering services to Canadians in by far the most efficient way possible.

We also understand the pressures that are on us. I would quote, for instance, from the minister of human resources when he referred the other day to the massive debts that must be reduced.

(1430)

Then he said that if we do not accept that reality we are going to have the bond dealers in New York dictating our social policy. The one difference between that side of the House and this is that we understand that our economic and social sovereignty is in doubt and we are not going to let anybody dictate to us the direction that this country ought to take.

* * *

[*Translation*]

SOCIAL PROGRAM REFORM

Mr. Paul Crête (Kamouraska—Rivière–du–Loup): Mr. Speaker, my question is for the Minister of Human Resources Development.

The minister is preparing to table nothing more than a discussion paper tomorrow, while he had promised to come up by last April with a plan of action setting the course for government social program reform. In addition, because of objections raised by several provinces, this reform project is already far behind schedule.

Will the minister not recognize that tabling a mere discussion paper only confirms his failure to develop a real plan of action setting the course for government social program reform?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification): No, Mr. Speaker.

[*Translation*]

Mr. Paul Crête (Kamouraska—Rivière–du–Loup): Mr. Speaker, are we to understand from this ''no'' that under the cover of broad consultation hides the minister's real objective, namely to cut $4 billion in transfer payments to the provinces and benefits paid to individuals?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification): Mr. Speaker, it appears that the hon. member is suffering from a case of premature agitation.

I would suggest that the best solution to that ailment is to wait until tomorrow to see what the paper really says and what we really propose.

IMMIGRATION

Miss Deborah Grey (Beaver River): Mr. Speaker, the immigration minister's so–called public consultation process is now over.

I trust that in addition to special interest groups the minister has consulted with Dr. Don Devoretz, a leading immigration expert, who says that the family reunification policy has lowered the success of today's immigrants.

Is this minister committed to acting upon the will of Canadians as expressed in poll after poll as well as the findings of experts? Will he substantially reduce the level of immigration in Canada?

Hon. Sergio Marchi (Minister of Citizenship and Immigration): Mr. Speaker, not only was Don Devoretz an invited guest at our two–day conference, he was also a member of a working group. We looked very seriously at the work that he has been able to generate in British Columbia. He is certainly a leading advocate in terms of some of the economic ties with immigration.

It should also be noted that he said very clearly that immigration helps this country and that when one looks at the tax system, and these are his words, immigrants have paid more into the tax system than they have taken in social benefits.

When we reflect on some of the things that he has said, we can adjust this to everything he has said.

Miss Deborah Grey (Beaver River): Mr. Speaker, if we look specifically at the report perhaps part of this was taken out of context.

The minister's own employees have called for lowering the numbers in two separate reports. So have his government backbenchers. Ontario's NDP government has sent a very strong message to either cut the numbers or double the integration grants.

Will this minister admit that he perhaps is not listening to anybody, not the experts, his backbenchers nor the civil servants or even other governments and certainly not to Canadians in general. His million dollar immigration consultations have been a farce.

Hon. Sergio Marchi (Minister of Citizenship and Immigration): Mr. Speaker, maybe the member should wait until the government announces the levels on or before November 1 and then perhaps accuse the government of not listening or not acting.

I would tell the hon. member that the consultation process has never ever been as open as the one that we have been engaged in for the last eight months. Never before have thousands of people been involved rather than 120. Never before have 30,000 information kits been distributed.

The process that we embarked upon was taken seriously and has yielded a lot of good results that will help this government and not hinder when we present those levels in this Chamber.

* * *

[*Translation*]

REGISTERED RETIREMENT SAVINGS PLANS

Mr. Pierre Brien (Témiscamingue): Mr. Speaker, my question is for the Minister of Finance.

The government has not tried to stop speculation that RRSPs may be taxed starting with the next federal budget. The Minister of Finance himself fuels the uncertainty about this possibility that some observers call reactionary, outrageous and odious.

(1435)

Does the Minister of Finance not agree that by fuelling the uncertainty about the future of RRSPs, he makes it much harder for thousands of middle–class taxpayers to make the extremely important retirement–planning decisions required at this time of year?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec): Mr. Speaker, I said many times that I would not make specific comments or suggestions about the budget before tabling it. I think it is the fifth time the hon. member has asked the same question. I do not understand how he can accuse me of wanting to fuel the uncertainty.

Mr. Pierre Brien (Témiscamingue): Mr. Speaker, does the Minister of Finance not realize that by thinking of taxing RRSPs, he gives a clear signal that he has chosen the option of raising taxes instead of doing what everyone expected of him, that is, cutting government expenditures?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec): Mr. Speaker, I said very clearly that government spending must be cut and I can hardly wait for the hon. member, who is on the finance committee, to make very specific suggestions as to where we should cut.

* * *

[*English*]

REFUGEES

Mr. Art Hanger (Calgary Northeast): Mr. Speaker, in 1985 the Supreme Court ruled that section 7 of the charter applies to everyone that is on Canadian soil. The Reform Party has argued that refugee claimants must be heard in a manner that is humanitarian and fair but which does not tie up the judicial system with endless legal wrangling.

Will the minister of immigration agree that it could be necessary to amend the Constitution in order to limit the ability of non–residents to endlessly tie up our refugee determination and legal systems with appeals?

Hon. Sergio Marchi (Minister of Citizenship and Immigration): No, I do not, Mr. Speaker.

Mr. Art Hanger (Calgary Northeast): I have a supplemental, Mr. Speaker.

Taxpayers are tired of paying for endless legal aid appeals to support those ordered out of the country. The minister's negative reaction is especially ironic since in 1986 he went on record saying that in order to gain control of our refugee system refugee camps might have to be built in Canada to restrict the movement of refugee claimants.

An hon. member: What?

Some hon. members: Oh, oh.

Mr. Hanger: What section of the charter can the minister cite to defend that idea?

Hon. Sergio Marchi (Minister of Citizenship and Immigration): Mr. Speaker, the answer to the first question stands.

They talk about judicial wrangling. His colleague from Vancouver regularly asks about the Mendoza file. The federal government appealed to the Federal Court. Yesterday the Federal Court overturned the decision and ordered a new hearing.

The judicial system is working. He cannot have it both ways.

* * *

[*Translation*]

DEFENCE INDUSTRY CONVERSION

Mr. Gaston Leroux (Richmond—Wolfe): Mr. Speaker, extending the forestry sub–agreement has nothing to do with whether Quebec is present at a negotiating table; this government made a formal commitment to renew the sub–agreement and should respect it. If the Prime Minister has forgotten, he should ask his minister responsible for regional development in Quebec, to whom I address my question.

Following the closure of military bases, the Maritimes received $20 million in compensation, Ontario $8 million, the western provinces $5 million and Quebec only received a meagre $200,000 for the loss of 1,000 jobs.

How can the minister responsible for regional development in Quebec justify the fact that Quebec got only crumbs as compensation for the closure of its military bases? Are we to understand that the minister has simply not done his job to defend Quebec's interests?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec): Mr. Speaker, the figures show that Quebec has certainly received its fair share.

(1440)

As for the meeting on forestry, the Minister of Natural Resources has already indicated in this House that she and I are ready and intend to hold these meetings in the near future. It is simply a matter of proper scheduling.

Mr. Gaston Leroux (Richmond—Wolfe): Mr. Speaker, if Quebec got its fair share, how can the minister responsible for regional development in Quebec justify the fact that the financial compensation for the closure of military bases in Canada is accompanied by economic diversification assistance, while that is not the case for Quebec?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec): Mr. Speaker, it is the case.

* * *

[*English*]

CANADIAN NATIONAL

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, my question is for the Minister of Transport.

The recent offer of CP to purchase the CN Rail network in eastern Canada has raised some major concerns. This is primarily because CP has already abandoned much of its routes in eastern Canada and indeed is competing with Canadian National Rail with its own D and H line which runs from New York City to Montreal.

Given this track record, what assurances can the minister give that this or any other offer will not lead to the abandonment of this main rail line which is so crucial to economic development in places like Moncton, the port of Halifax and indeed all of eastern Canada?

Hon. Douglas Young (Minister of Transport): Mr. Speaker, my hon. colleague would know that if the unsolicited offer from CP Rail was accepted by the government it would have the effect of privatizing all rail activity east of Winnipeg. That is why the government recognizes that we have to look at the unsolicited bid from CP Rail on a businesslike basis. It also involves a very serious policy question. That is one of the reasons why we have asked members on the government side of the House to look into other options including the commercialization of CN with employee participation.

As a fundamental part of government policy we recognize that it is absolutely essential to have a rail line from Halifax to Vancouver. That is the policy the government will pursue.

SALINAS MENDOZA

Mr. Randy White (Fraser Valley West): Mr. Speaker, for the Minister of Immigration to come into this House and brag about getting involved with Salinas Mendoza is despicable.

Salinas Mendoza has had 12 criminal convictions in Canada since 1989. A young woman in my riding agreed to a stay of sexual assault charges against Mendoza on the condition that he be deported to El Salvador and he was. Now he is back claiming refugee status.

I have been involved in numerous hearings and trials on this fellow costing over $250,000 since he has come back.

My question to the minister is whose interests come first in a refugee hearing in this country, Mr. Minister, those of the taxpaying—

The Speaker: I would remind and ask all members to please direct their question through the Chair.

Mr. White (Fraser Valley West): Mr. Speaker, I apologize. I would like to ask the minister of immigration whose interests come first in a refugee hearing in this country, those of the taxpaying, law abiding citizen or those of the refugee criminal applicant?

Hon. Sergio Marchi (Minister of Citizenship and Immigration): Mr. Speaker, I will give the member the definition of despicable. Despicable means exploiting personal tragedies to simply score some political marks in this Chamber.

The answer to that question clearly is justice. In Bill C–44 we are trying to make that balance even more identifiable. Bill C–44 gives us the opportunity for the first time that when we know an individual has a criminal background to stop that refugee process and put them to immigration inquiry. Thus far, given the current legislation, that has not been possible.

We are putting into practice in Bill C–44 the things this member talks about but is not prepared to support.

Mr. Randy White (Fraser Valley West): Mr. Speaker, this is truly unbelievable. After all the bragging this minister has done here, I find out that Mr. Mendoza skipped his bail hearing this morning and has now walked after all of this.

Where does the minister fit in on all of the changes he is working on refugee hearings? I cannot believe this fellow—

(1445)

Hon. Sergio Marchi (Minister of Citizenship and Immigration): Mr. Speaker, this is a side show to the circus and the member is the clown.

The Speaker: Order. My colleagues, of course all questions should be addressed to the responsible minister.

I would ask hon. members to please be considerate of one another and not let these questions or answers degenerate into simply name calling. I will permit the hon. minister to continue his answer but I would like him to consider perhaps lowering the tone just a little bit as we go along.

Mr. Marchi: Mr. Speaker, if the member is interested in facts, the facts are these. This individual came to this country illegally. In April of this year we started an immigration inquiry. The adjudicator agreed with deportation but disagreed with detention. We appealed that decision on detention to the Federal Court.

Yesterday the Federal Court quashed the decision of the immigration adjudicator and set another immigration adjudication hearing today so that we can seek that detention.

The government has acted and acted properly.

* * *

[*Translation*]

DEFENCE INDUSTRY CONVERSION

Mr. Réal Ménard (Hochelaga—Maisonneuve): Mr. Speaker, my question is for the Minister of Industry. Last August, Expro, located in Valleyfield, laid off about 150 employees. That company, which specializes in explosives, lost a big contract in the U.S., as military markets were collapsing all over the world.

What is the government doing to keep Expro from closing and save the 300 jobs at stake?

Hon. John Manley (Minister of Industry): Mr. Speaker, the hon. member has asked several questions about the defence industry and the changes it is undergoing. On Sunday evening, the member even made a short speech in English on that issue and I congratulate him for doing so.

I explained on several occasions that the government is not in the business of finding solutions for every company experiencing problems. We are prepared to work with each of them to find new markets, ways of adjusting, strategies, as well as information. The idea is not to simply give money, as suggested several times by the hon. member.

Mr. Réal Ménard (Hochelaga—Maisonneuve): Mr. Speaker, I am sorry to see that the minister did not listen to my speech until the end. Will he recognize that, because of a lack of true conversion strategy, more than 10,000 jobs are in jeopardy in the Montreal region? What is he waiting for to take action, as his government promised to do in the red book? We need a real industry conversion strategy and this is what my speech was all about.

[*English*]

Hon. John Manley (Minister of Industry): Mr. Speaker, it would seem that this member has a great deal of difficulty in understanding my answers.

The approach we are endeavouring to take is one that builds on the appropriate role of government, not only to create an environment in which entrepreneurialism can succeed but also in the defence sector to ensure that using the tools at our disposal we provide information, advice and strategy together with DIPP to try to enable firms to create dual use technologies and to move defence technologies to civilian use.

(1450)

In the DIPP context—the member knows this very well—of 41 applications approved by the government, 39 have been for civilian or dual use purposes. That is a defence conversion strategy.

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PEARSON INTERNATIONAL AIRPORT

Mr. Jim Gouk (Kootenay West—Revelstoke): Mr. Speaker, during his imaginative, if not wholly accurate, oration on the Pearson development contract delivered during the recent debate on amendments to Bill C–22, the Minister of Transport stated that the contract on terminals 1 and 2 was not a good deal; then he went on to misquote my position during question period yesterday.

If the minister thinks the current contract, which would have seen $750 million of private sector money that the government does not have spent on development of terminals 1 and 2 was not a good deal, would he please tell the House and all the Pearson airport users operating in unacceptable facilities what alternative plan he has that will quickly get them into acceptable facilities?

Hon. Douglas Young (Minister of Transport): Mr. Speaker, in time truth will out. Obviously what we have here, as we deal with Bill C–22, are not Tories in sheeps' clothing, but in wolves' clothing. The hon. member knows we quoted from his press conference where he said there is nothing wrong with the Pearson deal.

The Reform Party and the transportation critic for the Reform Party are in the minority of about 35 people in the entire nation who think the Pearson deal was a good deal.

Mr. Jim Gouk (Kootenay West—Revelstoke): Mr. Speaker, we do not know one way or the other because the Liberals are covering the whole thing up.

The minister's national airport program will take until 1997 to establish, at which time the process of funding and constructing the now overdue rebuild of terminals 1 and 2 at Pearson will start.

Can the minister honestly tell the House and the users of terminals 1 and 2 that it is okay to wait until the next century for facilities needed now, or alternatively tell the House where the high spending Liberal government is going to get another three–quarter to one billion taxpayers' dollars to spend on an airport it ultimately wants to privatize?

Hon. Douglas Young (Minister of Transport): Mr. Speaker, it is unbelievable that in the same question the hon. member talks about the free spending or high spending Liberal government and asks where we are going to find the money.

The transportation critic has just said that he does not know whether it is a good deal or not. As a matter of fact he said, ''do not know one way or the other''. That, Mr. Speaker, I believe.

One thing we will make sure of is that while the members of the Reform Party do not know one way or another whether paying $445 million to the consortium is a good deal or not, we know it is not and we are going to make sure that the bill goes through in the other place one way or another.

* * *

[*Translation*]

FOREIGN AFFAIRS

Mr. Bernard Patry (Pierrefonds—Dollard): Mr. Speaker, Canada, through its peacekeepers, is currently participating with distinction in numerous UN peacekeeping missions, including in the former Yugoslavia, Rwanda and Haiti.

My question is for the Minister of Foreign Affairs. According to various reliable sources, Burundi will be the next theatre of a very serious ethnic conflict. What is Canada doing to prevent new conflicts?

[*English*]

Hon. Christine Stewart (Secretary of State (Latin America and Africa)): Mr. Speaker, my colleague has reason to be concerned about the situation in Burundi as our eyes are riveted on the crisis in Rwanda. The government is committed to trying to take note of early warnings and prevent conflicts from arising.

To that end, in July we appointed a special envoy to central Africa. Since July, this envoy, Mr. Dusseault, has been twice in Burundi, met with authorities there and encouraged them in their negotiations and dialogue.

(1455)

Earlier last month I was in Ethiopia and visited with Secretary General Salim Salim of the Organization of African Unity and said that Canada was willing to help them in their new committee that is focusing on conflict resolution.

I am also planning a trip into Rwanda and Burundi this fall to make sure that Canada is on top of this important issue.

[*Translation*]

CANADIAN SECURITY INTELLIGENCE SERVICE

Mr. François Langlois (Bellechasse): Mr. Speaker, my question is for the Solicitor General.

The chairman of the review committee overlooking CSIS, Mr. Jacques Courtois, recently said that infiltration activities related to the Canadian Union of Postal Workers dated back to 1984, before CSIS was set up. However, according to CBC, the Canadian Security Intelligence Service relied on informant Grant Bristow to infiltrate that union in 1989.

Will the Solicitor General confirm that CSIS tried to infiltrate CUPW in 1989?

[*English*]

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada): Mr. Speaker, CSIS denies categorically attempting to infiltrate the postal workers union.

However, I am informed that the Security Intelligence Review Committee will be reviewing the most recent allegations made on television last night on this matter.

[*Translation*]

Mr. François Langlois (Bellechasse): Mr. Speaker, how can the Solicitor General rely on the Security Intelligence Review Committee to shed light on this issue, when its own chairman is being contradicted by CBC's findings?

[*English*]

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada): Mr. Speaker, I think the allegations of the hon. member relate to earlier statements by the chairman. What we are talking about are reports of stories on CBC television last night, which I am informed by the Security Intelligence Review Committee will be looked into by them.

* * *

IMMIGRATION

Mr. Jim Abbott (Kootenay East): Mr. Speaker, according to the immigration minister, a quarter million immigrants into Canada is no problem. But the Minister of National Revenue knows that there are a group of people who have come into Canada, the so–called astronaut families, who establish residences of convenience here and then avoid paying taxes.

Because these people are giving a bad name to the honest, upright, upstanding immigrants who make the majority of immigrants, what is the minister going to do to resolve this situation?

Hon. David Anderson (Minister of National Revenue): Mr. Speaker, we certainly do not attempt to target any particular group, be they from any particular part of the world or living in any part of Vancouver.

I would suggest to the hon. member that we are, as he knows from press reports, continuing to follow up any leads or information we may have of any individual, whether from that particular group or any other to make sure they pay their fair share of taxes.

I have made it perfectly clear in the House on many occasions that we intend to make sure that taxes are paid and we have a level playing field in Canada.

With respect to the question of people who live in Canada and work overseas, I believe a provincial court judge in Vancouver on Monday of this week gave a decision which found a person guilty and I believe charged him some $140,000 in fines and evasion of taxes.

Mr. Jim Abbott (Kootenay East): Mr. Speaker, that is the wonderful world according to the Liberal front bench. The reality is that with a quarter of a million people coming into Canada this minister's resources are being flooded.

The Vancouver Sun columnist Barbara Yaffe on September 29 said:

> Interestingly, most of the calls I have had in recent days about this issue have come from the Chinese Canadian community who express some knowledge of the tax evasion and they say they are outraged.

I ask the minister again, can he tell us, considering that he has obviously limited resources, what is the real agenda of the Liberal government by flooding Canada with too many immigrants?

(1500)

Hon. David Anderson (Minister of National Revenue): Mr. Speaker, the premise of the hon. member's question is that Canada has too many immigrants. We could equally take his question as being that the Minister of National Revenue has too few inspectors and auditors.

We carry out as best as we can efforts to make sure that all Canadians, regardless of where they come from, obey the law with respect to paying their taxes. It is vital to do this to make sure that people generally throughout Canada recognize that it is a fair system and that there are not free loaders getting away with taking services and not paying their share. We do this regardless of whether people happen to be immigrants, recent immigrants, or whether they happen to be Canadians of long-standing.

GOVERNMENT ORDERS

[*English*]

CRIMINAL LAW AMENDMENT ACT, 1994

Hon. Arthur C. Eggleton (for the Minister of Justice) moved that Bill C–42, an act to amend the Criminal Code and other acts (miscellaneous matters), be read the second time and referred to a committee.

Mrs. Sue Barnes (London West): Mr. Speaker, I am pleased to be able to debate the second reading motion of Bill C–42. Bill C–42, an act to amend the Criminal Code and other acts (miscellaneous matters), is not to be confused with Bill C–40, the 1994 miscellaneous statute law amendment bill passed by the House on June 20. It was concerned with a variety of minor technical amendments to correct anomalies, inconsistencies and errors in federal statutes and to repeal provisions that have expired, lapsed or otherwise ceased to have effect.

That bill also made amendments of a minor, non–controversial and uncomplicated nature to a number of statutes. The bill we are concerned with today, which if passed this year will be known as the Criminal Law Amendment Act, 1994, focuses mainly on the Criminal Code but also contains some amendments to the Canada Evidence Act, the Contraventions Act, the Mutual Legal Assistance and Criminal Matters Act and the Supreme Court Act.

While some of the proposed amendments might be considered technical, many are more significant and will result in improvements to our criminal justice system. A bill such as this one is long overdue.

Historically this bill and ones like it were introduced on a regular basis. However the last such bill was introduced in 1985. The Minister of Justice intends to return to the previous pattern. He anticipates bringing forward a second bill of this nature once Parliament has dealt with this one.

The primary source for most of these amendments is the criminal law section of the Uniform Law Conference of Canada. The section is composed of delegates from each province, territory and the federal government and includes crown and defence lawyers. At annual meetings of the Uniform Law Conference, the section considers resolutions calling for amendments to the Criminal Code and other relevant statutes.

The other amendments in the bill originated from suggestions of the former Law Reform Commission of Canada, various judges, members of the bar, and federal and provincial departments and officials. These amendments, taken as a whole, represent significant changes to the criminal law aimed at increasing the efficiency of the justice system to the benefit of every Canadian.

(1505)

When the Minister of Justice recently wrote provincial and territorial colleagues about the bill, he noted that each proposal fell within one or more of the categories said to be generally encompassed by the Uniform Law Conference resolutions.

In short, these seven categories cover proposals directed at, first, enhancing public confidence in our criminal justice system; second, making the Criminal Code provisions more efficient and more effective; third, implementing or achieving compliance with court decisions; fourth, filling perceived gaps in the Criminal Code; fifth, taking advantage of the advances in computer, communications and video technology; sixth, improving court procedures; and, seventh, ensuring greater fairness to the participants in the procedural process.

These categories illustrate laudable criminal law policy objectives and encompass the major themes of the bill. To date, the response we have received from the provinces to these proposals has been very positive.

I emphasize that the overall effect of these proposals will result in a more cost effective system of criminal justice while at the same time maintain or even improve the fundamental fairness of our justice.

The amendments to the Criminal Code are mostly procedural. Their cumulative effect will be to modernize procedure to make the Criminal Code more effective and more efficient. Procedural proposals range from permitting the Attorney General of Canada to take over private prosecutions for offences under federal legislation other than those under the Criminal Code, to proposals permitting the greater use of telephone, video technology and fax for certain procedural matters.

Under these amendments, authority would be given to permit judges to finish trials in progress on appointment to another court. When a judge has to be replaced during the trial for other reasons it would be possible for a new judge to carry on without having to start over again in appropriate cases of course.

These particular proposals should help in maintaining public confidence in our criminal justice system. They will also ensure greater fairness to participants, particularly the victims and the witnesses.

Other changes are aimed at making it easier for trial and appeal courts to establish rules of court. It will be easier to adjourn certain procedures when a judge is not available and it will be possible to arrange for a trial date upon committal after a preliminary hearing.

Changes to the Supreme Court Act would make it easier for the court to manage its workload and to remand cases to lower courts for further proceedings when that would be just in the circumstances.

Some proposals are directed at making improvements in the way in which some evidence issues are handled. For instance, several amendments would permit evidentiary proof by way of a certificate, thereby avoiding the need to require individuals to appear in person to testify. Other changes are directed at the manner in which evidence is to be obtained abroad and at ensuring that any such evidence is more readily admissible in Canadian proceedings.

Some amendments are aimed at increasing the use of technology, for instance permitting the use of a fax machine in limited circumstances. Another section would allow a person to appear by closed circuit television in some portions of a preliminary hearing.

A number of the proposals relate to arrest, pretrial release and other matters involving police practices and procedures. For instance, a significant improvement in the use of policing and court resources will be achieved by permitting police to release an arrested person on certain conditions restricting their liberty rather than as is now the case, having only the choice of releasing unconditionally or detaining an accused in custody until a hearing before the justice of the peace could be arranged.

Greater fairness to accused persons will be achieved through reducing unnecessary pretrial custody. Police will be able to spend more time on the beat preventing crime or detecting offenders rather than waiting in the corridors of courtrooms.

Perhaps the most significant changes which will contribute to a more effective and efficient criminal justice system are directed at trial procedures applicable to certain offences. The choice of trial procedure, summary conviction or indictable, would be given to the crown for the present indictable offences of assault causing bodily harm, unlawfully causing bodily harm and uttering threats to cause death or bodily harm.

The summary conviction maximum term of imprisonment for these offences as well as for the basic sexual assault offences would be 18 months instead of the normal six months for Criminal Code summary conviction offences.

(1510)

This will relieve court congestion in the superior courts, reduce the strain on witnesses, particularly victims, and help contain the time needed to deal with many court cases to time periods required by the Canadian Charter of Rights and Freedoms. The changes will also send a strong signal to judges that significant punishment might be in order even for the minor instances of violent offences.

Similar benefits will be achieved by raising the monetary limit for theft and other property offences to $5,000 from $1,000. This is being done so that many more common offences related to property will be kept in the provincial court system, eliminating the need for preliminary hearings and jury trials for cases which rarely attract imprisonment.

There are proposals aimed at removing obsolete provisions or filling gaps created by changing circumstances. Gaps which presently exist with respect to publicity for certain pretrial proceedings would be closed.

It is important that the rights of accused persons to a fair trial before an impartial jury not be compromised by premature publicity of information which may or may not be relevant in admissible evidence.

The rights of witnesses and victims also require protection from the needless public disclosure of personal information. A prohibition would be created to ensure that sensitive material disclosed to the accused for the purposes of making a full answer in defence is not made public except for that purpose. This will serve to maintain the balance of interest between the right of the accused to a full answer in defence and the confidence that the public needs to encourage co–operation in criminal investigations and prosecutions.

The bill also seeks to enhance preventive measures already found in our law by proposing several changes aimed at making the peace bond process more effective. These changes will also ensure greater fairness to those participants in the criminal justice process who are in fear of threatened violence.

A peace bond is an undertaking given by a person on the order of a justice to be of good behaviour for a period of up to 12 months. It is a way of preventing a crime or, more important, the acts of violence constituting the crime from happening.

Their effectiveness will be improved by making violation of peace bonds punishable on indictment as well as on summary conviction, and by obliging justices to consider imposing specified conditions such as staying away from or prohibiting contact with the complainant. Police and others will also be able to apply for peace bonds on behalf of persons who are at risk of harm.

According to Statistics Canada's national survey on violence against women in 1993 three in ten women currently or previously married in Canada have experienced at least one incident of physical and sexual violence at the hands of a marital partner. Almost one–half or 45 per cent of wife assault cases resulted in physical injury to the woman. The survey also showed that one–third of women who were assaulted by a partner feared for their lives at some point during the abusive relationship.

It is also important to indicate that children witnessed violence against their mothers in almost 40 per cent of the marriages with violence. According to the same survey, the police were only informed of about 26 per cent of wife assault cases.

These figures show there is a large number of women who are victims of various forms of assault. These provisions are important tools in trying to cope with domestic violence and will help implement one of the red book commitments to work effectively in keeping abusers away from women and children.

We have to start thinking of using our criminal justice system to prevent crime from happening rather than, as is more often the case now, picking up the pieces which are all too often the shattered remnants of human tragedy.

It is clear that the bill covers a wide range of matters and I have only touched on a small number of the matters dealt with in the over 100 clauses the bill contains. Many of the provisions are quite technical and may not attract attention in the course of debate, but together with those already outlined they are all aimed at improving the administration of criminal justice in Canada and at enhancing the confidence the public must have in our criminal law.

Efficiency of operation combined with effectiveness of operation must be enhanced in our administration of justice. It is our job as legislators to seek ways to improve our administration so that even better service is given to the Canadian public.

(1515)

I am confident all the members of this House will be satisfied with the common sense benefits this bill provides. This bill is long overdue. It contains provisions which should be put in place as soon as possible. I very much hope it can be treated in a non–partisan manner and that it will be considered by the committee carefully but quickly.

Mr. Paul E. Forseth (New Westminster—Burnaby): Mr. Speaker, it is a privilege to speak on Bill C–42. This bill contains over 100 amendments to the Criminal Code.

Certainly we know that crime is a national issue in the press these days. During the election constituents told me they wanted to see the Canadian government toughen up our criminal justice system and make it work for them rather than just seemingly for the criminal.

Canadians refer to the justice system as their criminal justice system because they own it. However many times in this House I have heard members of Parliament speak as if they were the only ones who had the expertise and they were the ones who were going to make the changes to it without wide consultation, without having broad political support or without really being accountable to the community.

I do ask: Does the application of the Criminal Code in present day represent mainstream Canadian values?

The spirit of this bill must be tied into Bill C–41 which is still at second reading stage. Canadians say they want to feel safe on their streets. Last week for example over 3,000 people turned out in Coquitlam, British Columbia to voice their concerns and frustrations over the Young Offenders Act.

Canadians are serious about protection. They are serious about appropriately denouncing crime. Newspapers are filled with reports of criminal activity. The public wants to know what can be done to curb what they see as an unacceptable level of crime.

We cannot wait around for crime to get out of control before we make changes. We must do what the public wants now. The Reform Party wants changes. We must remember that change begins with the recognition that a problem exists.

When I went through the bill I came across several interesting things I could not pass without making some comment. Bill C–42 is an acceptable bill but is far from being a perfect or great one. Some amendments will indeed strengthen the Criminal Code. However, Bill C–42 does frustrate me in parts.

For example, clause 28(3) of the bill states ''everyone who commits a theft in relation to property, the value of which exceeds $5,000''. This amendment would replace the word ''one'' with the word ''five''. If we were to look back to previous Parliaments with respect to this Criminal Code section we would find some very interesting things.

In 1954 the dollar indicated for theft over and theft under was $50. If someone were to be convicted of theft over $50 the punishment was an indictable offence. Consequently for the theft under $50 the punishment was a summary conviction. The next time this section was changed was in 1975 when any theft over $200 was an indictable offence and liable to imprisonment for up to 10 years.

The law as we know it today was amended in 1985 to $1,000. The punishment is an indictable offence and liable to imprisonment for up to 10 years for any theft over $1,000. For anything under $1,000 the punishment is a summary conviction.

The increase since 1954 certainly is amazing. From $50 to $200 is an increase of 400 per cent; $200 then to $1,000 is a 500 per cent increase; and $1,000 to $5,000 is again a 500 per cent increase. However in the 40 years that have passed it has totalled an increase of 10,000 per cent.

This is a softening of the law. If we were to use history as a benchmark I suppose the next amendment would make it $25,000. Incredulous. Someone could then steal all the furniture in my house and only get away with a summary conviction. This is not acceptable.

Property crimes in Canada have historically accounted for most Criminal Code offences. In fact in 1990 thefts over and under $1,000 comprised over two–thirds of all property crimes reported to the police. A StatsCanada report in 1990 indicates that all property offence categories recorded increased in 1990 over the previous year, including a 13 per cent rise in thefts of motor vehicles, a 9 per cent rise in break and enters, 8 per cent in possession of stolen goods, 8 per cent in theft over and under

$1,000 and 7 per cent in frauds. Interestingly enough this was the seventh consecutive year that an increase was recorded for theft of motor vehicles. In 1992 there were 823,748 theft under incidents reported in Canada. That made up almost one–half of all property crime for that year.

(1520)

If the government now raises the dollar limit for theft under the numbers will increase and theft over will decrease, one would expect. What we will hear from the Liberals then is that serious thefts of crime are on the decrease, but are they really? I would not think so. If the same logic of thinking is to be followed, why not raise the limit to $100,000 if you really want to lower one area of the published crime rate? Instead of trying to create a deterrent for the crime the government is making this into a game of shuffling statistics.

The area of concern is the theft over category. From 1986, one year following the dollar cut off being raised to $1,000 until 1992, theft over had increased by 9 per cent. I am sure the government of the time felt that by raising the rate from $200 to $1,000 would help curb published property crime rates. Today with Bill C–42 the government hopes that by raising the limit from $1,000 to $5,000 this increase will help curb property crime rates in 1995 and beyond. The government should take a careful look back at history to see how things failed before charging ahead with only a hope that it is going to work.

The government should keep the dollar amount at $1,000 and continue with the same consequences therein. Strangely enough if a person were to go out today and steal a 28–inch television and a hi–fi VCR from an electronics store, they would be charged with an indictable offence and subject to a maximum of 10 years in prison. Consequently, if that person were to steal the same merchandise following the passage of this bill, their sentence might only be a summary conviction with a possible maximum of 18 months in prison. I would call that a reduction in the sentence and a softening of the law.

The government is telling criminals everywhere and the message is clear: ''Here is your grand opportunity. Go and steal some big ticket items and we will barely slap you on the wrist''. Getting softer with criminals is not going to reduce the crime rate. It sends the wrong message out to the community.

Capacity creates its own demand. In other words a legal vacuum is all too soon filled with the negative potential of human nature. The government wants the public to think it is getting tough with crime. However, when you look closely at this legislation you can see where the Liberal agenda is off the rails.

Bill C–42 proposes dual procedure offences that would allow the crown prosecutor to have the option to deal with a case either as an indictable offence or as a summary conviction. For example, assault causing bodily harm, unlawfully causing bodily harm, and uttering threats to cause death or bodily harm are all currently indictable offences, but if the crown so wishes it may change them to summary convictions under this bill.

I want to point out something I caught in the news release by the Minister of Justice when this bill was first tabled in the House. He was referring to the reasoning behind the dual procedure clause and the option. He stated that typically, a summary conviction procedure is quicker, more straight forward and involves less stress and inconvenience to victims and witnesses. If someone is assaulted and bodily harm is involved, am I to understand the minister believes the victim would rather see the offender get a light summary conviction and be out of jail in no time or perhaps no jail sentence at all rather than see real justice take place and make sure that the offender stays behind bars for a good long time?

Currently a summary conviction in the Criminal Code has a maximum penalty of six months in prison. Bill C–42 raises that maximum sentence to 18 months and for this I applaud the government. This harsher sentence will surely help to stop some of the crime that is plaguing our cities and towns. It provides the court with greater latitude for severity. Therefore the bill does have some valid amendments. As Her Majesty's loyal constructive opposition and alternative it is our duty to analyze the entire bill and to point out areas of concern as well as areas of support.

On a different note, we see technology changing before our eyes each and every day. I used to think the fax machine was an amazing tool until personal computers came along. Now I cannot believe how compact they have become. Sending a letter through the mail system was certainly the fastest and most efficient way to get a document from one place to another until E–mail and the information superhighway entered the workplace. We have to adapt to keep up with technology in order to remain effective.

(1525)

Bill C–42 proposes that fax machines and closed circuit televisions be allowed at certain portions in hearings. This will surely help to lessen the cost of flying in witnesses from all parts of the country in order that they can attend a hearing. With closed circuit television, a witness can attend a hearing, be part of it even if they are a thousand miles away. This will cut costs and for that the government has done something correct. Now if it would only cut costs across the board, we would all be in better shape, would we not?

As a justice professional I have spent a great amount of time in the courtroom. A person giving evidence usually has had a choice of going to the witness stand either on oath or affirmation. However in seeing it firsthand so many times it was apparent that many were confused as to how to give evidence on this affirmation option. With this bill the affirmation is now clarified in the Criminal Code.

In another section there is a clause in this bill that would allow the police to obtain a warrant for a blood sample up to four hours following an accident. The current time period is two hours and this by no means is long enough. In speaking with police officers it is apparent they are inundated with logistics following an accident. If the person involved in an accident is unconscious but suspected of a blood alcohol level above the legal limit, the officer with the increase in time to four hours will have sufficient time to obtain a warrant in order to have a blood sample taken.

Drunk driving is a serious problem in Canada. Groups such as Mothers Against Drunk Driving, better known as MADD, will certainly be happy with this provision amending the code. I see this as a good amendment to the Criminal Code one which reflects the current community mood.

There is one amendment that I would have especially liked to have seen in Bill C–42 but I did not find it. That is the development of a national registry of DNA samples taken from persons convicted of a serious crime. That serious crime could be first degree murder, voluntary manslaughter, child abuse, sexual offences, and so on, indictable offences.

The idea of banking information is not new. Under the Identification of Criminals Act and the Canada Evidence Act police have been banking fingerprint information and have used it extensively to track down possible suspects. Fingerprints are fundamental to the operation of the justice system and similarly then so should be DNA typing.

DNA typing has been used in the United States and is gaining notoriety in such cases as the one involving O.J. Simpson. With the exception of red blood cells, all cellular material in the human body can be typed for example, white blood cells, root hair, saliva, semen, skin and even bone. Since DNA is essentially the same from cell to cell, any part of the body can be compared to another part of the same body. With only minute samplings needed a police investigator is able to identify a victim much easier and therefore have a much more certain tool pointing to a suspect. Such hard evidence can defend as well as convict.

We want to create laws that will also save money as the justice system is overburdened and this could be one of them. Police investigations are extremely costly to the public purse and are very time consuming. With over 100 amendments in this bill the government passed over something that would have really aided the law enforcement officials to do a better job and to help protect the public.

In the United States, 21 states have enacted legislation to permit DNA banking in various degrees. In addition, seven other states have introduced bills dealing with this very issue. The American National Academy of Science stated that if DNA profiles of samples from a population were stored in computer databases, DNA typing could be applied in crimes without suspects. Investigators could compare DNA profiles of biological evidence samples with a database to search for suspects.

A British royal commission pointed out that a data bank would also enable unsolved earlier offences where DNA evidence had been found but not linked with the offender to be cleared up if DNA samples taken from a suspect in connection with a later offence matched the evidence found at the scene of an earlier crime.

If this government is serious about solving crime and bringing forth justice it will not sit idle and wait for the world to leave Canada behind in the dark ages of technology. We can demand a blood sample for impaired driving but we cannot do that for rape and murder. This does not make sense.

Another tough penalty I am encouraged to see in this bill is the increase in punishment for those who fail to remain at the scene of an accident. Currently the maximum is two years and this is quite unacceptable. An amendment in Bill C–42 will make it a possible five years.

(1530)

In conclusion, this bill missed the mark in several areas. The over and under dollar value is way too high and is out of sync with what Canadians expect of the justice system. This is clearly a scheme by which the government wished to perhaps lower the crime rate in its published statistics. For example, dual procedures will only cause more criminals to walk the streets sooner and lawyers to get more of their clients through the courts. This is a clear softening of the law.

The biggest miss of this entire bill is its failure to include the national registry of DNA samples. The Minister of Justice has previously stated many of these changes, referring to amendments in Bill C–42, will lead to significant costs and time savings for the administration of justice and will assist the law enforcement officials to do their jobs effectively.

That is what he is claiming. My only remark to this would be does the minister really understand what law enforcement officials could use to save time and money? If he did then he certainly would have included DNA as a registry in Bill C–42 or Bill C–41.

We will support this bill at this stage. As a Reform member of Parliament I am committed to being the constructive alternative to the government. This bill has some amendments that will strengthen the Criminal Code. Again, the government has to

understand that victims of crime want to feel protected by the code because right now it seems that the only person who is protected is the offender.

For example, this week we have heard more cases going the wrong way in the community's eyes because of technical problems with the law. I encourage the government to bring forward more amendments, to give some of the many private members' bills a chance and give them an appropriate assent if it is unable to bring forward bills of its own.

During committee of the whole I will be moving an amendment to hold the line of the current standard in the Criminal Code. I hope our constructive help will be recognized by this government.

Mr. Russell MacLellan (Parliamentary Secretary to Minister of Justice and Attorney General of Canada): Mr. Speaker, I am not going to make a speech. I want to clarify a few of the points that were brought up in the speech by the hon. member for New Westminster—Burnaby.

First, with respect to the hybrid offences where it can be summary or indictable, in some cases the reason we want to have hybrid offences and proceed in a summary conviction is that the courts will not convict certain offenders on indictable offences. It is quite true that in many cases charges are not even brought where there are indictable offences, whereas if there were summary offences we would at least get the cases to court to get a conviction.

It remains with the judge as to the penalty. The fact of the matter is it may be a reduced penalty but in many cases a reduced penalty is better than no penalty at all. We want to have that flexibility.

With respect to the increase in the maximum on property offences from $1,000 to $5,000 that could be heard in provincial courts, it is the opinion of the Minister of Justice and myself that we want to have more of these cases heard in provincial court. They can be done more quickly. We have the expertise and the provincial court judges to hear them.

Because we are increasing from $1,000 to $5,000 does not mean there is going to be five times more work for the provincial court judges. There is going to be an increase, but there is going to be a corresponding decrease in the higher courts in the country. We feel it is going to be more efficient. We are going to have the same high level of justice. It is going to be less costly.

The other point concerns the national registry on the DNA. The hon. member makes a very good point. However, the reason it was not included is that there is a discussion paper now circulating on DNA. The Minister of Justice promised to give until November 20 for submissions on this discussion paper.

He is undertaking that new legislation will be brought forward, if not by the end of the year then early in the new year. This whole question of a registry is being reviewed along with other questions on DNA.

(1535)

At this point I would like to move that we now move into committee of the whole. I think we will have unanimous agreement among all parties to proceed that way.

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

Some hon. members: Agreed.

(Motion agreed to, bill read the second time and, by unanimous consent, the House went into committee thereon, Mr. Kilger in the chair.)

On clause 2:

Mr. Milliken: Mr. Chairman, on a point of order. I think you would find consent to call clauses 2 to 19 as a block. I think they could all be carried at once. If you could call clause 20 we might deal with that.

The Assistant Deputy Chairman: Is there consent to include clauses 2 to 19 and ask that they be carried?

Some hon. members: Agreed.

(Clauses 2 to 19 inclusive agreed to.)

On clause 20:

Mr. Paul E. Forseth (New Westminster—Burnaby): Mr. Chairman, I am going to be making a motion. I will move the motion first and then speak to it. I move:

> That clause 20 be amended by striking out the word ''five'' and substituting the word ''one'' and in paragraph (2) by striking out the word ''five'' and substituting the word ''one''.

(1540)

He said: Mr. Chairman, the division between what is commonly known as theft under and theft over has been a demarcation in the courts which really sends a message to the community. It was not that long ago when theft under and theft over was $50. We then moved it to $200. Now in the percentage increase we are operating with the division of $1,000. I can just imagine the message that is going to send to my community when theft under procedures are going to be dealt with by theft under $5,000.

I can understand from the criminal justice administrative point of view the desirability of perhaps doing this to alleviate the procedures of proceeding by indictment, but it is not just the experts who own the criminal justice system. There is the educative role of the symbol of the message that the law sends to the community as to what is acceptable and what is not acceptable. This amendment seems to be out of sync with the community mood and what is appropriate at this time.

I do not hear anything in the community that is suggesting that we have a real problem in the courts at this point that we must make this significant move from theft under $1,000 to theft under $5,000.

I question the basis as to what problem it is trying to solve. However, I also point out the serious message that it sends in a softening of the law to the community. I hope to hear from other members on this point.

Mr. Russell MacLellan (Parliamentary Secretary to Minister of Justice and Attorney General of Canada): Mr. Chairman, I understand what the hon. member for New Westminster—Burnaby is saying. There is a concern among the public about crime, all types of crime at the present time. The public wants justice. It wants the justice system to react and deal with crime.

I do not want to say that property crime is not significant because it is extremely significant. Right now, however, the main concern is violent crime with a great many people in our cities. They want to make sure that our system can deal swiftly with violent crime.

If we move theft under $5,000 to the provincial courts as opposed to theft under $1,000, as is the situation now, that is not going to diminish justice in any way. All it is going to do is take some cases which are now tried by the superior courts and have them heard in the provincial courts.

The provincial court judges right now are of an excellent calibre. The cases can be brought forward more quickly. Justice is dealt with more expediently. As a result, there is less cost to the system and the decisions and results are equally good.

I honestly feel that we are not diminishing the calibre or quality of justice by this provision.

[*Translation*]

Mr. Michel Bellehumeur (Berthier—Montcalm): Mr. Chairman, I would like to make sure I understand the government's amendment which increases the amount from $1,000 to $5,000 and, consequently, the Reform Party's amendment. Does the amendment mean that all theft under $5,000 can be dealt with summary conviction?

(1545)

[*English*]

Mr. MacLellan: Mr. Chairman, theft under $5,000 can be dealt with by indictment but under the jurisdiction of the provincial court judge.

[*Translation*]

Mr. Bellehumeur: But that is after the amendment. Today, theft of $4,500 is not dealt with by summary conviction.

What is the impact of this amendment, in the context of this bill? We may not have the same understanding of the amendment, since one member says yes and the other member says no. We are on clause 20.

[*English*]

Mr. MacLellan: Mr. Chairman, the purpose is to move more of the cases of theft into the provincial court system and away from the superior court system. That is not to say that because we are going from $1,000 to $5,000 we are going to increase the theft cases in the provincial court system five times. Nor are we going to say that we are reducing the penalties because it is going to a provincial court. This discretion remains with the pertinent judge sitting at that particular time.

What we are saying is that these cases can be tried very competently under the provincial court system and that it is really more efficient to do so without any reduction in the quality of the justice dispensed.

Mr. Ian McClelland (Edmonton Southwest): Mr. Chairman, if we move cases from the superior court to the provincial court, would we not just be increasing the workload of the provincial court and what would happen to the cases already in provincial court? Would we decide then that we are not going to prosecute even more cases? Does it not just move the bell curve that far over that we are not going to bother prosecuting these cases?

Mr. MacLellan: Mr. Speaker, these changes have been dialogued with the provinces for their approval and their consideration.

The fact is that in the provincial court system, the preliminary documentation, the waiting periods are not as long as they are in the superior court system. This will free up some time in the superior court system. It will in some cases add to the provincial court system, but in the opinion of the Department of Justice and the provincial authorities of the attorneys general departments and ministers of justice provincially it is not going to be a problem and add that much that the provincial court systems will be overloaded.

It will allow more time for the superior courts to hear cases of theft involving larger amounts and violent crimes.

Mr. Jack Ramsay (Crowfoot): Mr. Chairman, there is no doubt that this is going to reduce the offence. It is going to reduce the offence for what now amounts to theft over $1,000.

The summary conviction provides for a maximum sentence of 18 months. If we move up to $5,000, offences that today are punishable by indictment with as I understand it a maximum 10 years imprisonment are now going to be subject to an 18 month prison term if they get the maximum under the provincial court system.

There is no question that this is softening the law. I would object to a softening of the law. We are now moving into an area where we are going to be subjecting people convicted of theft to a lesser penalty potentially. It is simply there. It is in the writing. What alarms me is what I heard my hon. colleague say before we entered committee of the whole, that one of the reasons we are

moving to this situation is because the courts were not convicting because it was an indictable offence.

(1550)

Now, if that is wrong—

The Assistant Deputy Chairman: I wonder if the hon. member for Crowfoot would finish his remarks and then I will see that the parliamentary secretary responds.

Mr. Ramsay: Mr. Chairman, I would like the Parliamentary Secretary to the Minister of Justice to comment on that. If my understanding is incorrect, and I hope it is, the reason the courts are not convicting is because they do not want to convict a person charged with theft for an indictable offence.

Mr. MacLellan: Mr. Chairman, I was referring to another point that the hon. member for New Westminister—Burnaby made in his speech. He talked about the hybrid offences, the dual offences of summary or indictable, that the charges could be either summary or indictable which did not relate to this particular provision at all. This was a general comment as I understood it that in some cases in certain areas where there is not a conviction, the judge will not convict somebody on an indictable offence for an offence they feel is not serious enough to warrant a conviction as an indictable offence whereas if we give the choice of summary or indictable and proceed summarily, the judge will be more predisposed to giving a conviction on that.

The other point the hon. member for Crowfoot made related to the change from the superior courts to provincial courts in certain cases of theft. Granted the situation now is 10 years maximum, but they are not awarding 10 years for theft under $5,000. Now under the Criminal Code they would get a maximum of two years and two years is penitentiary time. I cannot imagine any judge giving two years for theft under $5,000 because it means that person goes to penitentiary. I just do not think any judge is going to do that.

Mr. Ramsay: Mr. Chairman, am I correct in assuming that what the member has said is that judges are not going to determine guilt based upon the evidence? They are going to determine guilt based upon whether it is a summary conviction or proceeding by way of indictment. I need to have that clarified. If I heard him right that is exactly what he said.

Mr. MacLellan: Mr. Chairman, when I am speaking of summary and indictable, I am talking generally. There are sections in the Criminal Code where the charge is proceeded with summarily or as an indictable offence. In some cases the spectrum of the case can range but not to what one would consider a serious crime. If there is just a way of proceeding as an indictable offence the judge is going to say: ''If I proceed as an indictable offence, the penalty I have to give is going to be far too serious for the crime''. Therefore in certain sections of the Criminal Code there is the choice of proceeding summarily or on an indictable offence.

It is not left to the judge. It is how the case is laid, either as a summary conviction or as an indictable charge. The judge does not have the discretion. That is decided before it goes to court. It is just a means of asking how best to get a conviction. It is left with the crown prosecutor's office to determine the best way to proceed. Do we try for the higher sentence and end up with nothing or should we go summarily and at least be sure we are going to get a conviction?

(1555)

Mr. Ramsay: Mr. Chairman, certainly the conviction ought to be based upon the evidence. In every courtroom that I have ever appeared in the guilt was determined by the evidence, not by way of proceedings, whether it was summary conviction or indictable. This is the point I am making. I do not want to hang the proceedings up on this point, but the hon. member is saying this clearly. He said three times that it is going to matter to the judge in terms of determining guilt whether it is by way in which the court is proceeding, by summary or by indictment.

What I am pointing out is that the courts in this land have always determined guilt based upon the evidence, not based upon procedure.

Mr. MacLellan: Mr. Chairman, we always determine guilt upon the facts of the case. They have always determined sentence based on the facts of the case too. If the facts of the case are such that a stiff sentence is not merited, they are going to have a problem. If there is a choice, you can go summarily and the judge can see a fitting sentence in the summary conviction that meets the process of the justice system and the interests of society because one gets a conviction and a sentence that is going to be fair.

[*Translation*]

Mr. Michel Bellehumeur (Berthier—Montcalm): Mr. Chairman, this is getting very complicated. I simply want to know whether raising the amount from $1,000 to $5,000 would entail any changes in the procedure before the courts. Is it a case of evidence or evaluating whether we have a theft of $1,000 or $5,000?

My second point is, when you talk about provincial court and superior court, one of the consequences—and that is what my question was about earlier—one of the consequences is that a person accused of theft under $5,000 could not ask to be tried by judge and jury or by a judge alone in Superior Court. He will immediately be processed by provincial court; in Quebec, that is the Court of Quebec. Is that correct? Yes, thank you.

[*English*]

Mr. MacLellan: Mr. Chairman, that is correct.

Mr. Svend J. Robinson (Burnaby—Kingsway): Mr. Chairman, currently under the summary convictions provisions, the maximum is six months in jail. You have told the government that you are going to proceed to make it 18.

In the provincial courts they always can proceed on the indictment and handle the more serious charges but I see that the principle here is to take away the options of the accused to elect to go to a superior court.

In these situations as practice has it, these theft offences are usually cumulative. Generally the information is multi charges against an offender. To limit this dollar amount related to summarial procedure is going to really hamstring a judge in being able to give the latitude of sentence required.

We feel that there is really no current problem in the justice system that is reflected in this change, that it sends the wrong message to the community and that we are looking for substantive justification of why this clause is here.

Mr. MacLellan: Mr. Chairman, in cases of a series of small offences, the sentences can be imposed consecutively so that there could be higher penalties for more than one offence, so that is still there.

The hon. member is right that the choice is not there but we have no intention of changing the penalties. We are going to as agreed keep the situation the way it is. There is still the possibility of higher sentences in a series of small offences if the judge chooses to sentence the person for each offence consecutively.

Mr. Robinson: Mr. Chairman, I would also like the parliamentary secretary to address the issue of the symbolism of the law as to its educative role in the community for general deterrence to operate.

The potential sentence that can arise or if it be a consequence of an offence is directly related to how serious the community should look at that offence.

(1600)

For example, for breaking and entering a dwelling house, the maximum is life in jail. We know that life in jail is not very often given for breaking and entering a dwelling house. However it is a symbol of how serious that charge is to be taken.

Regular theft, which is so pervasive in the justice system, is one of the most common offences before the courts. We think that to change the boundary sends the wrong message and undermines the operation of general deterrence.

I would like the parliamentary secretary to address that larger issue rather than the technical issues of looking at the offender and whether they will be able to elect or not to go to the higher court, but to first of all justify what is the problem that he is trying to solve with this provision and how is that going to undermine the operation of general deterrence.

Mr. MacLellan: Yes. In fact, Mr. Chairman, we feel just the opposite. This is going to aid the general deterrence because it is going to need a more speedy process of justice and we are going to be able to bring the accused before the courts more quickly.

Also, at the present time a lot of cases where there is more than $1,000 stolen are still brought before the provincial court judges, because it may be a question of proof. How do you know he or she stole goods in the amount of, say, $3,500? We know he or she stole something so we will proceed with the theft under $1,000, or the theft of this particular item, when in fact more was taken. However no one really wants to bother adding to that because they feel that getting it through the provincial court system will be faster, that there will be competency and that justice will be served.

Also, right now with theft, it is the violation of theft. Break and enter is a violation of an individual, not only materially but also a violation psychologically. Anyone who has had their home robbed or any of their possessions stolen feels they have been violated. It does not matter what was taken because that violation is there. The fact is that the feeling of the public against theft is very strong and they want these people brought to justice and punished. In the opinion of the Department of Justice this process can be achieved through these changes, and in fact will be enhanced through these changes.

The Assistant Deputy Chairman: Shall the amendment moved by the hon. member for New Westminster—Burnaby carry?

Some hon. members: Agreed.

Some hon. members: No.

Some hon. members: On division.

(Amendment negatived.)

[*Translation*]

Mr. René Laurin (Joliette): Mr. Chairman, we would like to know whether we are voting on the amendment to the amendment or on the amendment, because we have an amendment moved by members of the Liberal Party and an amendment to the amendment moved by the Reform Party, if I am not mistaken. I would like to know which one we are voting on now.

The Assistant Deputy Chairman: There was one amendment, the one moved by the hon. member for New Westminster—Burnaby. Clause 20 is part of the bill. So the question was simply on the amendment standing in the name of the hon. member for New Westminster—Burnaby, which was negatived on division.

[*English*]

Shall clause 20 carry?

Some hon. members: Agreed.

(Clause agreed to.)

The Assistant Deputy Chairman: In Bill C–42 there are a grand total of 106 clauses. I wonder if I might be able to lump clauses 21 to 106 inclusive, or are there other clauses that members may want to address specifically?

Some hon. members: Agreed.

On clauses 21 to 106 inclusive:

The Assistant Deputy Chairman: The question is therefore on clauses 21 to 106 inclusive.

(1605)

Shall clauses 21 to 106 inclusive carry?

Some hon. members: Agreed.

Some hon. members: On division.

(Clauses 21 to 106 inclusive agreed to.)

(Clause 1 agreed to.)

(Schedule agreed to.)

(Title agreed to.)

(Bill reported, concurred in, read the third time and passed.)

* * *

[*Translation*]

DEPARTMENT OF PUBLIC WORKS AND GOVERNMENT SERVICES ACT

The House resumed consideration of the motion that Bill C–52, an act to establish the Department of Public Works and Government Services and to amend and repeal certain acts, be read the second time and referred to a committee; and of the amendment.

Mr. Gérard Asselin (Charlevoix): Thank you, Mr. Speaker, for allowing me to finish my speech on Bill C–52.

As I was saying before question period, it has cost the government $5 billion to contract out in 1992–93. This money that the government of Canada spent on contracting–out could have been used to improve the services provided to the Canadian public instead of maintaining a patronage relationship with the friends of the regime.

Let me tell you that between 1984–85 and 1992–93, costs have gone up with contracting–out. Costs have increased by 56 per cent at Public Works Canada during the same nine–year period. They increased by 114.2 per cent at DND and by 207 per cent at Health and Welfare Canada. Costs also increased at Supply and Services Canada—by 247 per cent. And, to really cap it, they increased by 628 per cent at Customs and Excise.

(1610)

In ten years, while under pressure by the Auditor General and the House of Commons Standing Committee on Public Accounts to do so, the federal government never managed to demonstrate that contracting–out was cost–effective. The Department of Public Works and Government Services is a major department. It handles a great deal of money. Let me give you a few examples.

Public Works and Government Services Canada is responsible for the inflow and outflow of all public funds and keeps an average daily cash balance of $2.3 million. It is also responsible for the accounting system and makes financial transactions totalling $163 million. It makes payments to the tune of $200 million annually for the Canada Pension Plan, the old age security system, taxes on goods and services, Public Service employees' pay, and so on.

It is also responsible for federal purchases. Last year, $13 billion–worth of goods and services falling into 17,000 different classes were purchased. It negotiates 175,000 contracts every year. It is the custodian of federal real property. It owns property valued at $6.5 billion. It provides office space to approximately 170,000 employees, in 4,000 different locations. It spends $2 billion a year.

How can we ensure that the government will not use contracting–out or privatization contracts to reward its friends? In other words, how can we avoid any kind of patronage in the awarding of privatization or other contracts by the federal government?

Bill C–52 should have more teeth. This is the Bloc Quebecois's proposal: We ask that a public review board be created under the bill to scrutinize contracts awarded by the Department of Public Works and Government Services and to ensure openness.

Second, we ask that a contracting–out code be clearly defined in this bill.

Third, we demand that members of Parliament of all political stripes be consulted about and kept informed of the government contract awarding process involving the ridings they represent.

Fourth and last proposal: We ask that the Department of Public Works and Government Services produce regular statements—monthly reports—to open up the federal government contracting process. The problem with this bill is that members of Parliament cannot find out which government contracts directly affect their ridings. There is no way to make federal officials accountable for contract–generated or in–house expenditures—to make them denounce any waste of public funds.

This bill should also provide for elimination of advance payments such as those we discovered recently at Communications Canada.

(1615)

This bill must also protect the government because it left the door wide open to lobbyists. It does not allow a sufficient degree of openness. Not too long ago in this House, the hon. member for Richelieu moved a motion to prevent companies, stakeholders and lobbyists from contributing to the government's election fund. Unfortunately, this motion was rejected by the Liberal government and by many Reform members.

I think that lobbyists who occasionally attend $1,000–a–head dinners given by the Prime Minister have a right to expect the government to pay them back.

For all these reasons, the Bloc Quebecois proposes setting up a three–party public review board whose elected members would come from all political parties represented in and officially recognized by the House of Commons, from public administration experts and from Auditor General officials. The government should use this bill to give itself additional audit authority.

These are certainly the most important openness criteria the government should set for itself.

Mr. Ronald J. Duhamel (Parliamentary Secretary to Minister of Public Works and Government Services): Mr. Speaker, my colleague talked about sub–contracting and reported on some abuses that he saw in the last government. That is exactly one of the reasons why Canadians throughout the country decided to throw the former government out.

It is also because of the concerns we have that we—my colleague and I and other hon. members—are reviewing the issue of contracting out, to ensure that it is fair, equitable and open.

I have a very important question to ask the hon. member. He talks about openness, fairness, balance, etc. I wonder if he knows that the Minister of Public Works and Government Services invited all members of this House to subscribe to the open bidding service and to the publication on government procurement? The reason I ask this question is that he could find the answers to many if not all the questions he raised if he subscribed to those services which are provided by the minister.

Now, if I am right, and I just checked, so I think that I am probably right, no member of the Bloc has subscribed to this service. I did not check for yesterday and today, but as of last Friday. When my colleague talks about honesty, openness and fairness, why did he not subscribe to these services offered by the minister so that he can see for himself whether or not we have been fair? Why did he not do it or why did some of his colleagues not accept this service? Openness, fairness and honesty are there.

Mr. Asselin: Mr. Speaker, yes, I went through the process with the department in question to be able to subscribe to the service which the member, Mr. Duhamel, mentioned. They told me that it would cost $500 a year to have access to that information. Also, something which the member did not say is that—

The Acting Speaker (Mr. Kilger): It is probably simply an oversight but I just want us to remember that we cannot name one another in this House; we must refer to other members by their titles or the constituencies they represent.

(1620)

Mr. Asselin: The member for St. Boniface mentioned that we can always go to the library or the public information service, but it is a real maze, even for members of Parliament. My colleague, the member for Québec–Est, and I will soon subscribe.

But on the subject of openness, the member should understand that if the minister cannot promise to accept the lowest bidder who meets the conditions, it is a little less open; it becomes rather vague.

[*English*]

Mr. John Bryden (Hamilton—Wentworth): Mr. Speaker, I listened to the English translation of my colleague's remarks in which he was saying that MPs should be consulted and informed on the awarding of government contracts in their ridings. I trust that was a correct translation.

I have no difficulty with the idea of being informed. However, if it is a matter of consultation, does the member opposite not see a danger that it will be perceived that politicians, MPs, are interfering with what should be an open process and putting political weight on what should be a completely non–partisan question?

[*Translation*]

Mr. Asselin: Mr. Speaker, very recently at a meeting of the government operations committee, a government member told the committee about an experience he just had in his riding.

He had not been warned by the minister or any official, but fortunately, since he cares about his riding, he read a public notice from the department saying that the government was looking for a place to relocate the post office in his riding. The member intervened with the department and helped save a million dollars in this transaction.

[*English*]

Mr. Ian McClelland (Edmonton Southwest): Mr. Speaker, I I draw to the attention of the hon. member, to continue with the question of my colleague opposite, that the very thought of members of Parliament being advised of or being part of a

bidding process is exactly the wrong direction. It is everything that could possibly be wrong with politics in my view.

We have no business being part of what is going on in the bidding process or anything of that nature concerning the spending of public money in our ridings. If we were in different ridings it might be a different situation, but in our own ridings it is something we should not be touching with a 10–foot pole, in my estimation.

Another point I raise with my colleagues is that of always going to the lowest bidder. It is normal business practice to be very careful to make the best purchase, which is not always the lowest bidder. I suspect there has to be some flexibility, because in business practice and experience I am familiar with price is an important factor but not the only factor in awarding a contract. Could I be favoured with a response from the member.

[*Translation*]

Mr. Asselin: Mr. Speaker, the question is twofold. First, I said that it should be standard procedure for a member to be informed of the goods or services which may be provided under a government contract or by contracting out, in his or her riding.

Members of this House are consulted; they have to vote and participate in the proceedings. When we are working in our ridings it is our duty to make representations. It is not a question of sticking our noses in the government's affairs, but we should at least be made aware of what is going on in our ridings.

Secondly, we discussed the issue of the lowest valid bid. What needed to be included should have been clearly mentioned in the specifications. If that was done in the first place and a bid is found to be valid, it is valid based on those specifications. Then, to accept the lowest valid bid is, in my opinion, to properly manage public money.

(1625)

[*English*]

Mrs. Brenda Chamberlain (Guelph—Wellington): Mr. Speaker, given the government's strong commitment to improving the efficiency of government operations and to deficit control and reduction, the amalgamation of common services embodied in Bill C–52 makes eminent sense to me.

It has been clearly demonstrated that one of the primary causes of waste and confusion is the unnecessary duplication of services and functions both within the government and between levels of government.

In these times we simply cannot afford to have human and financial resources diverted to performing tasks throughout many departments and agencies of government when such tasks can be more effectively and much more cost effectively handled through a central agency.

This is the primary rationale behind the creation of the new Department of Public Works and Government Services Canada. Although it is just about a year since the amalgamation began, a number of efficiencies and savings have already become apparent. There will undoubtedly be many more such savings in the years ahead as the benefits of this integrated approach take full force.

Public Works and Government Services Canada provide common services to more than 150 federal departments, agencies and crown corporations. It provides them with a wide range of services to meet their needs, including property management, communications, printing and publishing, translation, architectural and engineering services.

It also looks after the issuing of all Government of Canada payments and undertakes billions of dollars worth of procurement on behalf of its clients each and every year. In short, Public Works and Government Services Canada is there to look after thousands of administrative transactions daily on behalf of its clients so that individual departments can focus all their time and energies on their own programs and priorities. To me this is a very good thing.

The amalgamation of the four founding elements of the new department, that is the former departments of Public Works Canada and Supply and Services Canada, as well as the government telecommunications agency and the translation bureau, has already paved the way for efficiencies of operation. For example, the corporate services areas of the individual components are being integrated. Corporate services encompass such central functions as finance, administration, corporate planning, contract claims resolutions and security, among other areas.

When taking into consideration the operational reviews that have been carried out and the recommendations, as well as the new systems to be implemented and the amalgamation, these initiatives will result in the savings of expenditures totalling $180 million over five years from the date of amalgamation. This sounds good to me.

Regional operations have also been integrated and the total number of regional offices reduced from 10 to 6, again another cost cutting service. This has been achieved with no less service to client departments or, most important, to the general public. Clearly the new integrated Department of Public Works and Government Services has already demonstrated that it can provide a more comprehensive service to the government and, more important, at a considerable cost saving to the taxpayer.

While the efficiencies that Public Works and Government Services can effect within its own organization are substantial, they represent only a small part of the story. By bringing together the experience and expertise of the component organizations we are creating within the department a centre of expertise more extensive and more skilled than we have ever had in the past.

This in turn will help create savings and efficiencies not only in the Department of Public Works and Government Services but through all government departments and all agencies.

(1630)

The department will facilitate government–wide savings by providing re–engineered systems for use by all departments. Such sophisticated systems as electronic procurement and settlement, automated biowork station, a travel escort system and so forth will provide throughout the government streamlined processes, better ways of delivering services, rational resource allocation and more savings.

In its central position with close links to all departments and agencies, Public Works and Government Services can and will play a leading role in many government initiatives aimed at cost cutting and the reduction of duplication.

For example, the department is very actively involved in the government initiative known as locally shared support services. The basic idea of this initiative is to consolidate service and reduce costs by having departments and agencies located in the same building or complexes share certain physical support services. Again this is a very good idea, one–stop shopping for all.

These might include such functions as security, mail room or facility management. Individually, these arrangements may be quite small, but taken collectively over hundreds of federal installations all across Canada, they can add up to many millions of dollars in savings to Canadian taxpayers. Again, I would hope the House would see this is a very good thing and a very good idea, one worth our full support.

Public Works and Government Services has organized to support and encourage this initiative through its regional delivery network. It has identified two phases to implementing this scheme. In the first phase large departments, including Public Works and Government Services itself, will make use of their size, their regional representation and economies of scale. They will offer their services to smaller departments.

In the second phase re–engineering and integration of electronic services will be added. This phase will provide telecommunication and informatics infrastructure, office automation and video conferencing as well as total office support facilities similar to those in the private sector.

A number of these innovative initiatives are already being pilot tested during this current fiscal year. Certain economies have already been put into place across the country such as sharing of reception services and joint management of storerooms and warehouse facilities.

The point is that the creation of the Department of Public Works and Government Services through the amalgamation of most of the government common service agencies will not only help Public Works and Government Services to make substantial cost efficiencies within its own organization, it will also create a consolidated centre of expertise and leadership that can help scores of departments and agencies throughout the government introduce similar economies to their own operations.

This will add up to hundreds of millions of dollars in savings to Canadian taxpayers in the years ahead. This is reason enough for all of us in the House to support this legislation and to give speedy passage to Bill C–52.

[*Translation*]

Mr. Michel Bellehumeur (Berthier—Montcalm): Mr. Speaker, I have a question for the hon. member who just spoke. As regards this bill, we are not opposed to the idea of trying to do more with less money. We do not oppose to that principle; on the contrary, the Bloc Quebecois favours such an approach by the government. However, this legislation is nothing more than a bunch of old sections from various acts which are put together to amalgamate old departments into a single one, under a new name. Can the hon. member tell us just what is new in this bill? Can she tell us if there is anything new to give more transparency to that department which, in the old days, was known as the patronage department? Is there anything new in this bill to promote that transparency which we have heard so much about since the beginning of the 35th Parliament?

(1635)

[*English*]

Mrs. Chamberlain: Mr. Speaker, there is no question the government is committed to open, fair and transparent access to the procurement process. That is why the Minister of Public Works and Government Services offered to all members an invitation to join in the open bidding process in the government business opportunities publication.

With this system subscribers get instant access to contract opportunities, notices of planned sole source contracts and notices of contract awards. It also offers contract histories which are information on contracts that have been awarded in the past, to whom and for what amount.

I would respectfully say that you cannot get much more open than this.

Mr. Jim Abbott (Kootenay East): Mr. Speaker, I agree with the member that $180 million after five years is certainly the direction the government should be going. However I happen to note that is against a $2.3 billion per year budget.

I did some quick mathematics. I believe we are talking about an 8 per cent reduction after a full five–year period. Does the member not think there is a little bit more in the system that can be squeezed out than taking five years to get only an 8 per cent reduction in the budget?

Mrs. Chamberlain: Mr. Speaker, the hon. member is quite right. If that was all we were going to save, then perhaps he would be right about 8 per cent. But I would totally disagree that it is all that is going to be saved.

Quite realistically we are talking about a number of things here. We are talking about an integrated approach. We are talking about a one–stop shopping centre, so to speak, that will make it easier for our constituents, yours and mine. We are talking about same housing.

The Acting Speaker (Mr. Kilger): I just want to remind all members, although it may not be critical in this debate today, but the best practice has been established and we try to remind one another to direct all remarks through the Speaker.

Mrs. Chamberlain: Mr. Speaker, one major thing is the expertise that is going to be housed together and able to do things quite uniquely. Those are all benefits.

I remind the hon. member across the way that by the year 2005 we will save $1 billion. This is truly going to be a real cost saving initiative. It is also more than that. It is going to be a truly new initiative. It will plunge us into the next century.

Mr. John Bryden (Hamilton—Wentworth): Mr. Speaker, I want to direct one remark to the member for Guelph—Wellington. The good news I heard in her remarks was that these changes will eliminate much of the duplication of services between the federal government and the provinces.

Would the member agree that this will eliminate one of the primary sources of friction between the federal government and the provinces, and that provinces like Alberta and Quebec, for example, should be very happy?

Mrs. Chamberlain: Mr. Speaker, I definitely think this is going to go a long way to address many of the concerns that provincial governments have raised with the federal government. I appreciate my colleague bringing that up.

[*Translation*]

Mr. Duhamel: Mr. Speaker, I rise on a point of order. I want to make a suggestion to you, Mr. Speaker. When the Bloc member spoke earlier, he said that the system set up by the minister cost $500 to each member of Parliament. Since that figure seemed very high, I went to check on it and I was told that the figure is only $37. Consequently, I—

The Acting Speaker (Mr. Kilger): Order, please. I am sorry but this is really not a point of order. It may be an issue to discuss and I am sure we can look at it later. Questions and comments. Debate. The hon. member for Kootenay East.

(1640)

[*English*]

Mr. Jim Abbott (Kootenay East): Mr. Speaker, it is always nice to be able to say something positive about the direction in which the government is going. In this instance I believe that it is going in the right direction in terms of consolidation, efficiency and savings.

In fairness to Canadians who have suffered loss of real income over the last five years and who may have been displaced or have had members in their families displaced—many Canadians have had to scramble to survive—there must be an understandable lack of sympathy. I can understand the lack of sympathy on the part of Canadians for systems within the government which are bloated and not efficient. However the government is going in the right direction.

I also believe that within any workforce, whether it is the civil service or any industry, that when people are not efficiently producing they know it. When people are working at jobs that are dead end jobs and can see that they should be redeployed that they have this, I will call it, a antsyness, a feeling of discomfort in their place of work.

In that place of work there is typically a lack of job satisfaction. Certainly there is a lack of a sense of security. I know I have been in situations from time to time in employment where it was obvious that the enterprise that I was in was going nowhere and that gives no sense of security. When we have a lack of direction from the top, a lack of statement of purpose and a lack of plan coming from the top, it exacerbates the situation.

Yesterday in the House I raised the example of Parks Canada. We have a situation in my constituency where members of the Yoho National Park—only 90 people work there—are in a real dilemma. They do not have any idea of what is going on. The top people in the parks department do not have any idea what is going on either.

All sorts of things are being proposed. For example, in clearing the highway which is the major project for the park in the winter, it is now proposed that the whole operation be moved to Lake Louise. What does that do to the businesses in Golden? What does it do in terms of the efficiency? It is also proposed that the head office be moved to Jasper. What does that mean? The picture I am trying to paint is the situation all over the map.

When we have a downsizing challenge, whether it has to do with the issues covered specifically by Bill C–52 or all of government, I submit that the government must be prepared to take one step. That one step must be specific, it must be incisive like a razor, but above all it must be part of a total plan.

With great respect to the Liberal frontbench, to this point I get no idea of an incisive, total plan. As a consequence the civil service right from the bottom to the top is saying: ''When is the shoe going to drop? Is it going to be me? What is going to happen?''

I suspect that members from British Columbia are aware of the fact that they will be getting letters, that they will be getting petitions from people within the civil service. I cannot speak for the rest of Canada but I can say as far as British Columbia is concerned, many of us are receiving representations from the federal civil service saying: ''What is going on? What is going to happen next?''

There is a tremendous feeling of insecurity. If I could do anything I would encourage the frontbench to get on with a total plan and more important, to communicate what that plan is once they have actually got it together. The current fear and anxiety within the federal civil service is leading naturally to a loss of productivity.

(1645)

A couple of minutes ago, I raised the issue that there will be $180 million saved on a $2.3 billion budget after five years. I repeat that the government is going in the right direction but the problem is it is taking rather mincing steps.

I would like to read an excerpt from a speech given by the chairman of the board of the Canadian Imperial Bank of Commerce on February 15 in Halifax. Considering that this person is responsible for countless billions of dollars in assets and has tens of thousands of employees in one of the major banks in Canada, he has a tremendous sense of the direction Canada is going. I suggest we listen rather carefully to this excerpt from his speech.

> It is all too easy to think that debt is a government problem, but it is not. The debt does not cost governments; it costs Canadian taxpayers. Canadians pay for the debt directly every day in interest paid from taxes.

Before I carry on I want to underline the point that this is not the Reform Party speaking, although it sounds like it. This is the chairman of the board of the Canadian Imperial Bank of Commerce. He said:

> The per capita annual interest charge is about $2,200 from tax revenues; $2,200 per Canadian goes to pay interest on accumulated debt. Before a single dollar of income is redistributed, before a dime goes to social programs, before a penny is spent on any other government program $2,200 must be paid yearly in interest for each and every person in Canada.

Are you listening? Remember, this amount—

The Acting Speaker (Mr. Kilger): Order, order. If I want to take every occasion you present me with I will try to react. In terms of speaking to one another, the word you or in French the word vous totally excludes the Speaker. I really love my work and I like to be included and wish I could sometimes be even more involved.

Mr. Abbott: Mr. Speaker, I appreciate your intervention. All of us are on a learning curve. I certainly am as one of the new people here and I appreciate your comment.

> Remember the amount of $2,200 is needed from each one of us just to pay the interest on the debt. We are not even touching the principal. As a result, the cumulative debt of the federal and provincial levels of government is growing at a rate of $60 billion a year and the compounding continues. The pattern has persisted for years. Is calling this situation a fiscal cancer an overstatement? What would you call it?
>
> And let us remember: Politicians did not do this. Governments did not do this. Civil servants did not do this. We prosperous, peaceful, common sense Canadians did this to ourselves.
>
> Whatever the party or prime minister or finance minister, the Government of Canada has not had a single balanced budget in 20 years. During the same period there have been scores of budgets in the provinces. Relatively few provincial treasuries have forecast a balanced budget and only rarely have they achieved their targets.
>
> Of course, we have had elections; 83 different occasions on which the people could exercise their democratic right to choose national and provincial governments. We had all those opportunities to change policy directions. We have elected Liberal, Progressive Conservative, New Democrat, Social Credit and Parti Quebecois governments. We have given them variously majority or minority mandates. We have even had from time to time intense national debates about debt and deficits, but our total debt has continued to soar even higher.

(1650)

He talks about Canadians and says:

> We have only ourselves to blame. Most experienced politicians, I would guess a solid majority in every cabinet in the country, will confess privately that there is no constituency for cutting spending. Canadians may be in favour of cutting somebody else's special interest spending but not their own. The result has been an endless procession of impossibly conflicting instructions to our political leadership: Cut spending, but not on this; save money, but not on that.

I like this guy. He goes on to say:

> Pity our politicians. It would have taken the wisdom of Solomon and the patience of Job to respond to such a conflicting cry and neither of them had to get elected.
>
> Government spending problems are too often oversimplified as being a question of inefficiency. Some say that the problem can be resolved by reducing spending in all current categories. That would help but it is only the beginning. The real problem is that many government programs are outdated and it is not just that we are spending too much, it is that we are spending on the wrong things.

The real problem in my judgment is that we as politicians have a responsibility to talk straight to our constituents. During the last election it perplexed me whenever the Reform Party would talk straight and say we must drive the deficit to zero in as quick a period of time as possible that we were attacked by the

Liberals and the Progressive Conservatives as being the slash and spend and hack and cut party.

The reality is that we in Canada are at the wall. We have managed to get away with this infrastructure spending, or should I say borrowing, this transfer of intergenerational debt to my grandchildren who I have never seen and are not even born and their descendants, all for the sake of some election sloganeering.

It is the responsibility of all politicians no matter what their stripe to generate a culture of acceptance to the fact that it is going to hurt. It is going to hurt me, it is going to hurt you, Mr. Speaker, and it is going to hurt the people who are listening to this debate or reading it in *Hansard*. It is going to hurt. We fundamentally have a choice of doing it to ourselves under our control, or letting some external force do it to us.

Today the finance minister stood in this place and very forcefully and very eloquently said: ''We will maintain control''. How can you maintain control when you continue to spend $110 million a day more than you have coming in? It is impossible. You cannot maintain control in a world where there is such a thing as compound interest and in this instance compound debt. When we are spending $110 million a day that we do not have, we are simply transferring what we are doing in 1994 to somebody way out there somewhere else.

I conclude my comments with a quick review. Bill C–52 is going in the right direction for all of the right reasons. If you will pardon me for nit–picking, I happened to notice in our review that a part of the purpose was that the deputy minister be appointed by cabinet.

It strikes me that the deputy ministers of all departments are people of great importance and strength. They give direction to their departments and strong counsel to their ministers. I suggest that the deputy minister not just in Bill C–52 but in other bills should appear before the standing committee. There should be more public scrutiny because more and more power is falling into the hands of the top civil servants. That would be a healthy thing to do.

(1655)

In summary we are going in the right direction with Bill C–52. I do support that direction. I do see all of the things the last member was talking about, but it is not good enough by a long shot. We as politicians must generate a culture of acceptance of the fact that we are living beyond our means. We must be straight up with our voters. We must convince Canadians that we will be able to go in the right direction.

The Acting Speaker (Mr. Kilger): Before questions and comments it is my duty pursuant to Standing Order 38 to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Rosedale—Gun control; the hon. member for Verchères—Customs tariffs.

Mr. Paul Szabo (Mississauga South): Mr. Speaker, in his comments at the conclusion of his speech the hon. member said that we should be straight up with Canadians and I agree.

If his party formed the government today, would that member's government also be spending more than it took in? The question clearly relates to the fact that no matter which party was forming the government the government expenditures and the deficit clearly were going to take more than one year to be dealt with. Yet the member continues to harp as if the Reform Party somehow would magically eliminate this if it were the government. Could the member answer this simple question: Would the Reform Party also be spending more than it took in?

Mr. Abbott: That is a valid question. Of course we would. One cannot just simply go hack, slash, bump and that is the end of it.

However a plan that after three years this government will owe an additional $100 billion in debt is absolutely the wrong direction. What we would have at the end of three years is we would not be going further into debt. Canada cannot afford it. The Canadian public intuitively in the back of their minds know it. They are just waiting for some politicians to be open, up front, honest, candid and frank with them and get on with the job that will have to be done.

Mr. Alex Shepherd (Durham): Mr. Speaker, I am glad the member for Kootenay East wants to be open and frank.

Our government has constantly talked about bringing the deficit to 3 per cent of gross domestic product. That is a plan, that is a direction and that is something the Minister of Finance is committed to. As we talk about social program review which is coming up tomorrow, we are going to have a plan on the table with different directions of where we are going to go with our social spending.

We want to talk about being honest. Why does the member not come across here and say: ''What are we going to do without employment insurance? Are we going to do away with it? Are we going to do away with all our social programs? Are we going to reduce old age pensions?'' That is the kind of honesty he is talking about. Let us hear him say those things.

Mr. Abbott: Mr. Speaker, the government currently has a plan to go another $100 billion into debt over the next three years with this 3 per cent figure it is talking about. It has no commitment to reduce the deficit to zero. It has a commitment only to reduce it to 3 per cent.

I heard it said by the late Kim Campbell, that is late in a political sense, during the last election that there was not any problem. If she managed to get the overspending down to whatever the number was it was fine, it was going to be balanced books because we did not have to go out and borrow money. Then after actually analyzing what she was talking about, she

was going to be using Canada pension plan contributions. She was going to be using the actual cash flow, the input that was coming into the government. That same kind of fuzzy thinking has managed to spill over. Maybe there is something unusual about that side of the House. When people move from this side, which is where most cabinet ministers were in the last House, to the other side and get cabinet positions somehow a fuzziness seems to set in.

(1700)

The reality is that there is no commitment on the part of the government to control overspending. I will not call it the deficit because that is confusing. The deficit is simply how much more is spent than is taken in.

With respect to the question of targets let us talk about UI. Right now the minister of human resources is going around trying to fly all sorts of trial balloons. The Reform Party principle is very simple and very straightforward. It is called unemployment insurance.

Unfortunately all politicians in the House over the last 20 years have forgotten the word insurance. Insurance works on an actuarial basis that it is not going to be used as some kind of low grade social program. Therein lies the problem. Even today the minister and the government are working through a UI revision as though they are revising a low grade social program. They are not putting it into the arena where it should be, which is unemployment insurance.

I have a lot of other comments but the bottom line to the exercise is that there is no simple answer to the problem. I am prepared to say to the people of Canada that it is going to hurt. We can either do it ourselves or we can have it done to us. As long as we continue to add $100 billion to the debt of the nation and as long as we continue to spend $110 million every day, we are not solving the problem. We are just digging the hole deeper.

[*Translation*]

Mr. Roger Pomerleau (Anjou—Rivière–des–Prairies): Mr. Speaker, I would have a question for my hon. colleague from the Reform Party who made a remarkable speech. Our colleague tells us that real politicians would tell us that it is going to hurt. I agree up to a certain point. Now, who will this hurt?

At present, some people avoid paying tax on billions of dollars by using family trusts and tax havens. Here is my question: Is my hon. colleague prepared to hurt these people too, so that all members of our society pay their share?

[*English*]

Mr. Abbott: Mr. Speaker, I have had the privilege of moving to the finance committee which has been very instructive. There is a myth, an absolutely gigantic myth, that somehow billions of dollars are squirrelled away and that if we could get our hands on them we would solve the whole deficit and debt problem. The myth that was originated by the NDP unfortunately is being perpetuated by the Bloc Quebecois.

The plain fact of the matter is that family trusts have to do with capital gains. Family trusts pay taxes on earnings. Family trusts pay current taxes on interest. Family trusts do not pay tax on accrued capital gains until they are disposed of by the family trust. The myth continuously put forward by the Bloc is that they never pay or they are going to roll forward. The fact of the matter is that they will be paid in exactly the same way as any other individual pays them.

It is instructive to be sitting on that committee as they continue to try to put forward the myth that there is some kind of simple, magical equation, some kind of a simple answer, because there is not.

(1705)

I come back to the same thing. It is going to hurt all Canadians. In further response to the member's question, the reality is that if we do not control this the people who will be hurt the most are those who can afford it the least. We have to target the meagre resources we presently have to make sure those people who have the least get the most in terms of help.

I do not think major industrialists and people who would have these countless millions of dollars in family trusts to which the Bloc keeps referring need the help of the social program. It is the intention and the direction of the Reform Party to protect those who need protection the most.

Mr. Peter Adams (Peterborough): Mr. Speaker, Bill C–52 combines previously dispersed functions in government into the new Department of Public Works and Government Services. At first sight it is a technical bill, a necessary but technical piece of legislation to make the combinations. It is becoming apparent from the debate that there is more to the legislation than that. The bill is part of the government's effort to streamline the system of government in Canada, to make government a better servant of the public. It is for that reason I am very pleased to have the opportunity to speak to Bill C–52.

Part of the platform that saw the election of the government was a firm commitment to government renewal, reforming away government works to restore confidence among Canadians in their leaders and institutions. At the same time there was an equal commitment to reducing the cost and increasing the effectiveness of government to lower the deficit and relieve Canadian taxpayers.

The bill, along with several others introduced in the House in recent weeks, is tailored to meet both those commitments. Merging the former departments of public works and supply and services, the telecommunications agency and the translation bureau through Bill C–52 permits a more streamlined, responsive service by government while reducing the costs of doing the taxpayer's business. The amalgamation will assist deficit re-

duction by cost savings in the order of $180 million by the year 1998.

The legislation also lives up to the government's commitment to restore confidence in the administration. Other members referred to the tremendous task the new department must perform. An annual cash flow of $1.4 trillion, purchasing $10 billion worth of products and services in a year, 175,000 contracts per year, and managing $6.5 billion worth of real estate are now under one government department. What is remarkable about the legislation is that it creates a single organization under one minister to perform all this work.

Thus not only client government departments and agencies but the vast community of Canadian firms doing business with government can deal with a single agency. One minister and one management team will provide the focus and direction as well as the forum to see that both client and supplier interests are served. This is truly one–stop government shopping for Canadian business.

Rest assured that the new department is dedicated to serving both the interests of its client departments and the interests of the business community. The business community embraces all sizes and types of Canadian firms. Their competitiveness is vital to a strong, innovative Canadian economy.

That is why in carrying out the many large and small purchases on behalf of government the new department attempts at all times to remain innovative and up to date, maintaining best practices in dealing with suppliers and managing its affairs to encourage innovation and competitiveness among Canadian businesses.

That is why the bill rewrites previous legislation to provide flexibility which permits the use of purchasing to assist in achieving the strategic objectives of government, for example penetration of foreign markets by small and medium sized Canadian businesses.

(1710)

While the new department strives to meet its primary objectives of efficient and effective services to government, it is guided in its purchasing practices by the principles of competition, equality of treatment and openness.

Where possible, contracts are awarded through competitive, open bidding. Uniform conditions and evaluation criteria are applied to all bidders. To remain competitive suppliers and potential suppliers must be informed and up to date on government requirements. They must know not only what is coming up by way of demand but also the rules and regulations they must comply with.

The new department uses various means to provide such information and assistance. One of the newest and most innovative is the open bidding service which was referred to and explained briefly by the member for Guelph—Wellington when she spoke earlier. The open bidding service provides around the clock electronic information and assistance to suppliers anywhere in Canada, any suppliers that have access to telephone lines. It provides subscribers with all the information they need to make an informed bidding decision in government procurement opportunities. They no longer need to be included on a government source list or await an invitation to bid.

This sort of a process is very welcomed by small businesses in small communities outside the Ottawa circuit such as my riding of Peterborough. Subscribers can review opportunities in their product or service areas and order bid documents for those they are interested in. Documents are forwarded as quickly as possible by the chosen delivery method, be it fax, mail or courier. Current contract award information as well as information on past contract awards are available to subscribers of the service.

Other departments and crown corporations, as well as the governments of Alberta and Ontario, have decided to use this open bidding service to advertise their contract needs. This significantly broadens the market available to suppliers through a single information source. Open bidding is the aim of the publication entitled ''Government Business Opportunities'' which is issued three times a week.

I was somewhat bemused by the earlier criticism of the minister and the bill through suggestions that government purchasing practices were not open enough and more information should be provided. I really do not understand the distorted view of reality that could trigger such a complaint.

Federal government purchasing is already scrutinized by Parliament, the Treasury Board, the Auditor General, the Canadian Internal Trade Tribunal, the Contract Claims Resolution Board, all the mass media, the suppliers themselves and the taxpaying public. On top of all that, all purchasing requirements valued at $25,000 or more are posted on the open bidding service I just described. As well, construction, maintenance, architecture and engineering opportunities valued at $60,000 or more are so posted. When sole source contracts are necessary, information is carried both on the open bidding service and through the ''Government Business Opportunities'' publication.

The Minister of Public Works and Government Services has gone to even greater lengths to ensure open and easy access to contracting information. He has written to all members of Parliament, as every member of Parliament who checks the mail knows, urging them to subscribe to the open bidding service. The parliamentary secretary just gave some information on the cost of this service. Following that suggestion would certainly better equip members of Parliament to serve their constituents

than contributing to the paper burden by tabling tons of material on 175,000 government contracts.

We live in an electronic age. Canadian citizens and businesses are rapidly adapting to the evolving information highway. Members who complain about lack of information might well be advised to catch up. Subscribing to the open bidding services would be one step.

The Bloc also expressed some concern over the fact that riding by riding stats were not available for contracting activity in the new department.

(1715)

The simple fact is that Public Works and Government Services does not keep information based on riding. Since the amalgamation of these various government services the department systems are not integrated. Further, several searches of both the manual and electronic data bases showed that all the systems are out of date or in need of upgrading. As a result, the department at this time simply cannot produce such reports, that is reports based on riding, in its routine operations.

Further, we must all realize that riding–based activity is not always accurate and at times it is downright misleading.

For example, consider the case of the two large oil companies, Imperial Oil and Petro–Canada. These companies bill all government purchases, close to $300 million per year, through their Ottawa offices regardless of where those purchases occur, whether they occur elsewhere in Canada or abroad. Rather than compile and publish misleading riding–based statistics, the Department of Public Works and Government Services actually does something real about an even distribution of regional benefits from government purchasing. Wherever feasible within the confines of agreements such as the North American Free Trade Agreement and the General Agreement on Tariffs and Trade, regional benefits are given a high priority when evaluating bids for major government projects.

Examples of regional benefits are not hard to find: $1.2 billion of the Canadian patrol frigate contract to Saint John Shipbuilding in New Brunswick, $40 million of the Canadian Forces supply system upgrade contract to SHL Systemhouse in Ottawa, $16 million of the North Warning System contract to a Richmond, B.C. firm, and so on with other regional benefits wherever they are possible.

Further evidence of this minister's desire to keep purchasing practices open and fair was his decision that contingency fees have no legitimate place in government procurement and the introduction of a new contract clause is aimed at eliminating them. Bidders are now required to certify that they have not hired a lobbyist to solicit award of the contract where any part of the payment to the lobbyist depends on the client obtaining the contract.

Another example: The minister has introduced major improvements in contracting methods for advertising and public opinion research. There were no effective guidelines to purchase such sensitive services in the past. The media and the public have long perceived the practice to be open to abuse and political patronage. For the first time new guidelines have been approved by cabinet bringing the procurement of advertising and public opinion research under similar rules of fairness and openness to those governing all government procurement.

These new guidelines, the new open bidding service and the new lobbyist clause, are all evidence of the determination of this government to reintroduce integrity and restore the faith of the public in our political and administrative systems.

I think the evidence is clear. This government and this new department which is created through this bill support both the spirit and practice of good business in Canada to the benefit of government operations, the business community and Canadian taxpayers alike.

I conclude by saying that Bill C–52 is far more than an effective highly technical piece of legislation combining under one roof previous government services. It is a fine example of this government's commitment to openness and fairness to Canadian business.

[*Translation*]

Mr. Michel Bellehumeur (Berthier—Montcalm): Mr. Speaker, I think the hon. member was in the House earlier when we were told, in response to a question, that the bill the hon. member just commented on prevented some overlapping with other provinces. Basically, that is the spirit of non–overlapping that we advocate in the Bloc Quebecois.

Here is my first question. What is there exactly in this bill to specifically preclude this kind of overlapping?

(1720)

I have another question for the hon. member. The Bloc Quebecois tabled a reasoned amendment on this subject. It reads as follows:

> ''this House declines to give second reading to Bill C–52, an act to establish the Department of Public Works and Government Services and to amend and repeal certain acts, because the principle of the bill does not provide for a specific code of ethics to be put in place aimed at making transparent the contracting process and the acquisition of all goods and services by the Department of Public Works and Government Services Canada''.

Does the hon. member agree with the idea of improving transparency through this bill? If he does, where exactly in the bill is this spirit of transparency fostered?

[*English*]

Mr. Adams: Mr. Speaker, I appreciate the member's comments.

The answer is the same to both of his questions. As far as greater efficiency between the levels of government is concerned, I described the open bidding service. I mentioned that already the governments of Alberta and Ontario have joined in this electronic open bidding service which is available to every part of the country reached by telephone, which is virtually every part of the country. That is an example. That is a step toward greater efficiency between levels of government.

It is my hope that the governments of other provinces will take advantage of this wonderful opportunity and will therefore make it even more efficient between federal and provincial levels.

With regard to the matter of openness, I described as well as I could the open bidding procedure. This is a procedure which is available even to the smallest business. People have a telephone. The cost is not large. It lists forthcoming opportunities. It lists the results of previous contracts, in other words who obtained contracts for the previous weeks or months.

This is something which is available in offices across the country. That is in addition to the thrice weekly publication of similar information which is also available, although I think I sense where the member is coming from, which is less easily available to many of our smaller firms.

To answer his question about transparency, it does seem to me that one answer to his question is that the open bidding service is as transparent as it could be.

[*Translation*]

Mr. Nick Discepola (Vaudreuil): Mr. Speaker, our government took office a year ago with a very clear platform and very specific commitments to Canadians. We said that we wished to develop a country where efficient and innovative governments cooperate not only with one another but also with businesses, unions, educational institutions and others.

We said that we wished to emphasize the concept of partnership in all our dealings. We are committed to making job creation and economic growth our top priorities. We promised to trim the deficit and to use iron discipline in bringing federal expenditures under control. We also said that we would restore public trust in the government's integrity.

All our commitments and promises are reflected in the public works and government services minister's priorities and performance in the last 12 months.

This department, which is responsible for most common services provided by the federal government, worked hard to increase government efficiency, create partnerships and convince Canadians that the government is conducting its operations fairly, openly and in the public interest.

The Department of Public Works and Government Services is in a good position to take up the challenge of providing effective services, establishing strong links and eliminating duplication in the provision of government services.

[*English*]

In the area of efficiency and reduction of duplication of services, the amalgamation has already begun to pay dividends. During the past year there has been substantial progress in realizing the central corporate services of the department such as finance and administration and amalgamating these into a single operation which can serve the needs of the component sections of the department, but with significant savings in financial and human resources as well.

(1725)

A similar rationalization of resources has taken place at the regional level, again with substantial cost savings and reduction of duplication. Much work still remains in order to realize the full potential for savings through this process of amalgamation.

[*Translation*]

The minister remains confident that he will be able to cut common services staff by more than 20 per cent in the next four years without reducing service levels for Public Works and Government Services Canada's client departments and agencies.

The full process will generate overall savings of some $180 million. This streamlining process is in line with the government's promise to cut waste and duplication and is a big help in meeting the government's commitment to fight the deficit through major cuts in public administration expenditures.

Public Works and Government Services Canada has made steady progress toward the government's goal of reaching sound agreements with other levels of government, the private sector, its public service clients and the general population. Significant headway was made in intergovernmental co–operation last summer when the federal government and most provinces signed agreements to work together to reduce government costs.

Public Works and Government Services Canada already works with the provinces to identify the areas where the two levels of government can work together to reduce duplication or, better yet, share services in the interest of our taxpayers.

Some provisions of Bill C–52 will pave the way to closer intergovernmental co–operation.

[*English*]

For example, it will allow Public Works and Government Services when requested by other levels of government to offer realty, architectural and engineering services to provinces as well as municipalities, something that was not possible before this legislation. It will simplify the process in following up on opportunities for intergovernmental co–operative initiatives.

Over the next few years I am confident we will see a real increase in all levels of government working to eliminate duplication, to share in procurement where this is beneficial and to better co–ordinate services directed at the Canadian public.

Another area in which the department has been working hard and making progress is in building stronger, more satisfactory partnerships with the Canadian business community. As the prime procurement agency of the government which spends some $10 billion each year for goods and services, Public Works and Government Services is one of the prime points of interface between the government and Canadian business and industry.

In the past the two major points of friction and frustration in the government's dealings with the business community have been first, the sense by business that dealings with governments were slow, cumbersome and costly and, second, that there was too much political interference and cynicism, in other words that the system was not as fair and open as it should be.

Under this government real progress has been made by Public Works and Government Services toward addressing both of these problems.

[*Translation*]

By promoting high–tech communications with businesses, the department has managed to simplify the process and reduce costs. The electronic procurement and settlement system is a good example. This central control and settlement system linking client departments with suppliers allows users to do business electronically, to place orders and issue vouchers without paperwork and to pay suppliers without bills being sent.

The system was tested successfully and should be fully implemented during the year. It is as popular with the government as it is with suppliers.

[*English*]

The open bidding system that I just described has been introduced and provides an electronic bulletin board that allows all potential suppliers an equal chance to be aware of the government's requirements and to respond accordingly.

On many occasions the minister has given a personal invitation to all MPs, including MPs from the Bloc and the Reform Party, to get on the open bidding service. We should take him up on this offer, as I have done.

The minister has also introduced a clause to all contracts effectively eliminating the practice of contingency fees in securing government contracts, thus curbing the influence of lobbyists in this area. He has introduced—

The Acting Speaker (Mr. Kilger): Order. The member will have the opportunity to conclude his remarks when the bill comes before the House at the next opportunity.

It being 5.30 p.m., the House will now proceed to the consideration of Private Members' Business, as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

CANADIAN CHARTER OF RIGHTS AND FREEDOMS

Mr. Ian McClelland (Edmonton Southwest) moved:

That, in the opinion of this House, the government should change the name of the ''Canadian Charter of Rights and Freedoms'' to the ''Canadian Charter of Rights, Freedoms and Responsibilities''.

He said: Mr. Speaker, before I get into the meat of my presentation today, I would like to spend a couple of minutes describing to the television audience the difference between a private member's motion and a government motion and what is most assuredly going to be happening to this motion in exactly one hour.

A private member's motion receives one hour of debate in the House. Then it is dropped from the Order Paper, never to be seen again, unless there is a spark of interest somewhere and it resurfaces.

This is one of the checks and balances in our parliamentary system. It allows backbenchers and opposition members a chance to get a point of view across. It gives opposition and government members a chance to debate ideas.

If this were a votable bill rather than a motion, it would receive a grand total of, I believe, three or four hours of debate. It would come back two or three times and would be voted on. On a very rare occasion of unanimity in the House on an opposition member's bill, it could become law.

The chances of a bill becoming law promulgated by an opposition member are fairly remote. Hopefully it is something that we in this Parliament could consider, because it is really the essence and the spirit of parliamentary democracy. No one in the House has a lock on good ideas. If we are to use our opportunities as parliamentarians effectively, we would learn from each other and modify each other's bills to meet a common objective.

In any event, my motion was inspired because I felt we were becoming a nation of entitlement. This was very much to our detriment and to the detriment particularly of the younger generation of Canadians.

During the election campaign my fellow candidates and I were doing an all–candidates meeting at a high school in Edmonton. In the question and answer period one of the students got up and said: ''What are you going to do to get me a job?''

Through the luck of the draw I was the last person to respond and I got a chance to listen to the other candidates. I listened to them telling this young person in an auditorium full of students that we were going to create a nirvana—poor choice of words—motherhood and apple pie. We were going to spend money here and spend money there and create jobs.

I could just see all their eyes glazing over because they had heard it all before and had no reason to believe it. My turn came along and I thought, I am going to tell these people the truth.

(1735)

I said to that young man: ''Look, if you want to know who is going to get you a job when you graduate from high school, have a look in the mirror because that is the only person in the world who is responsible for you. Your success in life is going to be directly attributable to what you put into it. If you expect me, your parents, your school or anybody else to do for you what you need to do for yourself you are going to be sadly mistaken and very disappointed in life''.

I am telling you I was Mr. Dinosaur from the Reform Party. He must have been thinking: ''Here is this old–timer who does not have a clue about what is going on. How could he possibly be standing here and telling me I am responsible for myself, like I don't have to show up at school every day. If I come in late nobody seems to care''. That is not fair because that is not the way it is in life.

That is the germ of the idea of how we got into this situation. It is not just individuals who feel that there is a sense of entitlement, it is all of us. Our whole society has become one of entitlement. If somebody wants to start a business what does he do? He does not get every nickel he has together and get his friends and relatives together and start a business. The first thing to do is trot down to the bank and see if the government will guarantee a loan. Is there not a grant for doing this? Cannot somebody else risk their capital so I can progress in my life? That is just not the way it works in this world.

We have become a nation of rights, a nation of entitlements. We did not become this way just with the introduction of the Charter of Rights and Freedoms. It has been happening slowly but surely. It probably happened perhaps in the 1950s and then accelerated in the 1960s. Here we are today with the single thing that has really codified this whole notion of rights, the introduction of the Charter of Rights and Freedoms in Canada.

As I progress in my speech this afternoon, I am going to be referring to some information that I got from a book entitled: *Protecting Rights and Freedoms: Essays on the Charter's Place in Canada's Political, Legal and Intellectual Life*. I recommend this book to anyone who has any particular interest in going further into the investigation of the effect of the Charter of Rights and Freedoms in our country.

I want to acknowledge that I will be quoting from the essays of three individuals, all of whom will be familiar to colleagues in this House and to you, Mr. Speaker. The first is the Right Hon. Kim Campbell when she was Solicitor General. She delivered a presentation at a 10th anniversary conference on the charter of rights. The second person is Lysiane Gagnon, a well–known member of the media from Quebec and Jeffrey Simpson who needs no introduction from me.

As a matter of fact it was interesting that in another part of Kim Campbell's writings she said that Canadians, as compared with Americans, really have a different sense of what government means. We look at government as protector of our rights and freedoms. Government is not something feared by the average Canadian. She compared that with the situation in the United States where the government is seen as more obtrusive by the individual citizen.

Ms. Campbell was comparing the case of our bill of rights and the American experience. The two do not exactly relate, but let me give you the gist of what she was saying as she was talking about the tension that exists in Canada between Parliament and the judiciary. With the Charter of Rights of Freedoms, the Supreme Court has taken on great powers that were not previously in our common law tradition to be vested with appointed judges. It was the role of Parliament to reflect the mores of the time and to interpret what was going on in society. We have evolved into more of an American system where the judiciary has far more to say about what is going on.

(1740)

As a matter of fact Kim Campbell said: ''Courts are now required to choose from among competing approaches and values. The real question therefore is not whether the courts are making policy but rather the appropriate limits of the courts' policy making role''. She said that when she was the Attorney General of the country. That is a profound statement.

She further said: ''By giving Canadians constitutionally entrenched rights and freedoms and by making these enforceable by the courts, the charter has given the courts a much more powerful and visible role in our governmental system. This has led to some tensions and to questions about the proper scope of judicial review in a parliamentary system''.

Her concern was that unless Parliament and the courts understand and respect each other's role we will evolve toward a system in which the courts, rather than democratically elected legislatures, are seen as the primary protectors and promoters of rights and freedoms.

That has happened. The courts have taken on an increasing role in our society and the role and the responsibility of Parliament has as a result been diminished.

Then the question comes up: Why do we have a Charter of Rights and Freedoms in the first place? The Charter of Rights and Freedoms does not have one word in the whole thing about responsibilities. The thought of responsibility does not enter into the Charter of Rights and Freedoms. How can that be?

It was because it was never intended to be anything other, at least according to many people. The introduction of the Charter of Rights and Freedoms in Canada was done because Pierre Trudeau wanted it. He believed if we had a Charter of Rights and Freedoms that guaranteed individual rights and freedoms we would be able to make a place for French speaking Quebecers in the whole of the country and for English speaking Canadians in Quebec by law, the notion of individual rights. As I understand it the problem was not that we should have these individual rights across the whole country. It was the people in Quebec wanted to feel at home in Quebec. It was maîtres chez nous, not maîtres chez all of Canada, it was maîtres chez Québec, at home.

Quebec was not part of the patriation of the Constitution. It did not sign on and so instead of this becoming something we could all cherish and bind us together, it became yet one more irritant.

These are the words of Lysiane Gagnon: ''This was another episode in the long antagonism between two schools of thought. One embodied by Trudeau focused on the rights of French Canadian individuals. Given equal chances and a decent degree of protection for their language they should be able to affirm themselves throughout the country. The second school of thought focused on the collective rights of Quebecers to develop the institutions and increase the powers of the province that was their only true homeland, the place where they formed a majority''.

We now have a Charter of Rights and Freedoms without responsibilities covering the whole nation. The intent was to make Quebec feel more comfortable as part of the nation. It did not work. What are we left with? A situation where the courts are now making decisions that should be made in Parliament. They are making decisions that fly in the face of common sense.

I have examples of that. I do not need to bring it out in this case right now. There are many examples. The hon. member opposite wants an example. Let me give an example.

The top court said just the other day that too drunk is a defence in a rape case. A guy gets too drunk, rapes someone and as a defence cannot form intent and there it is.

(1745)

This is a decision that is made by our courts but it does not reflect the common sense of the common people. What happens? People see something like this and they say Parliament could not possibly understand what is going on. The courts do not understand what is going on and people feel disconnected from the very institutions that they should be connected to and feel comfortable with.

Now we have a situation in which we have rights through the Charter of Rights and Freedoms. The Charter of Rights and Freedoms I submit is with us whether we like it or not because it has incredible symbolism in the country. The Charter of Rights and Freedoms in a survey done in 1991 had more symbolic significance to Canadians than anything else, including the flag.

I submit that it is going to be part of us for a long time but in the chapter that Jeffrey Simpson wrote, he wrote about Harvard professor Mary Anne Glendon in her book of the same name in its simplest American form, the language of rights is the language of no compromise: ''By indulging in excessively simple forms of rights talk in our pluralistic society we needlessly multiply occasions for civil discord.

We make it difficult for persons and groups with conflicting interests and views to build coalitions and achieve compromise or even to acquire that minimal degree of mutual forbearance and understanding that promotes peaceful coexistence and keeps the door open to further communications''.

We have seen this in our very Parliament, as last week two members who have very different opinions about things were starting to fight because one has a right and the other feels denied that right. Yet all of life is a compromise of one form or another. It is a means of getting along with each other. Under the guise of rights we are getting ourselves back into corners where compromise is not part of the equation.

I will quote again from Jeffrey Simpson: ''A distinguishing characteristic of this rights talk is the degree to which discretionary decisions of government and the normal and sometimes healthy tensions in a pluralistic, democratic society are elevated to those of apparently fundamental human rights. These rights by virtue of being rights cannot easily be compromised. They

can only be defended to the maximum. These rights also seldom have obligations or responsibilities attached to them''.

What can we do? Where do we go from here? We are very likely going to have the Charter of Rights and Freedoms with us forever. How do we go about making the Charter of Rights and Freedoms more like that which was originally intended, something to draw us closer together, to bind us, to protect individuals from excesses of the states, to protect minorities from majorities and to have rules that we could live by?

I would submit that we could achieve that if somehow we were able to induce the courts to interpret the Charter of Rights and Freedoms in a fashion and in a manner that gave some sense to society as a whole so that when decisions were made involving the Charter the justices would not always take the most liberal interpretation as per individual rights and the narrowest interpretation toward the rights of society as a whole.

I do not know how this delicate balancing act could be achieved but it is certainly worthy of the attempt because we have evolved to a situation today in which people think of ourselves as rights and entitlements. We have a situation in which regardless of the colour of the book that the government is quoting from, whether it is the Reform's blue book or the Liberal's red book or the Bloc's book, there are certain things that we have to do as a nation.

(1750)

We have to start to live within our means. As the money dries up people are going to be backed into more and more corners connected with rights and we are going to have to start thinking more and more in terms of our responsibilities to our nation.

We recall those 17 words that President Kennedy used years ago to discuss exactly this: ''Think not what your country can do for you, but what you can do for your country''.

If we could inculcate somehow that simple phrase into our lexicon, if we Canadians could think what can we do for our country rather than what our country can do for us, I think we could go a long way in bridging some of the conflicts that are evident here in this House, the conflicts between those of us on this side of the House and back and forth, and individuals who are concerned with their rights. We should probably show far more concern for our responsibilities to each other and to our nation and far less for our rights to ourselves.

Mr. Russell MacLellan (Parliamentary Secretary to Minister of Justice and Attorney General of Canada): Mr. Speaker, the hon. member for Edmonton Southwest proposes the name of the Canadian Charter of Rights and Freedoms be changed to include a reference to Canadian charter of rights, freedoms and responsibilities.

It is an interesting proposal but I do not think it is one with which I could agree for various reasons. In 1982 Canada's Constitution was amended to include the Canadian Charter of Rights and Freedoms. Although the charter came into force in 1982 the rights and freedoms it contains are not new. The charter is part of a human rights tradition which Canada shares with other countries like France, England and the United States.

In England the Magna Carta in 1215 was an early written attempt to formulate individual rights. The revolutions in France and the former British colonies also ended with attempts to set out in writing the rights which individuals possess vis–à–vis the power of the state. Individuals, it was decided, could not be deprived of these rights by the ruler or in a democracy or by an elected body representing the will of the majority. The government was not to circumvent the rights of the individual.

The French called their document le déclaration des droits, des langues et des citoyens. The Americans named theirs The Bill of Rights. We would later call ours, of course, the Canadian Charter of Rights and Freedoms.

These constitutional documents represent attempts to draft statements of rights at a national level. At the international level, the League of Nations and the United Nations began to grapple with human rights prior to, during and after World War II. The international movement to develop universal human rights standards gained momentum following World War II as a result of the atrocities committed during that terrible war.

In 1948 the United Nations General Assembly adopted the universal declaration of human rights while the European convention for the protection of human rights and the fundamental freedoms was adopted in 1950.

In Canada, following World War II, provinces began to enact legislation to prohibit various forms of discrimination such as the Saskatchewan Bill of Rights, eventually leading to the present day forms of human rights legislation. At the same time and throughout the 1950s as Canada's self–image as a country began to develop, proposals were made for a Canadian bill of rights.

A joint committee of the Senate and the House of Commons considered the proposal in 1947 and again in 1950. Ten years later the Canadian Bill of Rights received royal assent. A federal statute, the Bill of Rights applied in areas of federal jurisdiction but it was not considered a constitutional document.

In the 1960s and 1970s the law making process at the United Nations similarly resulted in the signing and ratification of the

international covenant on civil and political rights and the international covenant on economic, social and cultural rights.

(1755)

In Canada another period of constitutional negotiation was beginning with the adoption of the enriched charter of human rights as one focus of discussion.

I am not going to review the history of the charter's adoption. There are many who are familiar with it. Suffice it to say that amending the Constitution is not an easy process. Every provision, including its topic, was carefully scrutinized by the government, by the special joint committee of the House of Commons and the Senate on the Constitution and later by provincial first ministers.

In the end, the Canadian Charter of Rights and Freedoms became part of the Constitution by virtue of the Constitution Act of 1982. The Canadian Charter of Rights and Freedoms is and aspires to be a statement by Canadians about the rights and freedoms which we as Canadians deeply value in our democratic society.

Toward this end the charter protects a broad range of rights including, for example, equality rights and the right of freedom of expression.

Many charter rights derive from or have their equivalent in those universal standards of human rights which I have mentioned earlier. There is a broad tradition of rights and striving for rights and the documentation of rights.

Rights do not, however, come without responsibilities, nor are they absolute. All human rights amendments recognize this fact. Section 1 of the charter states that an individual's rights and freedoms are subject to certain reasonable limits. In determining what constitutes reasonable limits in a free and democratic society, governments and the courts balance the rights of individuals with the interests of society. This very process ensures that responsibilities along with rights are recognized by our courts. It is not necessary to change the title of this charter to emphasize the integral relationship between the individual's rights and his or her responsibility to the rest of society.

Perhaps more important, as I stated earlier, changing the title of the Charter of Rights and Freedoms would require a constitutional amendment. This is because part I of the Constitution Act of 1982 sets out the provisions of the charter and section 34 of part I establishes the charter's title. The charter's title is thus part of the Constitution and can only be amended using the amendment procedures in part V of the Constitution Act of 1982.

The procedures in part V include the general amending formula in section 38 of the 1982 act. Section 38 permits amendment of the Constitution on the consent of the Senate, the House of Commons and the legislative assemblies of at least two–thirds of the provinces having at least 50 per cent of the population of all the provinces. As we have seen in the past, obtaining such consent or agreement is difficult. The Prime Minister has indicated that the government has no plans to reopen discussion on amending the Constitution in the foreseeable future. I think this also extends to changing the title of the charter.

[*Translation*]

Mr. Gaston Leroux (Richmond—Wolfe): Mr. Speaker, as the member for Richmond—Wolfe and a member of the Official Opposition, I am pleased to take part in this debate and to explain our position on the motion of our colleague from Edmonton Southwest, to explain this position in relation to the new political environment both in Quebec and in Canada.

The private member's motion on the Canadian Charter of Rights and Freedoms is very interesting in itself. Our colleague from Edmonton Southwest is suggesting that we add the word ''responsibilities'' to the title of the Charter, so that it would be called the ''Canadian Charter of Rights, Freedoms and Responsibilities''.

This motion reminds us of a fairly recent past when the late President John F. Kennedy asked the American people, and every individual in particular, not to ask what the government could do for them but what they could do for their government.

(1800)

Remember the context of that time. It was the early 1960s and new frontiers to cross were appearing on the horizon of the American empire. Remember the invasion of Viet Nam, the conquest of space and the imminence of a new social contract.

I repeat, the idea of individual responsibility is not bad as such. However, the situation of Canada today is quite different from that of the United States in the 1960s. We may be on the eve of major social changes in this part of the North American continent and these changes will certainly not lead to a stronger Canadian state. President Kennedy's message was addressed to a nation. The Quebec people are not part of the Canadian nation and the Canadian Charter of Rights and Freedoms does not apply to them.

First, Quebec has its own charter, as we recall. It will soon have its own constitution. The debate on the responsibilities of a citizen in the context of the Canadian Charter of Rights and Freedoms do not concern us. Why? For Quebecers, the Canadian Charter of Rights and Freedoms symbolizes domination, not to say betrayal. Let me explain. The adoption and coming into

force of the Canadian Charter of Rights and Freedoms with the Constitution Act of 1982 marked the high point of the federal Liberal Party's policy of Canadian nationalism. The new Constitution of 1982, by entrenching a declaration of rights and liberties, took from the Quebec National Assembly legislative powers over language and education, rights which the people of Quebec had fought for since the Conquest.

The entrenchment of the Charter of Rights and Freedoms in the Constitution Act of 1982 and the unilateral patriation by Trudeau's Liberal government mark a very sharp decline, indeed the abandonment of the most important British traditions in law and Canadian institutions.

British law and institutions base all of the state's sovereignty on Parliament alone, as a result of the long struggle between the bourgeoisie and the aristocracy. Contrary to British tradition, the 1982 Canadian charter reinforces individual sovereignty at the expense of state sovereignty. In other words, individual rights prevail over collective ones.

With the Canadian Charter of Rights and Freedoms, it is the judicial authority of the Supreme Court of Canada which replaces the sovereignty of Quebec's National Assembly. The 1982 charter officializes, from a constitutional point of view, Canada's integration to the American continent, as Pierre Mackay wrote in a publication entitled *L'ère des libéraux: Une réforme constitutionnelle qui s'impose*, published in 1988 by Les Presses de l'Université du Québec. Indeed, the ultimate sovereignty in a state such as the United States does not rest with the Parliament but with the people, and the constitution is both the guardian and legal representation.

Thus, the precedence of the principle of distinct society for Quebec, in the context of the Canadian Charter of Rights and Freedoms entrenched in the Constitution, does not exist. That principle is violated by the power of the Supreme Court of Canada, which imposes the charter principles to all Quebecers.

Needless to say that the Canadian charter does not recognize the right of people to self–determination. Consequently, under the Canadian constitutional law, the only way that an aboriginal nation, or Quebec, could become independent would be through an amendment to the Canadian constitution, something which is absolutely impossible—as the hon. member said—given the amending formula provided in the 1982 Constitution Act.

The Canadian constitution says very little on the right of communities. As I said, the distinct or particular character of Quebec is not recognized in any way. The 1982 Canadian Charter of Rights and Freedoms gives individuals certain rights and freedoms versus the state. The charter allows an individual to go before the courts to have his rights uphold, a process which can even result in the invalidation of laws passed by Quebec's National Assembly.

(1805)

The Bloc Quebecois opposes any Canadian Charter of Rights and Freedoms and does not feel in any way concerned by the motion of the Reform member for Edmonton Southwest.

In Quebec, community life deserves as great a protection as that granted to individual rights by the Canadian charter. Collective rights in Quebec are essential to the survival of Quebecers and the principle of responsible citizens is part of the solidarity which reflects so well economic and human activity in various fields of Quebec society.

Following the election of the Bloc Quebecois at the federal level and then the Parti Quebecois at the provincial level, our province is about to undertake a major social project to ensure recognition of the unique character of its people. This is a project in which individual responsibility versus state responsibility will primarily be defined in the context of the new solidarity surrounding the consolidation and independence of that state.

[*English*]

Mr. Garry Breitkreuz (Yorkton—Melville): Mr. Speaker, I am pleased to rise this evening to address this motion that my colleague has put forth. I feel it is a key motion. If we would take it seriously and listen to what he has to say, it could be one of the things that could turn this nation around in many respects.

I have listened carefully to what my colleagues across the way and over here have said. I hope that they will listen more closely. I think they have missed the point of what my colleague is trying to say as he has made this motion.

Many Reformers have been long interested in developing a charter of responsibilities to provide a counterbalance to the Charter of Rights and Freedoms. Everyone knows that we cannot enjoy our rights and freedoms unless we first of all discharge our responsibilities as citizens.

A number of countries have defined an individual's duties to their family, other citizens and their country. Some of these countries are Switzerland, Germany, Ecuador, Israel, Morocco, Japan, Pakistan, Thailand among others. If we look at what they are doing in these countries, as I will in a moment, we will see some interesting things that they have developed that we could also adopt.

This is not some idea that I have dreamed up. This is not something that I have come up with. My constituents as they have observed what is happening in Canada in our courts, in our social programs and in our families have told me: ''You should stand up in the House and you should say we have too much of an emphasis on rights in this country and not on our responsibilities''. That is what I am doing today. I am making this point that

we need to emphasize responsibilities, not just rights in this nation.

I want to quickly go through a list of responsibilities that I feel should be included in the charter of rights, freedoms and responsibilities. After I have done that I will give some examples.

First, every Canadian has the duty and responsibility to contribute to the defence of the nation from attack by a foreign power and/or from insurrection from within. I am sure we all would agree with that.

Second, everyone has the duty and responsibility to abide by the Constitution of Canada, to respect, comply with and uphold the laws of this country and to obey and assist the authorities to enforce those laws.

Third, everyone has the duty and responsibility to render assistance in cases of emergency or calamity or in circumstances likely to endanger the existence or well–being of all or part of the population. We have taken that for granted. We should spell that out.

Fourth, everyone has the duty and responsibility to responsibly exercise their rights and freedoms as an individual having due regard for and without restricting the rights and freedoms of others. We often forget this. I think we need to hear this being said more often.

(1810)

Fifth, everyone has the duty and responsibility to vote in elections and referendums and to participate in civic affairs within the limits and conditions established by the law.

Sixth, everyone has the duty and responsibility to pay their fair share of taxes within the limits and conditions established by the law.

Seventh, everyone has the duty and responsibility to receive education and training under the conditions and in a manner provided by law in order to meet his or her personal obligations to their family, their community and society as a whole. People have an obligation to do their best, to train themselves so they can serve their fellow man in the best way possible.

Eighth, everyone has the duty and responsibility to provide the necessities of life, educate and protect his or her children until they are adults. If we were to take that one point and explore the meaning of it, it would radically change our attitude to our social programs.

Ninth, everyone has the duty and responsibility for the crimes committed by their children if it can be proven that they failed to provide proper control and supervision. We need to give parents the responsibility for the actions of their children.

Tenth, everyone has the duty and responsibility to support and protect his or her parents in case of need and to the extent of his or her means, particularly when they are old and unable to work. I will give an example of this in another country where it works very well.

Eleventh, everyone has the duty and responsibility to assist and support other members of their immediate family in case of need to the extent of his or her means.

Twelfth, everyone has the duty and responsibility to do their fair share for society and to not take advantage of others or take advantage of the state. Think of the implications that has.

Thirteenth, everyone has the duty and responsibility to meet their own needs before taking advantage of any program, grant or loan from the government.

Fourteenth, everyone has the duty and responsibility to work in accordance with his or her capacity and not make claims for welfare benefits from the state until and unless they are destitute and unable to work because of disability, age or ill health and no other means of support is available from other family members, private charities and non–governmental organizations. That point would radically change the mindset of many people in this country.

Fifteenth, everyone has the duty and responsibility to a personal code of conduct, behaviour and lifestyle that would not cause them to be a burden to their family, their community or society as a whole.

Sixteenth, everyone has the duty and responsibility to co–operate with the government with respect to law enforcement and report any illegal activities.

The seventeenth and last point—this is not an exhaustive list, but it is just an example of the things we could put in here—everyone has the duty and responsibility to conduct oneself in an honest and fair manner relative to others so as to contribute to the well–being of their family, their community, their province and society as a whole.

I said I would give some examples as well of what these points imply. If we look at the Young Offenders Act, here is one example of where we should be putting more responsibility on people for their actions. Very often our young offenders are let go with little or no call on them to compensate their victims for damage they may have caused.

For example in my constituency a couple of years ago a group of teenagers took and trashed a car, a beautiful automobile that belonged to another young person. They completely smashed it up so that it was totally worthless. The police came and took these young people before the court. The court said: ''That really was not a very wise thing that you did''.

It virtually let them off. It asked them to pay a $500 deductible. The rest of us have to pay for the damage they caused. Six of those youths were completely let go. They should have been held accountable. They should have been held responsible. The parents should also have been responsible for the actions of

these young people. That needs to be addressed. That is why we need to include responsibilities in the charter.

(1815)

Another example is that the family needs to be the first line of defence, not the government, in providing care for members of society. I am referring to some of our social programs. Also parents should be responsible for child care. That primary responsibility should lie with them.

I would like to read something from the Swiss civil code. The Swiss have very low unemployment at around 2 per cent or 2.5 per cent. Much of it is due to the fact that they have a charter of responsibilities. I do not have time to explain all its ramifications but I will give an example of what they have.

Since 1978, Swiss law has compelled families to look after their needy before the government is asked to do so. Fathers, mothers, grandparents and others must support children. Governments sue grandparents on behalf of needy children and the elderly can sue their offspring for support. The Swiss courts collect the money.

Let me quote: ''All persons are bound to contribute toward the maintenance of their ascendants and descendants in direct line as well as their brothers and sisters if without such assistance they were impoverished''.

Let us think how different that is from the situation in Canada today where virtually no responsibility is placed on parents, grandparents or children for other members of their family. We need to emphasize the role families need to play in our society. We must once again generate the feeling of the importance of this basic unit in society, this basic economic unit, this basic cultural unit.

Parents should not only have the right to discipline but they should have the responsibility. The government would like to remove the right for parents to spank their children. Should we not be going in another direction and putting an emphasis on the responsibility of parents to do this kind of thing?

My colleague over there is unaware of what the government is doing. It would like the justice minister to remove the section in the Criminal Code that would allow parents to spank their children. If we did that, those parents who would choose that as a tool to discipline their children would no longer be able to do so. We are moving in the wrong direction with regard to a lot of legislation in the House.

We should be teaching our children in our schools what it means to be a good citizen of Canada. I noticed the Bloc objected very strongly to that and I can understand why. If that had happened we may not have had a group of people in the House today bent on breaking up the country. We need to emphasize that in our schools.

It has huge implications for immigration, for bringing in families and all of a sudden dumping those families on to the state. We should place more value on the family and the role it can play in society. Governments have been undermining the role of families.

In conclusion, we should make clear when people come to this great country that they have rights but they also have responsibilities. We need to send a signal to the people of Canada that government is not the primary caregiver. One of the best ways to do this is to change the Charter of Rights and Freedoms to include responsibilities.

Mr. John Bryden (Hamilton—Wentworth): Mr. Speaker, I cannot support the motion, although I see where it is coming from and I certainly agree that the charter as it exists has created a great amount of work for the courts, which has taken away from Parliament to some degree.

The motion as it stands confuses the principle of rights and freedoms with that of behaviour. When we say ''responsibility'' we are talking about how people should deport themselves as citizens. I submit that the motion would have made much more sense if it had suggested a charter of responsibilities for perhaps the Citizenship Act which is currently under review.

(1820)

However even then I would find myself in difficulty supporting such a motion. One of the basic freedoms we have as Canadians is the freedom to do nothing. We have the freedom not to be strong, to be individuals who may be seen as weak. We are nevertheless individuals who deserve not to be penalized because we are less strong than others. That is the reason we need a charter that deals with the rights of individuals.

I had a great deal of difficulty during the recent hearings on the renewal of the Citizenship Act. I have to go back in time also to the Canada clause of the Charlottetown accord. In that particular latter instance a document purported to tell me as a Canadian whom and what I should respect. It said that I had to respect minorities, people because of gender, and people for various other reasons.

I submit that as a Canadian I do not have to be told things like that. As a Canadian and someone who would automatically know because of the way I have lived I would know that everyone in the country should be treated equally. I would think this is a fundamental matter.

When we talk about responsibilities we are beginning to impose our own rules of behaviour on other people. The hon. member opposite during his remarks cited, for example, that it should be the responsibility of every Canadian to report lawbreakers, to inform the authorities whenever someone is deemed

to be doing something that is against some law or regulation. We had an instance of that about 60 years ago and that was the type of rule that existed in Nazi Germany. I believe Stalin resorted to that as well.

An hon. member: Oh, oh.

Mr. Bryden: Hold on a second. This is precisely the situation that exists. When we require citizens to do something we need to have choice. Previous speakers did not deal with the question of how we are going to enforce responsibilities. Is it going to be something that is mandatory or is it going to be something that is voluntary?

If it is going to be something voluntary then it is the rules of conduct or what we would expect in a good citizen and that really belongs in a citizenship act, not in a charter of rights and freedoms.

On the other hand, as one member suggested earlier there is the idea that we should actually require citizens to do it. Then again we come back to the problem of where the state is actually requiring and enforcing behaviour.

There may be instances where a Canadian citizen for whatever reasons, perhaps fear, does not want to report on a crime that he or she has observed. Do we punish that person? I go back to the historic past to see that certainly in countries with dictatorships it was very common to punish people who did not properly report misdemeanours against the state. This is very serious.

I do not think that is what was intended by members opposite when they demand a charter of responsibilities. I think they are basically talking about the Citizenship Act.

I would like to make another point, if I may. We go on to very dangerous and difficult ground when we discuss issues like this one but we should discuss them, certainly. We heard another member talk about the difference between individual rights and freedoms and collective rights and freedoms. Here we have another problem. As the charter exists it looks at individuals. I submit this is the way it has to be because each one of us is our own self. We are true to ourselves. We may not be as strong as other people but we need protection as individuals.

When we talk about collective rights, however, we get into the same type of situation that occurred during the early part of the 20th century when nationalism flourished in Europe and led to the rise of Nazi Germany and Franco Spain and so on and so forth.

(1825)

When we approach collective rights, I submit we have a situation in our country where I think it was suggested that some people in the province of Quebec would like to have collective rights for self–determination. If we subscribe to that dictum then the Cree in northern Quebec ought also to have collective rights for self–determination. Therein lies the contradiction. When we talk about such collective rights, then the country is broken up. I suggest if separatists were true to that principle then it would break up Quebec.

The Acting Speaker (Mr. Kilger): Just so everyone understands perfectly clearly, I am proposing the agreement of the House under what is called the right of reply. If I give the closing remarks to the mover of this motion, we have to all understand that no one else wants to speak. Once the hon. member for Edmonton Southwest is given the floor those will be the closing remarks and that will end this debate.

Mr. Ian McClelland (Edmonton Southwest): Mr. Speaker, I want to thank my colleagues for their thoughtful, genuine and heartfelt comments about this. When we talk about the Charter of Rights and Freedoms, when we talk about our Constitution and when we talk about how we relate to one another, these are really serious deliberations.

The debate in this Chamber in the last hour is probably the reason many of us are here. We want to talk about ideas and why our country works the way it does. Just because something might be difficult to achieve does not mean it would not be worthwhile achieving. If a worthwhile goal cannot be achieved in one fashion then perhaps as my hon. colleague just mentioned another approach might be more appropriate and might work. That is the nature of this debate.

For instance, if we feel that some of the comments from an hon. colleague are going too far, then it is incumbent on us to make a suggestion that would improve it. We should not just automatically throw the baby out with the bath water. That is the beauty and the magic of our democracy.

We walk into this great Chamber daily and from time to time we feel as though we are not really accomplishing anything, and perhaps some days we are not. But if we can move public discourse and discussion just one centimetre forward on something that will make our country better for our grandchildren, then we have done a wonderful thing.

I would like to conclude with a little story about my three year old grandson who is the light of my life. He was visiting his maternal grandparents in Oshawa. He came back after being away for a month or so. My wife picked him up at the airport. He got into the car and he looked around for papa and asked in his little three year old voice: ''Where is papa?'' My wife said: ''Papa is in Ottawa''. He thought for a minute and said: ''Oh, yes. Papa is in Ottawa. Papa is saving the country''. It is little things like that which bring a touch of warmth to your heart.

All members here and those who will come forward are saving the country. It is through this interchange of ideas that we will do that and I thank all my colleagues for their attention and contribution to this debate.

The Acting Speaker (Mr. Kilger): The time provided for Private Members' Business has now expired.

Pursuant to Standing Order 96(1), the order is dropped from the Order Paper.

ADJOURNMENT PROCEEDINGS

[*English*]

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

(1830)

GUN CONTROL

Mr. Bill Graham (Rosedale): Mr. Speaker, I appreciate having the opportunity of returning to a question which I asked the Minister of Justice some time ago with respect to the matter of gun control.

By way of introduction to this question which I will be asking again of the minister and pursuing this matter I want to remind all members of this House of some particularly important realities we have to bear in mind on this delicate and difficult issue. That is there is quite a difference in the perceptions of those who come from rural areas in our country who have specific interests and specific problems to address with respect to this debate and those of us who come from urban areas.

I come from an urban area where I want to bring to the attention of the minister the serious concerns that our fellow citizens have about this issue.

My riding of Rosedale I know is often associated in the minds of members of this House and others with the idea of a residential area of some wealth and some luxury, where we have many tree–lined streets and gardens. All of my riding is not like that. Much of my riding is an extremely densely populated urban area like many other complex dense urban areas in this country.

In that part of the riding we have apartment buildings where we have a serious problem with violence. We have places where the violence is related often to drug use. It is often related to young people and disaffected youth who are easily coming into contact and possession of firearms.

In Regent Park which is in my riding during the course of the last election two young men were shot. Recently bullets have been fired in that complex area around apartment buildings. Bullets went right through the window of some perfectly innocent people.

I am not describing a phenomenon that does not exist elsewhere in this country. I know from talking to other members and from talking to various people interested in this issue that this is a problem which exists elsewhere in this country as well.

The question is what is to be done and what is the minister going to do. That is the purpose of my question tonight. In asking that question I want to preface it by saying that when we look at it from an urban perspective clearly nobody needs long guns in an urban riding. Nobody needs a rifle or a shotgun living on Sherbourne Street where I live. The only people who have such guns are basically those who are are using them for sporting or for club purposes. There is no reason to have a handgun unless you are a police officer or a law enforcement officer.

The question then is how do we stop the cycle of violence we are looking at in these types of areas. How do we prevent our communities and ensure that our communities do not become like the United States where in fact a culture of violence is inculcated by television and by the media?

I want to address these questions to the minister. Where are we now on the question of registration of ownership? Where are we on controls of ammunition sales? Where are we on tougher restrictions on handguns and the prevention of cheaper guns coming in from the United States and border controls? Where are we on a complete ban on assault weapons of any kind? Where are we in our recognition that perhaps this problem calls out for a different solution in rural areas than in urban areas? Nobody in an urban area wants to prevent aboriginal people from carrying on their traditional way of life. Nobody in an urban area wants to prevent rural people who live on farms from having the firearms necessary either to hunt for recreation purposes or even just for pest control on their farms.

What we are looking for is protection in our urban areas. We also recognize that this may call for different solutions for different problems. I would ask the minister if there is any way in which the department is capable of drafting regulations which would recognize that fundamental difference between the way of life of those of us who live in cities and those of us who have different needs in the rural areas of our vast country.

Mr. Russell MacLellan (Parliamentary Secretary to Minister of Justice and Attorney General of Canada): Mr. Speaker, the government has said it will be bringing before this House further changes to Canada's gun control legislation some time before Christmas. This is a difficult challenge for all of us. I am sure that members on all sides of the House will agree with me that we must work together to find ways to make this legislation clear and effective but also fair.

(1835)

The Minister of Justice recently said that the first and most important obligation of the government must be to protect the lives and safety of all Canadians. I agree with him. Safe homes and safe streets are at the very centre of a stable, peaceful and prosperous society.

It has been said that this is an issue which divides urban and rural Canadians. I do not agree. There is no question that attitudes differ but the reality does not. If firearms are used to commit a crime does it matter whether the crime takes place in the city or in the country? A crime is a crime. It is a problem for all Canadians, not just those who live in our large cities.

I am convinced however that we can find ways to effectively control firearms without jeopardizing the enjoyment of those for whom the shooting sports are an important source of recreation.

Recently hundreds of firearm owners rallied here in Ottawa. They were saying to the government: "Do not blame us". They feel that the government is making them pay for firearms crimes they did not commit.

My colleagues and I do not blame the many Canadians who own and use firearms responsibly and safely. The government does not blame responsible shooters, nor is it punishing them for the crimes of others. What it is doing and what it must continue to do is to develop legislation that responds to the needs of all Canadians.

We need to find ways to control access to firearms without imposing excessive or unproductive regulatory burdens on their owners. We need to find ways to punish and deter those who might otherwise be tempted to misuse a firearm and to endanger others. Deterrence does not always work but we must make absolutely sure that we get as much effective deterrence from the law and its administration as we can.

There are people in this country who believe that everyone should have the right to bear arms. I am not one of them. I believe that principle is foreign to Canada and it is something which most Canadians would not support. Ownership of a gun is a privilege which must be earned and carefully maintained by training, education and responsible use.

I also believe that it is a privilege that should not be infringed without justification. In restricting access to firearms we might inconvenience law abiding Canadians. If we do we must be sure that we act in the interests of the safety of all Canadians and that measures adopted by this House will not forget that privilege and those who have earned the enjoyment of it.

[*Translation*]

CUSTOMS TARIFF

Mr. Stéphane Bergeron (Verchères): Mr. Speaker, on May 5, in a question directed to the Minister for International Trade, I asked him, substantially, whether he intended to resist U.S. pressure on Canada to refrain from imposing tariffs on farm products subject to quotas, including poultry, eggs and milk. I wanted to know whether the government was prepared to strike a deal with the United States by taking a conciliatory stand on the issue of customs tariffs on farm products subject to quota, thus facilitating the entry of Canadian durham wheat and barley on the U.S. market.

The minister categorically denied that he would engage in any bargaining of this nature in negotiations between Canada and the United States on the issue of grain imports.

The agreement reached on August 2 regarding Canadian wheat exports to the United States was proof that a deal had been struck, but at another level altogether. Canada did not sacrifice the interests of Canadian and Quebec dairy, egg and poultry producers for the benefit of wheat producers; it simply caved in to U.S. demands and sacrificed the interests of wheat producers by agreeing to a ceiling on our wheat exports to the United States. Ironically, a year from now, we will have to start all over again.

I also wanted to know whether according to the minister, GATT rules would take precedence over NAFTA in the event of trade disputes, and his answer was yes. I also asked whether he could table the legal opinions on which his answers were based. Immediately after Question Period, the Minister of Agriculture approached me to confirm verbally the information I had been given very briefly by the Minister for International Trade and to give me the assurance that he would do what he could to send me a copy of the legal opinions in question.

(1840)

I never saw these opinions, not even a summary or a condensed version. A few days later, an official at the Department of Agriculture called to let me know it was not customary to release such opinions. After a rather laborious conversation, in the course of which I reminded him of the minister's commitment, I was finally promised a short version of the legal opinions. Later, I was told this version was being drafted and that I would receive a copy as soon as it was available, in about two weeks.

Three weeks later, still no news. After contacting a new resource–person this summer, I was told that the delay was due to a misunderstanding between the Department of International Trade and the Department of Agriculture, but the letter was now on the Minister of Agriculture's desk, waiting for his signature. The minister does not seem to sign his mail very often, because I have been waiting for that letter for two months and I am still waiting.

My colleague François Beaulne, MNA for Marguerite—D'Y-ouville, was luckier. He managed to get a reply, which some people would call vague, in only a few weeks.

On May 13, Mr. Beaulne sent a letter to the Minister for International Trade, asking him for those legal opinions. Incredible though this may seem, he received an answer dated June 22, in which the minister replied to his questions, although in a rather summary form, I must admit.

It would seem that the ministers responsible for Agriculture and International Trade are not exactly chatty or keen on public disclosure, to say the least, when we are talking about releasing the information used to make decisions on behalf of the Canadian and Quebec public.

According to the principle of responsible government, ministers are accountable for their actions to Parliament. Therefore, the off–hand manner in which the ministers responsible for Agriculture and International Trade treated my request is astonishing and unacceptable. When ministers release outside the House information that was denied a member who asked for it in the House, we must conclude that these ministers misuse their power, undermine the dignity of this House and ride roughshod over our institutions and democratic values.

Mr. Mac Harb (Parliamentary Secretary to Minister of International Trade): Mr. Speaker, as hon. members are aware, Canada and the United States started negotiations in December 1993 in an attempt to deal with a number of problems connected with bilateral trade in farm products. Although these questions were examined in their entirety, negotiations were conducted on each product. There was no compromise and there will be no compromise in this respect.

The latest memorandum of agreement on grain bears this out. The memorandum deals only with our grain exports to the United States and has absolutely no connection with questions still outstanding.

The memorandum of agreement benefits Canadian grain farmers by giving them stable and secure access to a U.S. market where the returns are high. In this memorandum, Canada obtains guaranteed access to the U.S. market for wheat at a level that is higher than average historical levels for Canadian exports. Furthermore, conventional wheat exports for which the CWB is not responsible are not subject to the U.S. restrictions. The level of access provided in the memorandum of agreement is far more attractive than the inevitable alternative, a highly restrictive measure that would have reduced our exports to about half the level provided in the agreement.

The memorandum of agreement also establishes a joint grain commission that will be asked to examine U.S. and Canadian grain marketing practices and their impact on the international grain market. The commission will do a critical study of the export incentives program, a U.S. export subsidy program that has caused imbalances in the market situation.

The memorandum of agreement also obliges the United States to withdraw the measure on wheat and barley taken under the provisions of GATT article XXVIII and prohibits them from imposing any other restrictive measures on grain that do not comply with NAFTA or GATT, during the twelve months the memorandum is in effect.

I can guarantee the House that a satisfactory settlement of the agriculture–related problems that still exist between Canada and the United States remains one of the government's absolute priorities. I would also like to emphasize that each question will be examined on its merits and that no deals will be struck.

Bilateral trade in farm and agri–food products is evaluated at $13.7 billion. Canada and the United States both have an interest in developing that trade in such a way that it benefits their respective countries.

Regarding the hon. member's allegation concerning the discussion he had with the Minister of Agriculture and the Minister for International Trade, I was not aware of that. The hon. member should write to both ministers to let them know that he intends to raise the matter in the House.

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 38(5), the motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at 2 p.m., pursuant to Standing Order 24(1).

(The House adjourned at 6.45 p.m.)

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