CANADA

House of Commons Debates

VOLUME 133 • NUMBER 235 • 1st SESSION • 35th PARLIAMENT

OFFICIAL REPORT
(HANSARD)

Monday, October 2, 1995

Speaker: The Honourable Gilbert Parent

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HOUSE OF COMMONS

Monday, October 2, 1995

The House met at 11 a.m.

Prayers

PRIVATE MEMBERS' BUSINESS

[*English*]

CRIMINAL CODE

The House resumed from June 6 consideration of the motion that Bill C–277, an act to amend the Criminal Code (genital mutilation of female persons), be read the second time and referred to a committee.

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, Bill C–277 is technically an amendment to the Criminal Code of Canada dealing with the subject of female genital mutilation. This issue raises a wide variety of concerns: legal, medical, immigration and multicultural. All of these issues must be addressed when dealing with Bill C–277.

The most important issue the bill raises is that of clashing cultural values. How tolerant is a multicultural country like Canada supposed to be in accepting the cultural values of immigrants? As a general rule, Canada has been one of the most tolerant nations in accepting and encouraging differing value systems.

However, this acceptance has not and cannot be absolute. For example, Canada has not accepted polygamy as an acceptable way of life, even though it is common practice in many nations. Some might argue our refusal to accept polygamy is discriminatory. My response to such criticism is simple. If you do not like the rules we play by in Canada, do not come to our country.

Hundreds of thousands of immigrants and refugees come to our nation every year to start a new and better life, but when they come to our country they agree to play by our rules. Our rules say one cannot have more than one spouse and, more important, that one does not mutilate little girls. Female circumcision is just that, mutilation.

There is no religion in the world that prescribes female circumcision as part of its doctrine. It is rather a cultural tradition in some countries in northern and eastern Africa. Because Canada accepts immigrants from all over the world, it is an issue that now is a concern for Canadian law makers.

During the first hour of debate on this bill, members from all parties provided examples of why this is an issue in Canada. While I will not repeat the examples, suffice it to say there appears to be a body of evidence that female genital mutilation is taking place in Canada today. While there appears to be a fairly substantial body of evidence that female genital mutilation is occurring in Canada, there has never been a prosecution of anyone involved in such a procedure. Why?

The bill presented to the House by my colleague from Quebec would make anyone who commits genital mutilation guilty of an indictable offence. As well, anyone who aids, abets, counsels or procures the performance of female genital mutilation would be similarly guilty of an indictable offence.

The members from the government who spoke on the bill believe more counselling is needed and if criminal charges are necessary they can be covered by existing legislation.

● (1105)

What better way of counselling anyone who comes from a culture that practises female genital mutilation than by having a section in the Criminal Code by which if anyone commits female genital mutilation or even aids, abets, counsels or procures such an act he or she is guilty of a serious crime?

If we are serious about eliminating this practice that is the message we should be sending to these communities. I ask the government members who say current legislation already covers this act why there has never been a prosecution of such an act in Canada. If there ever is a prosecution under the assault causing bodily harm provisions of the Criminal Code, the defence would be arguing there never was any criminal intent to cause bodily harm.

By making this a specific offence, as laid out in Bill C–277, all the crown would have to prove is that those charged knowingly participated in female genital mutilation.

I have to agree with the members for Calgary Southeast and Bellechasse who called for an increased maximum sentence. If, as Liberal members suggest, charges could be laid under the assault causing bodily harm provisions of the code, the maxi-

mum penalty for committing this specific crime of female genital mutilation should be the same as the 10–year maximum that exists for assault causing bodily harm.

Let us not make any bones about it, female genital mutilation is a serious offence committed against young girls in the 10 to 12–year range. It is, in effect, extreme child abuse.

While I am generally reluctant to give the provincial legislatures any advice on how to run their affairs, I will make an exception here. I strongly believe that once Parliament passes Bill C–277 or similar legislation the provinces should make amendments to their child protection acts. These amendments should make the reporting of female genital mutilation mandatory for those employed in health, education and social service professions.

It is important the House send a clear and strong message to everyone in Canada that anyone involved in the practice of female genital mutilation is committing a serious crime. However, I believe that before we get to that stage, Bill C–277 should be given a complete hearing at the committee stage. I would like someone to appear before the justice committee and explain why female genital mutilation should not be criminalized. I would like to be there and hear somebody attempt to defend this practice. I would like to hear someone explain to Canadian parliamentarians why such acts should be allowed to continue in Canada.

However, I have a sneaking suspicion the committee would be unable to find anyone who would publicly justify female genital mutilation. How does one possibly defend the indefensible?

While I believe the issue should be reviewed by the committee, I will not even attempt to give the pretence that my mind can be changed. Female genital mutilation is a violent sexual assault committed against young children under the pretence of a cultural value.

Whether it is a traditional culture value is irrelevant. Can anyone imagine if descendants of the Aztec or Mayan cultures came to Canada and wanted to revive the old cultural tradition of human sacrifice? How about the old tradition of 17th century North Americans of burning women suspected of being witches at the stake? Of course Canadians would never support such things. It is outrageous to even think about it, as is the ritualistic, violent sexual assault of little girls. Some cultural traditions deserve to be extinguished. This is one of them.

Bill C–277 is a good step in making sure this practice never gains a foothold in our country. By supporting Bill C–277 we send a message to those communities that still practise this terrible tradition that such acts will not be tolerated in Canada.

I am happy I do not share the guilt members opposite seem to be racked with when dealing with cross–cultural conflicts. I take pride in having this opportunity to denounce the barbaric act of female genital mutilation and I will stand with those members who support this legislation at second and third reading.

• (1110)

[*Translation*]

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, I would like to begin by congratulating my colleague, the hon. member for Québec, for her courage and tenacity. Courage because she rose to demand new legislation on the practice of genital mutilation. Tenacity, because she continued to push for her bill despite a negative response from the Minister of Justice, since she was convinced that it was both appropriate and necessary.

I am therefore pleased to speak in this debate in support of Bill C–277, since I share the belief of my colleague and the large majority of women and men across Canada and in Quebec that the current legislation must be clarified and reinforced in order to protect women from these barbaric acts.

I share her conviction that the Minister of Justice's great sense of responsibility will lead him to concur that such a modification to the Criminal Code will be beneficial and to revise the decision he reached in April 1994.

The Minister of Justice's decision not to criminalize excision was based on two arguments: charges may be laid against those practising excision under the present provisions of the legislation, and the intent is to focus on prevention.

I feel that those two arguments are too weak to justify the decision not to make any changes to the Criminal Code. I have nothing against prevention and information, far from it; one cannot be against what is right, but as Machiavelli said many, many years ago, virtue alone has no effect on man unless it is reinforced by a degree of deterrence.

Prevention is fine, but above all specific legislation needs to be passed to prohibit the practice of mutilating the genitals of women and girls. After all, what is there to prevent after the harm has been done?

At present, the Criminal Code prohibits anyone from assaulting, causing bodily harm to, or killing another human being. The minister contends that these provisions are enough to prohibit all kinds of genital mutilation. I think not, because this legislation is too vague and does not deal specifically enough with excision. A person who performs or causes this kind of mutilation to be performed could use religious and particularly cultural arguments to justify this practice. Legislation such as the Canadian Multiculturalism Act and the Canadian Charter of Rights and Freedoms require that the various cultures be recognized and promoted.

It so happens that genital mutilation is a standard in many cultures, including Africa and Asia.

I do not think we all have to be lawyers to understand that the existing legislation is not as efficient as the minister would have us believe. Several provisions are likely to discourage a crown prosecutor from preferring charges or a judge from convicting to the full extent of the law in such instances, however few they may be.

Education and prevention are fine, but that is just not enough. Monitoring needs to be instituted to find, denounce and, more importantly, effectively punish offenders.

Action is required. Existing provisions do not prevent such acts from being committed. Also, one can seriously question the effectiveness of a prevention policy consisting merely of information. The only choice left is for the legislator to make a special law to unequivocally criminalize the practice of such mutilations.

Bill C–277 is not that complex. It does not call for a complete overhaul of the system. It is just a few lines long. And let me quote the proposed amendment to be added after section 244. It reads as follows:

> A person who:
>
> (*a*) excises or otherwise mutilates, in whole or in part, the labia majora, labia minora or clitoris of a female person; or
>
> (*b*) aids, abets, counsels or procures the performance by another person of any of the acts described in paragraph (*a*) is guilty of an indictable offence and liable to imprisonment for a term not exceeding five years.

● (1115)

That is all. Two small paragraphs. That is all we need to settle this matter once and for all. I do not understand why the minister is reluctant to pass a bill that is so short but that would reinforce the current Criminal Code and make it much more of a deterrent.

Allow me to speak of this issue in a little more detail. According to studies published in 1993–94, between 85 million and 114 million of the women alive at that time had undergone genital mutilation.

According to some figures, the number of genital mutilation cases has increased by 2 million a year in nearly 40 countries in Africa, Asia and the Middle East. These procedures are performed on girls aged 4 to 10 on average. That is appalling.

Although impressive, these figures do not say anything about the trauma experienced by these girls, most of whom are quite young. They do not say anything about the pain suffered both during and after these mutilations or on the health problems many of the victims will face for the rest of their lives.

Often performed in unsanitary conditions by people without any real medical knowledge, these mutilations can have many adverse consequences, including haemorrhages, incontinence, abscesses, infections, traumas, shock and infertility.

Those who perform these procedures use improperly sterilized tools, if not plain kitchen knives. According to a document from the Canadian Advisory Council on the Status of Women, sugar, eggs, thorns and palm ribs are also used.

Very painful and often performed without anaesthesia, these irreversible procedures often result in traumas as well as sexual and psychological complications for the victims.

I do not think I need to continue describing this practice to give members a good understanding of what we are dealing with.

This practice is clearly unacceptable and should never be condoned. We must also ensure that those who perform these procedures are severely punished. Unfortunately, as I pointed out earlier, current legal provisions do not have enough teeth to be 100 per cent effective. We must ensure that this practice is no longer used in our society. The current legislation does not achieve that goal; prevention alone is not enough. However, Bill C–277 would certainly do it.

We could talk for a long time about the benefits and the merits of such a bill. But what is important is to understand that, in a country that claims to be democratic, these religious, cultural or other traditions are indefensible and reprehensible. As a self respecting society claiming to protect its individual members, it is immoral to condone such shameful atrocities.

Yet, and unfortunately so, this is what the Minister of Justice did by rejecting the suggestion to amend the Criminal Code so as to explicitly prohibit excision.

Bill C–277, which was introduced by the hon. member for Québec, provides an opportunity to correct the situation, once and for all, in a simple and efficient manner. France, Great Britain and Sweden have already outlawed that practice, while Norway and several American states have strengthened their legislation to that effect. The time has come for us to take concrete action. It must be made clear to Canadians and those who come to our country that genital mutilation is not only unacceptable as a matter of principle, but also not accepted and severely punished, since it is in fact a crime.

● (1120)

[*English*]

Mr. Stan Dromisky (Thunder Bay—Atikokan, Lib.): Mr. Speaker, it is my pleasure to address the House regarding Bill C–277, an act to amend the Criminal Code as it pertains to the genital mutilation of female persons, proposed by the hon. member for Québec.

The bill aims to make persons who perform female genital mutilation or who aid, abet, counsel or procure the performance by another person of female genital mutilation guilty of an indictable offence and liable to imprisonment for a term not exceeding five years.

I state from the outset my personal repulsion of this practice. It is without a doubt a practice which causes great harm. However, we must not allow our disgust with the practice to cloud our reasoning about the member's proposed bill as an effective means of addressing this problem.

As for the cultural practices in other lands it is out of our scope to dictate what should or should not be included in their criminal codes. Societies practising female genital mutilation will change their behaviour only on understanding that the intent behind their action can be achieved by other less harmful means.

Female genital mutilation is a practice which inflicts harm on an estimated 85 million to 115 million girls and women, with about two million girls being subjected to this ritual annually worldwide.

There is no doubt that the practice can prove very harmful to the health of a baby girl and eventually of the woman. There is an indisputable medical link between female genital mutilation and a myriad of short and long term health consequences. Some have already been mentioned such as severe haemorrhaging, shock, infections, infertility, urine retention, sexual dysfunction, difficulties with child birth and even death.

As I mentioned earlier, this well intentioned bill poses certain problems. The Minister of Justice indicated in March he was of the opinion that an amendment to the Criminal Code was not necessary at this time. The minister informed members of the House that there are those who are knowledgeably involved who believe amending the Criminal Code at this time could inadvertently drive the practice even further underground, and the government agrees. Instead the government prefers to engage in a comprehensive educational campaign which outlines the health risk of the procedure and the criminality of the practice.

All hon. members should be made aware the Criminal Code of Canada does have a provision which could cover those who practice female genital mutilation. Presently sections of the code which apply include assault causing bodily harm, section 267, unlawfully causing bodily harm, section 269, and aggravated assault, section 268, all of which are indictable offences with maximum sentences of between 10 and 14 years. Section 268 refers to the situation in which a person wounds, maims, disfigures or endangers the life of the complainant.

There are other sections of the Criminal Code which could be used to prosecute either the person performing the procedure or the parents for their part in arranging for it to be carried out. Also, a recent amendment to the code aims to address situations in which a Canadian resident is taken from the country with the purpose of committing an act against him or her which would ordinarily be an offence if committed in Canada. This section of the code provides for a maximum sentence of five years for an indictable offence.

Over and above existing Criminal Code provisions, the hon. member should know Ontario and Quebec have child protection laws which allow for a child to be taken into the custody of the province should reasonable suspicion exist that she may be subjected to female genital mutilation either in Canada or abroad. It is apparent that the Canadian Criminal Code already provides for the necessary measures to prosecute those persons perpetrating female genital mutilation.

• (1125)

Instead we must concentrate on educating the public but we must also educate the police, crown attorneys and the medical professions by informing them that female genital mutilation constitutes criminal behaviour and as such must be dealt with accordingly. We will work together and we must work together with the above stakeholders in order to ensure existing laws are enforced in this respect.

On the practice of female genital mutilation from a global perspective, I firmly believe we must not lose sight of the fact that denouncing the practice can make some of us feel better and self–righteous but certainly does not solve the problem worldwide.

The director general to the World Health Organization's global commission on women's health indicates that the purpose of the organization should not be to criticize and condemn; however, nor should we remain passive.

We know female genital mutilation is painful and can have dire health consequences. However, we must also take into account that human behaviours and cultural values, no matter how senseless or harmful they appear in light of our personal and cultural perspectives, do have a meaning for those who practice them.

The key is to convince people they can give up a certain practice without compromising the important ideals cherished by their cultures. Also instrumental is the need to impart on adherence of the practice the great health risk that can result from this diabolical practice.

Parents across the globe are similar in that ultimately they want what is in the best interests of their children. If they are presented with credible options, an alternative to female genital mutilation in a way that takes into account their own social, cultural and economic environments, we will then be able to find a global solution.

I thank the member for Quebec for bringing this crucial issue to the attention of the House.

[*Translation*]

Mrs. Pierrette Venne (Saint–Hubert, BQ): Mr. Speaker, let me ask you this question: If the justice minister were a woman, do you not think that we would already have a bill amending the Criminal Code and explicitly prohibiting the genital mutilation of female persons?

Were it not for the initiative of the hon. member for Québec, women would still be waiting for a bill to protect the victims of such a barbaric and cruel practice. Genital mutilation of female persons is one of the most harmful forms of violence against young girls and it is a terrible violation of their fundamental right to physical integrity.

Just thinking of such an atrocity totally overwhelms me with horror and disgust and I must warn the Minister of Justice that he is likely to find the description I am about to give extremely disturbing. Perhaps after hearing it he will better understand the kind of butchery being practised throughout the world, including Canada and Quebec.

There are three forms of mutilation carried out. I will present them in order of degree. The first, removal of the prepuce of the clitoris; the second, excision, which involves removing the entire clitoris and often the adjacent portions of the labia minora; the third, infibulation, which involves excising the entire clitoris, the labia minora and a portion of the labia majora.

When infibulation is performed, both sides of the vulva are closed over the vagina, leaving a small opening for the passage of urine and menstrual blood. In infibulation, the vaginal orifice is closed either with thorns or catgut sutures. The gaping raw edges of the labia majora are held together until scar tissue forms, thus closing up the vagina except for a narrow orifice which is kept open with a small piece of wood or reed.

• (1130)

The child's legs are then bound together. The little girl is immobilized for several weeks or until the tissues have healed. To enable infibulated women to have sexual relations, it is necessary to open the orifice with an incision which is further enlarged when they give birth. Often they are sewn up again afterwards, at the husband's request.

There is none so deaf as those who will not hear. The Minister of Justice was definitely not listening when in December 1994, on the tragic anniversary of the massacre at the École Polytechnique, I and several of my colleagues emphatically condemned this odious practice.

This barbaric procedure has now been imported to Canada and Quebec. Our doctors are seeing an increasing number of young girls with health problems related to genital mutilation. It will soon be one year since we last discussed this in the House, and so far the Minister of Justice has done nothing to stop this practice. I hope that he will at least support the representations of my colleague, the hon. member for Québec, who has taken the trouble to table a bill prohibiting genital mutilation.

The Minister of Justice lately mentioned a series of bills tabled by his government to help victims, and the list goes: C–37, C–41, C–42 and C–45, and so forth. An impressive body of legislation, whose effectiveness remains to be seen.

The agenda of the Department of Justice is quite full. But I warn the minister that: ''Grasp all, lose all''. Some of the legislative measures are so far off the goal set by the government that we might be led to believe that the Minister of Justice has undertaken a Sisyphean task.

In November 1994, the Quebec Minister of Justice, Paul Bégin, demanded that his federal counterpart prohibit genital mutilation and amend the Criminal Code accordingly. Sweden, Belgium, Norway, the United Kingdom and some American states have already passed legislation prohibiting genital mutilation.

The Minister of Justice had the gall to answer that the sections of the Criminal Code dealing with assault were sufficient to condemn a person guilty of practising excision. Genital mutilation is much more than just assault, it is torture, butchery and an unqualifiable violation of a human person.

The House managed to pass, on the double, a bill to protect victims and facilitate the arrest of the guilty parties. Thanks to the support of the official opposition, Bill C–104 on DNA passed through all stages on the same day, June 22 of this year. The Minister of Justice is always willing to play Lancelot when he knows that a bill will get unanimous support. It is easy to preach for virtue. It is something else to make political hay out of it.

Where is the fearless Lancelot in today's debate? He is dragging his feet, he is consulting. Last summer our Don Quixote of public security thought that it would be useful to organize an information session on mutilation of women's genital organs for interested members. Guests of the Minister of Justice were Eunadie Johnson and Fadumo Dirie, cochairpersons of the Ontario task force on the prevention of genital mutilation of female persons.

The minister expected that Mrs. Johnson and Mrs. Dirie would concur with his views on the risk of unilateral legislation dealing specifically with genital mutilation. He was reluctant to introduce a bill because he thought such an action would push that practice further underground.

But, lo and behold, both guests answered yes to the question of whether a specific piece of legislation would send a clear message to communities which practise mutilation. A criminal code amendment would demonstrate that our society considers that practice unacceptable and that if it is deemed acceptable in other countries, it is not so in Canada or in Quebec.

After the meeting, the Minister of Justice admitted he was not so sure any more about his position. Today, the bill before the House is not a government bill, but a bill introduced by one of my Bloc Quebecois colleagues. That speaks for itself. On this side of the House, we dare to act according to our beliefs. I urged the Minister of Justice to at least support the bill presented by the hon. member for Québec, if he did not have the courage to introduce an amendment to the Criminal Code.

I request the same thing from all members. We should rise above partisanship and indeed walk the talk as we began to do some time ago with private members' bills.

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

Some hon. members: Question.

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

Some hon. members: Agreed.

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

[*English*]

SUSPENSION OF SITTING

Mr. Milliken: Mr. Speaker, on a point of order, I think you would find unanimous consent to suspend the sitting until twelve o'clock.

The Acting Speaker (Mr. Kilger): Is there unanimous consent to suspend the House until twelve o'clock?

Some hon. members: Agreed.

(The sitting of the House was suspended at 11.37 a.m.)

SITTING RESUMED

The House resumed at 12 p.m.

GOVERNMENT ORDERS

[*Translation*]

CANADA TRANSPORTATION ACT

On the Order:

June 20, 1995—The Minister of Transport—Second reading and reference to the Standing Committee on Transport of Bill C–101, An Act to continue the National Transportation Agency as the Canadian Transportation Agency, to consolidate and revise the National Transportation Act, 1987 and the Railway Act and to amend or repeal other Acts as a consequence.

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, I move:

That Bill C–101, An Act to continue the National Transportation Agency as the Canadian Transportation Agency, to consolidate and revise the National Transportation Act, 1987 and the Railway Act and to amend or repeal other Acts as a consequence, be referred forthwith to the Standing Committee on Transport.

[*English*]

The Acting Speaker (Mr. Kilger): Before I recognize the hon. Minister of Transport to begin this debate I remind the House that under this standing order, members, including the minister, will have 10 minutes to make their interventions without questions or comments.

[*Translation*]

Mr. Young: Mr. Speaker, the government's vision for the future of transportation is clear and attainable. Our commitment is to take Canadian transportation into the 21st century on a more viable, integrated and competitive footing.

We are commercializing federal airports, the air navigation system, Canadian National Railways, Marine Atlantic and the department's Motor Vehicle Test Centre.

We have introduced a new international air transportation policy and concluded a landmark Canada/U.S. bilateral air services agreement opening up the skies with our biggest trading partner.

The government will unveil this fall details of the new national marine and ports policy. This policy will set the stage for a more efficient, competitive and fiscally prudent marine transportation and port system and eliminate subsidies except where constitutional obligations require us to continue to pay for services.

We have already eliminated most transportation subsidies and greatly reduced the financial burden of Canadian taxpayers.

On June 20, we introduced Bill C–101, to enact a new Canada Transportation Act. The reason for introducing this legislation last spring was to encourage meaningful dialogue between industry and the government. We have had extensive consultation with CN and CP, other railway companies, shippers, and representatives of other transportation modes.

We have considered reports by the Standing Committee on Transport and, most recently, the recommandations of Task Force on Commercialization led by Mr. Nault, the member for Kenora—Rainy River, now the Parliamentary Secretary for the Minister of Labour.

The rail elements of the legislative package complement our strategy to commercialize CN, but they are far broader than that initiative. They are about enhancing the long term viability of the entire Canadian rail industry. This bill will affect the operations of CN, CP and some 30 other railways that currently operate in Canada, and it will also benefit shippers.

[*English*]

Some shippers expect levels of rail service to be dictated by law rather than by the significant negotiating leverage they have in the market. They talk about competition but they insist on regulatory protection.

The extraordinary rights shippers had won through the National Transportation Act of 1987, the so–called competitive access rights, are retained. The NTA 1987 included the right to have rail rates regulated under certain conditions. It also included the right to final offer arbitration for a wide variety of disputes between shippers and the railways. This protectionism has benefited Canadian shippers and there has been a reduction in rail freight prices but there has also been a substantial erosion of CN and CP revenues.

Bill C–101 takes aim at regulatory red tape by shortening the length of the arbitration process by one–third, from 90 to 60 days. The bill extends competitive access rights to shippers located on any federally regulated rail line sold to a provincially based rail operator. U.S. shippers in the United States do not enjoy similar provisions.

While we have protected shipper rights we have made amendments to give more precise direction to the regulatory agency in its decision making process. The government's view is that regulated solutions should only be a last resort.

A shipper demand with which we did not agree was for the provision of mandatory running rights for provincially regulated railways. Unlimited running rights would undermine a major objective of the bill which is to foster the growth of a vigorous short line industry across Canada.

• (1205)

Every short line operator in Canada stated that unrestricted running rights were undesirable with the exception of one operator. In the United States, where unrestricted running rights are not available, a thriving short line industry has developed based solely on commercial agreements. There are hundreds of voluntary running right agreements now in effect in Canada, letting the marketplace decide.

The Canadian Pulp and Paper Association, the Western Canadian Shippers Coalition, the Canadian Industrial Transportation League and the Canadian Manufacturers Association have all been lobbying hard against certain elements of Bill C–101. Apparently they believe in competition based on protectionism, an interesting approach for the CMA which in the past aggressively supported open, competitive free markets.

Bill C–101 will modernize and streamline rail regulation to enhance the viability of our major carriers and thereby attempt to ensure rail freight service from coast to coast. Both CN and CP will benefit from a new, transparent, well defined rationalization process that focuses on the sale of underused lines to other operators. The process will be free of archaic, adversarial and lengthy regulatory proceedings and government interference.

Shippers should benefit from more efficient, lower cost rail service and the entry of new participants in the railroad industry. The legislative package will clean up outdated regulations. It will reduce the number of matters which need to be brought to the agency by the railways by about 200 to some 40. For example, 10,000 confidential contracts per year will no longer need to be filed with the agency. This should reduce railways' administrative costs. It will help attract capital back to an industry that has suffered during the economic downturn by shippers to other transportation modes, particularly trucks.

Some provincial legislatures, B.C. and Nova Scotia among others, have recently passed legislation which significantly reduces provincial taxation on railways. The New Brunswick government has put in place a very simple mechanism for the establishment of a provincial short line requiring only an agreement between the transportation minister and the perspective railway.

The Ontario government has indicated its willingness to encourage the creation of short lines by repealing current statutory provisions that have so far discouraged short line operators setting up in that province.

Bill C–101 also removes unnecessary regulation of other transport modes. In future applicants to operate Canadian air services will have to meet minimum financial requirements as well as our stringent safety requirements before they can obtain a licence.

[*Translation*]

In the wake of deregulation of other modes, access to final offer arbitration has been extended to our northern marine shippers and operators of rail passenger and commuter rail services who must negotiate with mainline carriers for track usage and other services.

The new legislation will put in place a policy that is consistent, transparent and fair and will enhance competition. Canada's transportation system must be modern, dynamic and as unrestricted as possible while maintaining the world class safety record we have earned over the years.

I ask members of all parties to join with me and support the motion to refer Bill C–101 to the Standing Committee on Transport before second reading. This will give the committee an early opportunity to study the bill with its usual care and diligence.

The proposed Canada Transportation Act is one more step this government is taking towards modernizing Canada's transportation sector. It will enable Canada and Canadian businesses to compete worldwide in the 21st century.

Mr. Michel Guimond (Beauport—Montmorency—Orléans, BQ): Mr. Speaker, I am pleased to speak on Bill C–101, whose primary objective is to modernize rail transportation legislation, redefine the mandate of the National Transportation Agency and further deregulate air transportation.

As we estimate that nearly 75 per cent of this bill concerns rail transportation, you will understand this important subject will be the focus of our intervention.

• (1210)

For that reason, as far as the Bloc Quebecois is concerned, Bill C–101 will need definite improvements. I can assure the minister that it will be possible to work much more effectively if there is some kind of openness on the part of his colleagues on the Standing Committee on Transport—and I am talking here about his colleagues representing the Liberal majority.

One of the first points that has to be criticized is clause 89, which says that the bill applies to any railway, whether or not set up under the authority of an Act of Parliament, that is ''owned, controlled, leased or operated by a company wholly or partly within legislative authority of Parliament''.

This means that Bill C–101 applies to any SLR, which stands for short line railway, owned or controlled by a national railway, whether it be CN or CP. We recently saw an example of a short line controlled by CN in the La Tuque, Abitibi and Saguenay–Lac–Saint–Jean area.

Moreover, these railways are declared to be works for the general benefit of Canada. You will understand that, in the current referendum debate, our party will want to change that all–encompassing approach which includes everything that can be for the general benefit of Canada.

We will also ask for clarifications about clause 90, which authorizes Parliament to pass legislation declaring any railway owned by a company registered under a federal or provincial statute to be a work for the general benefit of Canada. In these circumstances, provincial railway acts, like the one we have in Quebec, no longer apply and the company is regulated by the federal government. I am sure you realize this is totally unacceptable to us.

Moreover, in clause 99, the agency is not required to conduct an environmental study before authorizing the construction of a railway line. Again, Quebec is on the leading edge as far as the environment is concerned. Therefore, we will have to obtain amendments to clause 99.

Clause 104 of the bill says that if an owner's land is divided as a result of the construction of a railway line, the owner must pay for the construction and maintenance of a crossing. We think this is ridiculous. Why would the owner of the land have to pay when it is the railway company that is using the land? The railway company should pay.

Clause 113 provides that rates and conditions of service established by the agency must be commercially fair and reasonable. We think that this provision is there to please railway companies which often have had to buy equipment to service a client without benefitting from a contract that was long enough to allow the company to write off the cost of such equipment.

The list could go on but, since this is only a ten minute speech, I would not have enough time to say all I want to say in this, my first speech since the House reconvened in September.

Bill C–101 will have an effect on Quebec with regard to the new process for transferring or discontinuing the operation of a railway line. I have had the opportunity before to say in this House that the abandonment of railway lines used to be almost automatically approved by the National Transportation Agency. Now, the company will have to demonstrate that it took all the necessary measures to offer the railway line on the market and if nobody is interested—We see the beginning of a solution, but it will have to be improved on.

Of course, we received, from many shippers, requests for clarification of this legislation or for changes to it, in particular, in relation to the introduction of running rights for short line railways, provided that reciprocity not be given to main railway carriers.

I therefore open the door to shippers for an alliance with our party, the Bloc Quebecois. They will have an opportunity to defend their views in the Standing Committee on Transport.

• (1215)

I would like, of course, to conclude my remarks by referring to the referendum. It goes without saying that when Quebec has full power, it will not have to rely on a national transportation agency staffed with friends of the party in power. Even though the composition of the National Transportation Agency has been reduced from nine members to three, we are still caught in the same vicious circle of having to deal with friends of the government.

I do not want to be disrespectful to Mr. Rivard, a very competent lawyer from Quebec City who was appointed by the Conservatives, but I can predict today, October 2, that Mr. Rivard's mandate on the National Transportation Agency will probably not be renewed and that we will see, as was the case with the members of the Port of Quebec's board of directors, some good friends of the government, some Liberals of good standing, appointed to head the National Transportation Agency.

So this is just shifting the problem. Our party will of course keep on denouncing such partisan appointments.

Mr. Nunez: Patronage.

Mr. Guimond: Such patronage. I thank my hon. colleague for Bourassa for suggesting the word patronage. So, the only way out is sovereignty, otherwise Quebec will remain a rebellious minority within the Canadian federation, constantly waiting with the no side for a no which would mean a yes, and vice versa. I do not know what, nor when nor where. If not Quebec, finally in touch with its identity and its potential, will become a country.

There are in fact two countries: yours, Canada, and ours, Quebec. There really are two countries north of the 45th parallel: one which is frantically searching for its identity—Canada—and the other, which can and should no longer deny itself—Quebec. Yes, in order to reach its full potential, Quebec must be sovereign. Quebec deserves to be sovereign because it is made up of a people that must not only survive, but grow.

Saying no means denying us the means to develop in the way we want to. It means continuing to mortgage what we have, and continuing to complain. By saying yes, we will make others respect us and we will stop being crushed. Just like so many other Quebec ridings, Beauport—Montmorency—Orléans will say: ''Yes, we are ready and we will win''.

[*English*]

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, when Bill C–89 was in committee I was told by the government's underwriters, Nesbitt Burns, Scotia McLeod and Goldman Sachs, that CN Rail had an accumulated debt of approximately $2.5 billion and that in order for CN to achieve an investment grade bond rating of BBB it would have to reduce its debt load to $1.5 billion.

They then went on to explain that CN had excess cash reserves of $300 million to $400 million as a result of recent subsidiary company sales and actual cash reserves, plus $400 million to $600 million in non–rail real estate assets. At the upper end of these figures was the amount by which the underwriters were telling us the debt had to be reduced. The lower value of these figures indicated that the government might be faced with a cost of up to $300 million in order to reach the debt reduction target that was stable.

It was the stated plan of the government to purchase CN's non–rail real estate assets. In response to my question on how the value would be set, government officials who also appeared before the committee testified that a full appraisal would be completed and that would set the price the taxpayers had to pay to purchase the assets from the company which they already owned.

The wording of the debt reduction clause in Bill C–89 concerned me in that it allowed the Minister of Transport to reduce CN's debt by any amount he chose. I attempted to have the legislation amended to tighten this arbitrary power of the minister but the amendment was defeated.

On May 17, 1995 I wrote to the minister requesting answers to a number of questions which were not clearly answered by the minister in committee. One of the most important questions was the amount of money the minister was to give to CN to reduce its debt. In his response the minister stated: ''The government will undertake only the minimum, if any, debt reduction necessary to facilitate an investment grade rating of CN's debt''.

• (1220)

My concerns about the minister's real debt reduction plans were well founded. On August 28, 1995 the government announced that it would be injecting $1.4 billion into CN Rail to reduce its debt. This amount includes a $500 million payment for real estate assets with a book value of $235 million and no appraisals to the contrary forthcoming.

The government pushed Bill C–89 through the House and into committee after first reading. I supported this with the understanding this was meant to make it easier to examine and amend the bill in committee where it is theoretically less partisan. This turned out not to be the case.

I presented many amendments, none of which was accepted in spite of little argument against them. One of my amendments dealing with Atlantic Canada did have the support of one Liberal on the committee but was defeated by a tie breaking vote by the committee chairman.

Given the lack of co–operation that we were led to believe this procedure of sending legislation to committee after first reading would provide, coupled with the deception that took place on the debt reduction, I would be very reluctant to trust Liberal intentions on transport issues in the future.

When Bill C–101 was first proposed I was approached by the parliamentary secretary to the minister seeking my co–operation in not only sending it to committee after first reading, but reducing the first reading debate time to one hour. At that point I had not yet received a copy of the bill nor was I aware of its contents. He informed me that it was not available yet but it was fairly straightforward and simple, essentially nothing more than enabling legislation allowing necessary changes to occur on an as needed basis. We now all know that Bill C–101 is a massive piece of legislation with major ramifications for both the rail and shipping industries.

It seems that this deception also continued into the summer. In a telephone conversation with the chair of the Standing Committee on Transport, I agreed to request submissions from interested parties over the summer as long as it did not restrict anyone's access to testifying before the committee in the fall. I was assured it would not and that the intent was only to allow us

to obtain some of the material during the summer instead of having it all bunched together when we returned in September.

Subsequent to this, several affected groups complained to me about the tight timetable for getting their submissions to the committee. I obtained a copy of the notice sent out from the transport committee under the signature of the chair advising that if they wished to appear before the standing committee regarding Bill C–101 they must send in 25 copies of their submissions to the committee not later than August 31.

At the end of August I sent the following fax to the committee chair:

> It has recently been brought to my attention that the notice sent out to interested parties regarding Bill C–101 is written in such a way that has caused many of them to believe that August 31 is a cut off after which we will not accept any submissions. It also implies that if they do not submit a written submission within that time frame, they will not be allowed to appear before the standing committee on this issue.
>
> Neither of these positions were agreed to by myself either as a regular committee member representing the Reform Party or as a member of the transport steering committee. You and I discussed early submissions by telephone and I agreed that it was not a bad idea to request early submissions to be made so that we might be able to review some of them during the summer. As it has turned out, if any such submissions were made, I have not received a copy of them. When I gave my agreement to this early start, it was with the clear understanding that this early submission request would not impede any party's right to appear before the committee.
>
> I trust that this is a misunderstanding on the part of concerned parties and anyone wishing to appear before the committee and/or provide written submission may still do so. After all, we are attempting to determine all the facts and concerns available. Surely, we will not do anything to impede this information gathering process.

The reaction I received from the chair's office is interesting. Through follow up inquiries my office was informed by an assistant in the chair's office that they were preparing a response to my letter which I finally received on September 26.

Verbally and later in writing we have been informed that there has been a tremendous response which makes me curious why these were not forwarded to me as a committee member. I did receive a huge stack of submissions when Parliament reconvened, the very situation summer submissions were meant to avoid.

We have also been told that all stakeholders interested in appearing before the committee are welcome and not subject to a deadline. They advised that 800 letters were sent out, too many for a second letter to retract the false message that had been received and it was up to us to notify any parties concerned with the previously stated deadline and tell them it was not in effect.

As far as the bill is concerned it is long past the time that Canada's archaic rail legislation was revisited. To continue with the existing legislation is simply to ensure economic failure which will affect rail companies and shippers alike. We must move quickly to a market driven competitive system able to compete with the U.S. companies unencumbered by restrictive and uneconomical government regulations.

● (1225)

In the late 1970s the American rail industry was suffering from many of the same problems currently faced by the Canadian rail companies. In 1980 the U.S. Congress passed the Staggers act which deregulated the industry. Since that time the American rail industry has prospered.

Bill C–101 is a half Staggers bill which addresses some parts of the need to simplify rail line abandonment but does not address many of the other necessary components for rail industry prosperity with proper consideration for shipper needs.

The rail industry is quick to point out that we cannot compare ourselves directly to the United States because of differing taxation and labour laws. While that is not incorrect, our approach would be to harmonize these differences instead of bowing to them as unsolvable and tinkering with our problems instead of dealing with them head on.

Rail transportation is essential to get Canadian goods to their markets and to get supplies and materials to Canadian companies. Likewise, economic survival of these same Canadian companies is essential to the rail companies.

Many years ago I remember seeing a cartoon dealing with nuclear war. A single picture showed the president of Russia and the president of the United States both with their heads in guillotines each holding the release rope of the other. If either of them released the rope the blade would fall which would cause the other to release his rope in the ultimate no win situation. That is similar to what would happen in Bill C–101 if the legislation does not consider both sides fairly and pushes them into hard adversarial roles.

Shippers' products must be able to compete internationally with those of their competitors from the United States. A significant component in their cost structure is transportation. If their cost component for transportation is substantially higher than that of their American competitors, shippers are operating under a severe handicap. The potential is that these shippers will use the American shipping system affecting the Canadian economy through job losses not only in the rail sector but at Canadian ports as well, moving their operations to the United States, or folding their operations if they are unable to market their products at a profit.

The first thing the bill should examine is the reduction or removal of unreasonable cost factors to rail companies. This includes such items as federal fuel taxes, lengthy capital cost allowance terms, application and renewal fees and cabinet authority on rail line abandonment.

We must also address problems at the provincial level. Provincial fuel and property taxation as well as labour legislation impact on the competitiveness of federal rail lines and their ability to divest themselves of low density lines without loss of that rail infrastructure. This issue will not be resolved by ignoring it.

The other main problem with the bill is the lack of a clear sense of direction. The ultimate goal of rail deregulation is to establish a market driven and market regulated industry which can compete with the United States. I recognize this may be a huge single step but Bill C–101 not only fails to allow the market to be the final arbiter over price decisions, it also attempts to block access to the present arbiter through clauses like 27(2) and 34(1).

I could provide much more detail on the deficiencies of this bill and solutions for the problems faced by both the rail industry and Canadian shippers, but the action of the Liberal government to eliminate second reading debate severely restricts the amount of time available.

Be assured I will deal with these solutions in detail at committee hearings and I will ensure that all interested parties have the opportunity to bring their concerns before their elected representatives. I call on the Liberal members to co–operate with this process and agree to deal with the needs of the Canadian transportation industry instead of their own partisan agenda.

Mr. Joe Fontana (Parliamentary Secretary to Minister of Transport, Lib.): Mr. Speaker, let me assure the hon. Reform Party critic that it is the intention of the government and the committee to get some positive and constructive comments from the Reform members who seem to always criticize and have absolutely nothing good to say about anything.

I rise today to lend my support for Bill C–101 and the Minister of Transport's motion to refer Bill C–101 to the Standing Committee on Transport before second reading.

This is an important bill. Transportation touches all our daily lives and has far reaching ramifications in today's business world. The government is advancing a comprehensive program and a vision to overhaul the large unwieldy framework of regulations, outright ownership and specific involvement in transportation particularly as it pertains to rail. While the bill deals with all modes, there is no doubt that the most talked about provisions deal with the rail industry, so I will address myself to that aspect in particular in these remarks.

In this regard I see the 30 or so railways now operating in this country as being at a critical juncture. CN and CP are two mainline carriers that dominate the rail freight sector and have, as have other railways, managed to weather the recent economic downturn.

• (1230)

CN and CP have done this by introducing new marketing initiatives and operations more closely tailored to the 25,000 shippers they serve. They have also expanded intermodal links with the trucking industry and have implemented new technology and operating methods.

Stringent cost cutting measures have been taken and since 1983 CN and CP have abandoned 20 per cent of their rail lines. Total employment has decreased by 40 per cent.

To move into the 21st century, however, I believe CN and CP must further adjust to changing trends, increased competition and the need to reduce costs. CN and CP cost cutting efforts have been stifled by the regulatory hurdles they must jump in order to tailor their rail line networks to their core markets. While the Minister of Transport has made reference to the proposed rail line rationalization process, I will build on his comments.

Like shippers' rights, rail line rationalization can be controversial. I will first set the issue in the context of the current rail environment. The main line rail network is vastly over built. Even after efforts by both railways in recent years to reduce trackage, 84 per cent of CN and CP traffic travels on one–third of the network.

The adversarial nature and the length of the process can deter the sale of underutilized lines to short lines and some say can lead to the downgrading of a marginal line on purpose. A line must be uneconomic or near so for abandonment to proceed. It is the creation of short lines that we wish to foster in the legislation now before us.

The process for sale of a rail line under current legislation can be long and drawn out. In one instance the owner and the potential purchaser had agreed to the sale, in other words the continuance of a line, but under the existing NTA process with its convoluted regulatory approvals the prerequisite abandonment proceedings took two years with a cost of $10 million per year to CP before the sale could be finalized.

In the U.S. the sale of a line, not an abandonment, to another operator can be accomplished in as little as seven days. Purchasers are required only to prove public need and that they have the financial capability to purchase and operate the line.

The most important means by which the federal government can help our rail carriers to reduce their cost is through regulatory reform, and that is what we intend to do.

The new proposed Bill C–101 will do this and will focus on the encouraging of the sale of rail lines to other rail operators. The process will require a railway to set out for all interested parties its intention for its network in a three–year rolling plan.

The owner railway will not be allowed to abandon a line unless it has made every effort to negotiate the sale of the line for rail purposes. The negotiating phase has a finite limit of seven months. This phase could take as little as two months if there is clearly no buyer interest.

If no private sector buyer comes forward, governments at each level will in turn have 15 days to exercise an option to buy for public purposes. They will have had ample notice of the possibility through the plan at the start of the whole process.

No abandonment of a rail line will take place unless no one, neither the private sector nor governments, is interested in acquiring that line.

The process advanced in Bill C–101 is not as radical as that adopted in the United States but is instead a made in Canada approach that gives every interested party ample opportunity to acquire the line. It allows CN and CP to rationalize their track within a specified time frame. It allows for a more planned approach to the future of the Canadian rail system, which will be a benefit to the railways, shippers and communities alike. It also promotes the creation of a short line industry which will benefit all and which is key to keeping the most extensive network possible.

The experience in the United States under its deregulated environment has shown the high potential for rail lines to be acquired by short lines, providing hundreds of jobs.

Today there are over 500 short lines in the U.S., of which 263 were created since 1980. Conversely, there are only 12 Canadian short lines in operation. I believe under our proposed new regulatory process many more will emerge. Short line railways typically operate under a less burdensome cost structure than the main line railways and pass much of the savings on to their customers.

• (1235)

In addition, through more focused marketing and closer tailoring of services to customer needs, short lines can both recover traffic previously lost by the main line railway and generate traffic that was not previously present.

It is in the interest of main line carriers to sell to other railways rather than to abandon. The main lines get both the proceeds from the sale and a new partner that can act as both a generator and a feeder of traffic.

The proposed legislation not only eases exit but makes getting into the railway business less onerous. In future all railways under federal jurisdiction will simply require a certificate of fitness to either operate or perhaps even to construct a railway. Shippers and railways agree this is a significant improvement over the process now in place.

While no one can guarantee continued rail service in every corner of the country, the law will create the right environment so that wherever possible service should be maintained it will be maintained.

Rail is the only mode of transportation in Canada whose business decisions can be easily and often delayed, varied and sometimes even reversed by public authorities. Everything from sales to bookkeeping is subject to regulatory permission, sanction or appeal, with some regulations dating back to the turn of the century.

Under the proposed legislation, treatment of the rail freight industry will be brought more in line with other Canadian transportation businesses and U.S. rail counterparts, thereby enhancing competitiveness.

Transportation has historically been highly and intricately regulated. I was amazed at the mass of the build up on the economic side. For rail alone it filled over 1,000 pages of statutes spread over eight different acts.

With the passage of Bill C–101 we have the opportunity to help our railways, large and small, and ultimately their customers in their efforts to improve competitiveness.

Under the proposed amendment to the Transport Act, regulation of non–safety matters will be condensed into just over 100 pages. This reduction in volume alone will make the regulatory burden less onerous and costly, fostering a more commercially oriented basis for the provision of rail service. It will also make the legislation governing transportation much more logical and understandable.

I hope I have not given the impression that the bill is good only for the railways. On reflection I believe listeners will recognize that what I have outlined for the railways can easily be seen to benefit shippers as well. Once the railways have their house in order, the benefits will surely flow to their customers.

The Minister of Transport has made it clear that the bill preserves key rights now enjoyed by the shippers. A balance between the needs of shippers and railways must be found or our railways will continue to suffer. That outcome ultimately will not serve their customers either.

The sweeping nature of the regulatory housecleaning for all transportation modes will necessarily have an effect on the National Transportation Agency. The proposed legislation defines a streamlined and more focused regulatory body and renames it the Canadian Transportation Agency. Its role and powers will be clarified and brought into line with the reform of rail regulation and changes to the other transportation modes.

In future the agency will concentrate on core quasi–judicial and administrative functions such as the issuing of licences and the setting of regulated rail rates. Regulation is always a poor substitute for market discipline. We need regulation only when there are no practical transportation alternatives.

The federal government is aggressively examining the way it does business on all fronts. It is regulating only where needed and leaving the private sector to activities it can do better and at less cost to taxpayers. Regulatory reform in the transportation sector is one very important part of all these efforts.

[*Translation*]

Mr. Paul Mercier (Blainville—Deux–Montagnes, BQ): Mr. Speaker, it is said that the road to hell is paved with good intentions, and the same goes for Bill C–101, which revises the National Transportation Act, especially with regard to rail transport. It is this issue that I will address.

The intention announced by the government in this bill is a good one. In a nutshell, its purpose is to modernize, streamline and deregulate. No one can criticize this, as no one is against virtue. Unfortunately, as is its habit, the government could not resist its usual temptation, which is to encroach on provincial jurisdiction, with an added bonus in that this bill significantly increases its opportunities to engage in patronage.

• (1240)

Plain common sense and efficiency concerns should have led lawmakers to split the rail network clearly and willingly without exception between national railways under federal jurisdiction and intraprovincial railways under provincial jurisdiction. But this would have been too simple, too logical. And how could they resist grabbing a few more powers that should normally come under provincial jurisdiction? That is just unthinkable.

Under this bill, intraprovincial and other short line railways in which national railways have an interest will come under federal jurisdiction. In addition, Ottawa will still have the right to place any short line railway under federal jurisdiction.

Therefore, depending on where their capital comes from and on Ottawa's wishes, intraprovincial short lines will come under two different jurisdictions. How logical can you get?

Clauses 140 through 146 dealing with the abandonment and sale of railway lines could, in return for some improvements, facilitate the establishment of more short line railways, which should revive our dying rail network. From now on—and this is great—, rail companies will have to prepare three year plans specifying which lines they intend to continue operating, which they intend to sell, and which they wish to abandon. When this provision is fully in effect, short line railway companies will be able to determine which lines they are interested in and to plan accordingly. It seems, however, unrealistic to hope that these plans will be of any use for 1996.

Another thing: some of the deadlines set for potential buyers to make up their minds are surprisingly short. If no private buyer is interested, the company must offer the railway line to the governments. Do you know how many days public authorities will have to make a decision? Exactly fifteen days. This is totally unrealistic.

Finally, it means no more public hearings, where people could explain why a specific line should be kept in service for the benefit of the public, and should therefore be bought by a government, when there is no interested private buyer, given the market conditions. Indeed, how will public authorities have the time to hold hearings and consult the public before making a decision, if they only have 15 days, not to mention the fact that people will also not have time to prepare submissions?

Obviously, the federal government could not care less about the development of those regions which could be affected by the foreseeable reduction in railway services.

I said at the beginning that Bill C–101 provides interesting opportunities for lobbyists and those who rely on patronage. The National Transportation Agency, which will now be called the Canadian Transportation Agency, currently includes nine permanent members and must provide national representation. Under Bill C–101, the agency will only consist of three members and will not have to ensure national representation. The reduction in the number of members will obviously make it easier to lobby and to exert political pressure. I am not making accusations, I am just stating the obvious.

Let me summarize my position. I criticize Bill C–101 for a number of reasons. One is the fact that intraprovincial short line railways are not clearly and unhesitatingly left under provincial jurisdiction. There is also the lack of provisions to truly promote the establishment of regional railways and thus help put the rail transport industry back on track. Another flaw is the fact that, for all intents and purposes, public hearings are excluded, since the unrealistic short time frame given to public authorities to decide whether or not to buy does not allow them to hold such hearings. Finally, there is the composition of the new Canadian Transportation Agency.

These are the four aspects which we will try to improve on through our amendments in committee.

In conclusion, the time had certainly come to streamline the railway legislation and to reduce the responsibilities of the agency. However, the priority given to unstated political motives, over the rational objectives stated, once again results in the government partly missing the target. My colleague, the hon. member for Beauport—Montmorency—Orléans, and myself will propose, in committee, amendments designed to put this exceedingly political legislation back on track.

• (1245)

I am most willing, however, to admit that I should be thanking the Minister of Transport instead of criticizing him. Thanking him, yes, for providing new evidence that under the federal system Quebec has no hope whatsoever of one day seeing an end to the subordination of the logic of public interest to political interests. This will be possible only in a sovereign Quebec.

[*English*]

Mr. Werner Schmidt (Okanagan Centre, Ref.): Mr. Speaker, it is an honour and a privilege to enter the debate on Bill C–101, a rather large omnibus bill.

I was interested to hear the hon. parliamentary secretary suggest that it was a straightforward, simple and small bill. This is not a small bill. It has at least 120 pages and it is a rather far reaching and overarching bill that covers the three modes of transportation in Canada.

The bill makes some progress toward levelling the playing field, especially in the railway sector with the United States. It makes it easier to abandon some short rail lines, which is an important issue. It also makes it easier to establish short lines under provincial control.

There are some positive developments taking place in the legislation that we need to recognize. However it seems the chief purpose of the bill is not so much to enhance the investor interest in the particular railways but rather to facilitate the selling of CN Rail or the privatization of the Canadian National Railway.

The bill continues to treat railways as a service rather than as a business. The bill is clearly not about rail renewal. Canada remains 15 years behind the American system. Instead of levelling the playing field for the U.S., the federal government has chosen to deregulate in a piecemeal fashion rather than in a consistent, logical pattern.

Bill C–101 fails to ensure true competition between the railways. The competitive line rates and final offer arbitration provisions only highlight an artificial competition that benefits neither shippers nor the railways in the long run. Under both these options the ultimate arbiter of freight prices is the National Transportation Agency rather than the marketplace.

In other words, competitive line rates and final offer arbitration are actually a hidden form of price regulation or managed competition. The bill has no guaranteed access provision or even study regarding the rail infrastructure in terms of further development and competitiveness in the industry.

In spite of these sorts of statements the whole business of transportation and shippers needs to recognize they need each other to sustain the economy that is there. The railway business exists to support shippers and shippers need the railway to send their materials and products to market. Each needs the other to be successful.

Let me list a couple of the major shippers that use the railway system rather extensively. I refer in particular to the Western Canadian Shippers' Coalition, which includes companies like Agrium Inc., Alberta Forest Products Association, the Canadian Oilseed Processsors Association, Canpotex Limited, the Council of Forest Industries, Luscar Ltd., Manalta Coal Ltd., Novacor Chemicals Ltd., Potash Corporation of Saskatchewan, Sherrit Inc. and Sultran Limited. These companies are significant customers of the Canadian railroad system. The products shipped tend to be bulk in nature and must travel substantial distances to distant markets.

For many products highway transport does not present an effective, competitive alternative to rail transportation and water transport is not a practical alternative. Hence for the majority of the transportation requirements of industries like the ones named the only economical way of accessing the markets is through the railway.

There is a need for the railroad system to be reformed. There is excess track. There are impediments to the productivity improvements and there are too many threats to the profitability and long term viability of the railroads.

We must admit there have been improvements in the last couple of years in the productivity of railways and the net revenues of both CN and CP have increased. These rationalizations, however, should not jeopardize the benefits of competition in the railway industry. I will refer to that in just a moment.

• (1250)

In the meantime we need to indicate as well that the Canadian railway system is not like the American system. The American system has many more railroads, to begin with. The distances to market are shorter. They have an extensively developed highway system and inland water routes. Therefore it is not valid to argue that Canada should have a regulatory system directly comparable to that of the United States.

We should recognize that rails are not like the trucking industry. Trucking regulations restrict vehicles by the availability of trucking services and limit shippers' freedom of choice. Accordingly the deregulation of major carriers has a pro–competitive result. We should also recognize that the capitalization required in that area is not nearly as great as it is in the railway business.

Railway regulation protects captive shippers against the excessive monopoly power of the railway. Herein lies the crux of the issue. The imposition of statutory provisions which limit or deter accessibility to the competitive access provision will be

anti–competitive by permitting the railroads to more rapidly and more extensively exploit their monopoly power.

We come back to the business of competitiveness. Are the railroads competitive? The conclusion of the group of industries we referred to before is:

> It has become apparent to railway customers during the past eight years that Canada's railways have refused to compete for rail traffic which would become available by virtue of a customer's utilization of the competitive line rate provisions.

Page 131 of the National Transportation Act Review Commission report states:

> CN and CP Rail have effectively declined to compete with each other through CLRs and as a result the provision is largely inoperative in Canada.

It is suggested that the failure of railways to compete through CLRs should now be shifted and, rather than be treated under the Transport Act, should now become subject to the provisions of the Competition Act.

There is a provision in Bill C–101 that there be an appeal to the National Transportation Agency. However shippers will have to prove that they suffer from significant prejudice. It is interesting that significant prejudice is not defined. Neither is suffering.

If this phrase is not defined in the bill it lends itself to all kinds of problems. First, it is difficult for shippers to be able to prove what is happening. Second, because that is difficult there will be a defence and the result will be extensive litigation proceedings that mitigate against the expeditious and objective determination of relief. That is precisely what is needed to get this business going and to get the economy rolling along smoothly.

Those terms are not defined in the bill. They have never been used in transportation legislation before. Consequently there would be very little, if anything, to go on in the way of precedent. The agency serves as a price regulator.

Another part the agency deals with is that the rates shall be commercially fair and reasonable. These words are used in the bill but are not defined. Hence they are likely to result in uncertainty, delay and contention which reduce the effectiveness of the level of service and competitive access provisions.

A further provision in the bill states that the clarification of these kinds of terms would come from the governor in council and does not help at all. It will introduce into the decision facing the council the politics of the day in preference to the economic considerations existing in the marketplace.

A further development is that a complaint, if one is issued by a shipper against the transportation agency, should not be vexatious or frivolous. These terms are not defined.

It is a very difficult situation. It is all very well to talk about the agency as being able to act as the final arbiter and to get agreements in place, but the result will be that litigation of one kind or another will come into play and the courts will become the arbiter.

● (1255)

There are two other parts of the bill that also need to be looked at: the idea of the interchange and the interswitch. These words have to be defined as well as the words limited running rights.

While the provisions of the bill go far they do not go far enough. Neither do they create a regulatory system which will provide an economic system that will look after the interests of transportation and shippers, so that together they can both meet their needs and we as Canadians will benefit from sound transportation and manufacturing systems that can deliver their products easily to the marketplace.

Mr. Alex Shepherd (Durham, Lib.): Mr. Speaker, it gives me great pleasure to enter into the debate on the Bill C–101, amendments to the National Transportation Act, now called the Canada Transportation Act.

The bill is to be referred to committee after first reading. I believe opposition members as well as the public in general will have ample opportunity for input into how the bill could possibly be amended in other ways. This shows the dedication the government has toward making the system of government more open and more visible by allowing people to be directly involved in legislation that affects them.

This is basically another bill that realizes that governments should be steerers and not rowers of the economy. What do I mean by that? Basically most people have come to the conclusion that the government should act as a referee, a regulatory agency, but not be directly involved in the actual operation of businesses.

The Oshawa Municipal Airport is in my riding. I am constantly reminded the airport is operated by the city of Oshawa and why that is not the best interest of the local economy.

I will deal with two aspects of the legislation, both of which deal with air travel. It is surprising that previous speakers thought this was entirely a railway bill. It involves all sectors of transportation in Canada, not the least of which is air transportation.

I cannot underestimate the value of the whole transportation sector to Canada. Canada is the third largest country in the world geographically and yet we have one of the smallest population bases. It does not take long to realize that transportation has a major impact on how we develop our country.

I will talk about the north which we seem to have ignored. We have mostly spoken about transportation systems that occur in the southern parts of our country. In a recent study the Royal Bank discovered that Canadians were the second wealthiest people in the world if we take into account natural resources.

I do not have to tell members or other Canadians that we cannot quite see where that fits into our bank account at the end of the week. Very few of us feel that we have been able to access those resources so that we spread the wealth across the country. The transportation sector is one major aspect of why in some ways Canada has not been able to access all its natural resources to the benefit of all its people.

Industries such as tourism, metal extraction and forestry are big factions that use the transportation networks. Due to the regulatory burdens that often occur in this area, northerners often feel victimized by the transportation sector. Let me illustrate this by a very simple analogy.

Last summer I visited Kenora which some people do not consider as being north. Certainly it is in northern Ontario. I was surprised to discover that the cost of air fare to and from Kenora was twice as much as it would have cost me to go to London, England, and back. When I saw the bill come up for debate, I was very interested in why such things occur.

I discovered a very interesting aspect of the old National Transportation Act. Basically it divided Canada in half and not consistently in half either. It took the 50th parallel from Newfoundland to the Ontario–Manitoba border, then took the 53rd parallel in Manitoba and Saskatchewan and the 55th parallel in Alberta and British Columbia and created a designated area. What did that mean? It means we treated businesses in the northern part of our country differently than we did in the southern part.

• (1300)

Here are some of the aspects of competition that occurred in the airline areas in northern Canada. A test was used called reverse onus. Basically it allowed interested parties such as air carriers and communities to argue that the licensing of new services could lead to a significant decrease or instability in domestic service already provided.

Basically this meant a barrier to new carriers that wanted to compete with existing airlines. It also created in my mind artificial monopolies. Many people in the north suspect that these artificial monopolies acted as impediments to transportation in northern regions.

Bill C–101 serves to do away with that aspect. It allows the competition that exists in the southern parts of the country to apply in the north. Hopefully this will eventually result in lowering air fares to some of our northern communities.

Every once in a while we feel there is inappropriate business activity in the area of monopoly. This act also provides for a review of the fair pricing schedules of some of the airlines in the north, such that we could even affect a rollback if it were thought the monopoly that sometimes occurred due to the small number of users and smaller communities could be rolled back if gouging and price fixing et cetera had occurred.

Another aspect of the act which has not been mentioned to date is consumer protection. I am sure members are aware of the horror stories of people who travel south or even within our country. They buy airline tickets and show up at the airport on the day of reckoning and suddenly discover the airline has gone out of business. There has been no real mechanism for some of these people to get their money back. I am sure members are aware of horror stories of retired people who have saved for the trip of their lifetime to travel around the world and who discover they were jilted by the airline system for whatever reason and lost their money.

This legislation provides for a system whereby new carriers will have to be approved not only from a technical point of view as to whether they can fly planes but also from a financial one. These airlines will have to submit financial statements, et cetera, to show their fiscal ability to conduct their business. This can be nothing but good for consumers.

These two aspects as they affect air transportation in Canada are nothing but positive. It is one more step in the government's agenda of realizing we can do things better by making our regulatory framework simpler and more easily understood and, similarly, allowing small and medium size businesses to do what businesses do best, to compete in an open and fair market.

At the same time, the government realizes there is a need to protect consumers from possible unwarranted business activity and has put that in this legislation as well. There is an underpinning protection for the consumer and an ability to allow the industry to fully compete. Hopefully the benefits to this will be transportation at no financial risk to the general public. More important, hopefully it will reduce the cost of air fare in northern communities.

• (1305)

[*Translation*]

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, I am pleased to take part today in the debate on Bill C–101, known as the Canada Transportation Act.

This long awaited bill is the outcome of numerous independent and government studies concluding that the Canadian government must take steps to restore the viability of Canada's railway industry. The most recent of these studies was conducted by the National Transportation Act Review Commission. In 1993 it wrote: If Canada is not prepared to pay the price of serious deterioration in the rail sector as the decade progresses, it is indispensable that carriers be authorized and encouraged to make the changes necessary to becoming competitive.

The Commission also said that Canadian railways will be unable to contribute to making the national economy more competitive without major changes to their cost structures.

The Bill the government is proposing to us today was therefore long awaited. Essentially, its objectives are to modernize railway legislation, to redefine the mandate of the National Transportation Agency and to rename it the Canadian Transportation Agency, and to further deregulate the airline industry.

Although some of the proposed changes had been requested for some time, other proposals miss their target because these measures are incomplete.

For instance, one of the main provisions of this bill is to allow large national corporations like Canadian National and Canadian Pacific to get rid of rail lines that are no longer viable. Potential buyers would create so–called short line railways.

This has been very successful in the United States. In fact, like us, the Americans have had to revamp their legislation and regulations on railway transportation. They did so in 1980, when they passed the Staggers Act. One of the measures included in the bill was the development of short line railways. Since the Staggers Act was passed, more than 250 short line railways have started operating in the United States. This proliferation of regional railway companies made it possible to recycle more than half of the surplus rail lines abandoned by the large railway companies. According to information provided by Canadian Pacific, these short line railways, and I quote: ''co–operate with the main rail carriers to provide efficient transportation for shippers located along lines with a lower traffic density''.

In Canada, railway overcapacity is a major problem. In fact, according to CP Rail and I quote: ''more than half—53 per cent, to be exact—of the 20,000 kilometres of CP Rail tracks in Canada carry only 5 per cent of railway traffic. The situation is similar at CN''.

The railway company adds: ''As far as CP's system is concerned, we are looking at more than 10,000 kilometres of rail that bring in insufficient revenue and on which millions of dollars in land taxes must be paid. —Establishing short line railways is one way of resolving the excess capacity problem. With their smaller cost structures, these railways are able to provide services that are not viable for larger railways''.

The government claims to want to foster the establishment of short lines. In the background paper on this bill, the Canada Transportation Act, the government states that the new process was designed to encourage the sale or lease of rail lines to short line railways.

To this end, the government suggests that major railway companies develop a three–year plan in which they identify how they intend to dispose of their railway lines. CN and CP will be required to put up for sale those lines they no longer want to operate before they can abandon them.

• (1310)

Interested short line railways will have five months to come to an agreement with the national company, after which time, if no short line railway has come forward and no agreement was reached by the parties, the government, whether municipal, provincial or federal, will be entitled to exercise the option of operating the line. And, if no interest is expressed by any government, the company will then be allowed to just abandon the line.

This is a simpler procedure than the one in place until now. It has the advantage of fostering the establishment of local and regional rail transport companies. However, the government went only halfway, failing to stimulate the development of these short line railways which could become major players in regional development. Moreover, the process provided in the bill to allow national railway companies to dispose of their railway lines is flawed in a number of ways.

For instance, the establishment of short line railways will require huge capital investments on the part of those interested in such a venture. However, the federal government does not include any measure to facilitate the funding of these new ventures, unlike what the Americans did with the Staggers Act. For example, the government could have included loan protection measures to help establish these short lines.

Also, it appears that, between the time when this bill is proclaimed and the time when CN and CP's three–year plans are available, there will be a gap during which railway companies will be able to divest themselves of part of their surplus lines, without any interested party having time to review the potential of these lines, or find the required capital to buy or rent them.

Finally, the bill provides that, if no company is interested in operating a line declared to be surplus, or if no agreement is reached between the potential buyer and the railway company, governments will only have 15 days to decide whether or not to acquire that line. Such a deadline is definitely not reasonable, in my opinion. In imposing such a short time frame, the federal government adversely affects the regions, since they will simply not have time to inform their officials of the situation that will then prevail. These three flaws in the bill could jeopardize the establishment of short line railways. The government must make appropriate changes before the bill is passed.

As for airline transportation, the government is proposing a measure which gives me great concern. I am referring to clause 70(2), which reads:

> The Minister may, in writing to the Agency, designate any Canadian as eligible to hold a scheduled international licence and, while the designation remains in force, that Canadian remains so eligible.

That clause must be repealed. Indeed, it is common knowledge that this government favours Canadian Airlines, at the expense of Air Canada, which is based in Montreal. To grant the Minister of Transport the discretionary power to decide who can hold an international licence when a transportation agency was established for that purpose is just plain unthinkable.

Air service licensing should be open and impartial. The licensing process must not be subject to pressure from lobbyists, like it was last winter, when the Liberal government granted Air Canada only partial access to Hong Kong, while Canadian was granted unlimited access to the U.S., designated secondary carrier for Frankfurt as well as licensed to service Vietnam, the Philippines and Malaysia.

As the official opposition's critic for Canadian heritage, I am baffled by the fact that this bill gives such discretionary power to the Minister of Transport. I am afraid that this could create a dangerous precedent and become standard practice in all federal departments.

It worries me to think that such power could be given to, say, the Minister of Canadian Heritage or the Minister of Industry regarding the CRTC. Imagine for a moment what could happen in Canada if, just by sending a memo to the CRTC, either of these ministers could make people eligible to hold a telecommunications or broadcasting licence. One can easily infer that, given such power, the government would not have had to issue an order in council to favour Power DirecTv.

• (1315)

Consequently, the Prime Minister's son–in–law would not have had to appear before the CRTC and American T.V. would have flooded the Canadian airwaves.

Giving discretionary power to a minister jeopardizes collective good and interests. That is why I ask the government again to delete clause 70(2) from Bill C–101.

[*English*]

Mr. Lee Morrison (Swift Current—Maple Creek—Assiniboia, Ref.): Mr. Speaker, I rise to speak to the motion to refer Bill C–101 to committee prior to second reading.

This massive document is supposed to be the first step in moving toward a rail system that will survive into the 21st century. It falls a little short. The rail transportation system has undergone major changes in the past decades but nothing compared to what is needed to ensure its future contributions to Canada's transportation needs.

The end of the Crow signalled the end of federal government subsidization of the railway companies. The rail companies must now be wholly dependent upon consumers paying for their services which is a novel idea in a country that has historically fostered government dependency.

We commend the Liberal government for realizing that changes must take place in the rail industry, however there must be more than just a realization that changes must be made. Tinkering with the rail system will not get to the route of the problem.

In the spring session we saw a number of bills rammed through the House without proper analysis.

Bill C–89, the commercialization of CN Rail, was sent to committee directly following first reading. In theory this should have allowed the committee to seriously examine the legislation and make amendments prior to second reading. In practice, this was smoke and mirrors and referral to committee was a ploy to allow rapid passage of the bill by short circuiting debate.

There should have been an opportunity to analyse the bill in detail but that never happened. The Liberal majority had no interest in even debating proposed amendments, much less giving them serious consideration. It now appears that Bill C–101 may be following the same fast track taken by Bill C–89.

Other bills that followed a similar process in the spring session were Bill C–64 on employment equity and Bill C–69 on electoral boundaries. There were some amendments on that one but they were only Liberal amendments and then it was fast tracked through. Another was Bill C–91, reorganization of the Federal Business Development Bank, and on and on.

The Reform Party will not be conned again into supporting this devious strategy. Bill C–101 has enormous implications for rail transportation in this country and it deserves serious assessment which it will not get if the government spirits it away to one of its neutered committees where the Liberals and the Bloc can, as usual, collude. They do not have to take seriously or even consider the smallest changes which we in the real opposition might propose.

The Reform Party has categorically stated numerous times that distortions in the marketplace caused by subsidies and regulations must be removed. Although subsidies to the rail companies ended with the death of the Crow, many of the regulations will remain in place.

I will briefly outline a number of concerns that Reform has with Bill C–101 with regard specifically to the agricultural sector. The legislation as it now stands calls for statutory review of the freight rate cap four years after the act comes into force. It will then be determined by the minister whether or not to repeal the cap and move toward a more market oriented system. It has been suggested that because a cap is a double edged sword, rail companies will automatically charge the maximum freight allowed for as long as they can.

The Reform Party supports the move away from a regulated system toward a system where freight rates are freely negotiated between shippers and carriers. Having a maximum rate does little in the way of promoting efficiencies in the industry.

• (1320)

We accept the need for a transition period between regulated rates and those determined through competition. This should be accomplished in the shortest possible time. Four years as originally proposed is ample, more than ample.

A less regulated system will allow for more efficient rail transportation. Rail line rationalization of high cost, low volume branch lines will permit an overall reduction of system costs. Several grain companies and farmer owned groups are already preparing for this type of system by building high throughput elevators on economically viable rail lines.

With respect to the creation of short lines, these should operate without government funding in locations where they will provide a viable cost effective alternative to other means of transportation. Short lines must be allowed to compete with other carriers on a level economic playing field. If they cannot compete, then they should not exist.

There are competitive short lines in Canada. The line operated by Railtex between Truro and Sydney, Nova Scotia, the Cape Breton and Central Nova Scotia railway carries coal, steel and general freight. Last year it had a profit of more than $3 million which was shared among the owners and employees. A second success story is the 70–mile Goderich–Exeter railway, also operated by Railtex.

Efficient cost conscious short lines work even when they are grain dependent. A couple of good examples are the little Southern Rails Co–Operative in southern Saskatchewan and the 114–mile Northeast Kansas and Missouri line south of the border.

A glaring fault in Bill C–101 is that under the proposed process for discontinuance, a railway company abandoning a branch line will be able to stifle competition by refusing to negotiate seriously with prospective buyers who want to operate a short line, notwithstanding section 144(3) which is window dressing. Canadian taxpayers, having financed these branch lines through the rehabilitation program in the 1970s and 1980s, have a very legitimate stake in this process.

In order for a competitive transportation system to develop, cumbersome regulations and restraints must be lifted in all sectors. This is very evident in the marketing and transporting of grain. A large number of producers and shippers close to the United States no longer want to be held captive by Canadian rail companies. Many farmers in southwestern Saskatchewan want to see more Canadian grain shipped on the U.S. rail system in order to take advantage of the efficient and economical elevation and terminal facilities south of the border. This would indirectly result in a more competitive environment for Canadian railways especially where, as in my riding, one carrier has a monopoly.

In summary, there are a number of stakeholders with legitimate concerns about the proposed legislation. It is essential that these concerns be heard, reviewed and assessed accordingly. If the referral process to committee is just more smoke and mirrors on the part of the Liberals, then there is very little reason for the bill to go to committee.

The Reform Party wants the consideration of legislation to be meaningful and open to all stakeholders. It therefore opposes the fast track ploy.

Mr. Wayne Easter (Malpeque, Lib.): Mr. Speaker, I am pleased to have the opportunity to speak on Bill C–101, the Canada transportation act.

It is important to note that the opportunity to speak on this bill prior to its going to committee is different from what the previous speaker from the Reform Party has indicated. It has really given the public a greater opportunity to put forward its concerns and to hopefully have them addressed and acted on.

• (1325)

Since the House was informed under Standing Order 73(1) of the intention to refer the bill to committee before second reading, there have been a lot of letters and submissions coming in to members of Parliament from provincial governments, organizations and individuals. I have found them in the main to be well thought out and well researched. This gives us the opportunity to investigate their concerns and apply some forethought to the bill from a number of different perspectives.

Today I will address my remarks to some of the points being raised in some of those submissions, particularly points relative to the grain transportation industry and its impact on agriculture.

Mr. Morrison: In P.E.I.

Mr. Easter: The member from Reform indicates in P.E.I. I have found the people from the prairies continue to come to some of us who did live out there for a while because they cannot get the kind of response they want through the Reform and they naturally have to come to the Liberals in other areas of the country.

I bring these points up partly because of my past experience in this area and my identification of transportation as extremely important to the development of agriculture and the development of this country.

During extensive hearings last spring the subcommittee on grain transportation which I chair, in reviewing the impact on agriculture of changes to the WGTA, ARFAA, MRFA and feed freight assistance, we heard a lot that relates to some of the Canadian transportation act points. We are currently awaiting a response from the government on some 14 recommendations.

The minister was able to highlight the positive aspects of the legislation. I will try to highlight those aspects of the legislation which may require adjusting and amendment.

In April Transport Canada briefed the provinces on the impending transport legislation. The four objectives outlined at that time were: one, allow the railways to dispose of surplus trackage by offering lines for sale to short line railways prior to initiating abandonment; two, maintain provisions in NTA 1987, which have improved bargaining of shippers and extend these provisions to shippers served by short line rails; three, provide for limited running rights for short line railways over CN and CP lines; and four, reduce regulatory controls on CN and CP providing the railways more freedom to manage. These objectives are sound but we must ensure the legislation actually meets these objectives.

In a submission by the ministers of transportation for the three prairie provinces on Bill C–101, they claim the legislation does not meet these objectives. Although I will raise a number of points discussed by the prairie governments, I also want to indicate that a number of other submissions from prairie pools, UGG, NFU and others have raised similar concerns. I will table them to ensure the committee looks at them and considers them seriously.

Having been a farm leader, it is very important for the committee to develop an understanding of the people who are most affected by these changes. I encourage the standing committee to get out of Ottawa, get away from the bureaucracy and go where the people are to hear their concerns relative to this bill. It is only in that way the committee will really understand the impact of this bill including how it will affect the lives of people especially those in the agricultural community.

The three prairie provinces are specific in addressing their concerns the first of which is the role of the National Transportation Agency. The three prairie governments indicate in their submission: ''Bill C–101 significantly changes the scope and authority of the NTA. The Canadian transportation agency will no longer have the authority to initiate enquiries''. The prairie governments' submission continues: ''The result is greater restrictions on shipper access to the agency and a weakening of legislative provisions intended to address and/or redress situations where competition is weak or absent''.

• (1330)

The committee has to go out to the prairies so it can understand where the prairie governments are coming from on that point of view and in order to get some balance so that there is fairness to the railways and to the communities and players involved.

It is critical that the committee study these concerns to determine the possible amendments that may be required to address any shortcomings in the creation of the Canadian Transportation Agency.

The second point is rail line abandonment. Prairie provincial governments in their submission outline their concerns as follows:

> Bill C–101 allows a railway to change its three–year plan without providing advance notice. A railway could indicate its intention to continue operating all of its lines and modify its plan each time it decides to sell or abandon a line. This would provide interested buyers only a minimum of 60 days to consider purchasing the line. This may not be sufficient time to develop a business plan and arrange suitable financing.

That point should be looked at by the committee to ensure the public has the time and that part of the bill does not jeopardize efficiencies in the system. Bill C–101 must ensure the issues of notice and disinvestment by the major railways are addressed.

The third point is legislative review. The prairie provinces and others have outlined that the review at the end of the four year period must address three specific issues besides the overview provided in the legislation: review financial performance of federal railways; assess the new line conveyance and abandonment procedures; assess provisions affecting the development and viability of short line railways. Those are important points.

The subcommittee tabled its report in June. Included were a number of recommendations. A very important recommendation relates to short lines which really could create some efficiencies in western Canada and could ensure that if the short line were brought into place on lines targeted for abandonment, the farmers would have to haul their grain longer distances as abandonment would likely cause.

Some key points raised in the report are: one, the appointing of an independent ombudsman to monitor freight rates; two, process of consultations with all affected parties prior to major decisions respecting grain handling and transportation; three, that there be appointed a consultant to undertake a special study to identify rail lines potentially operable by short line railways; four, that federal and provincial ministers meet to consider alternatives for approving branch line takeovers; five, that the cost benefit review of the NTA of grain dependent lines take into account total transportation efficiencies.

I want to review the points in the act that the committee has to give serious concern to regarding submissions coming from the

agriculture community, particularly the west. I will not elaborate on the points but simply indicate the clauses. Clauses 27.2, 34 and 113 require extensive investigation by the committee.

I hope the committee gives serious consideration to travelling. It should go out and develop an understanding. This bill has major implications. It can develop our future in a positive or a negative way. The government wants to develop it as positively as possible. To best do that we need input from the people most seriously affected.

[*Translation*]

Mr. Réjean Lefebvre (Champlain, BQ): Mr. Speaker, like my colleagues for Blainville—Deux–Montagnes and Rimouski, I think this bill lacks both transparency and clarity. This is why I will vote against it.

In introducing Bill C–101, the government said it had three goals. First, it was to modernize legislation on rail transportation. Second, it was to redefine the mandate of the National Transportation Agency, which, in the future, would be called the Canadian Transportation Agency. Third, it was to further deregulate air transportation.

• (1335)

With your permission, I will start with this last point, which, I must admit, causes me considerable concern. Clause 70 of the bill specifically provides that the minister must give his approval for the Agency to issue a licence to operate a scheduled international service.

Thus, the minister is given full discretionary power in the issue or non issue of licences. This is a lot of power. I do not want to impute motives to the minister, but we have to admit that, in certain circumstances, a minister might well act a little less than rigorously and risk striking a nasty blow to this government's integrity and transparency.

By way of example, we might recall the awarding of international air links and the treatment given Air Canada and Canadian Airlines International in this area. Is there some bias in favour of Canadian? I do not know. All I know is that these two companies do not compete on an equal footing.

That same clause stipulates that the minister shall also issue the same type of authorization to all non–Canadians wishing to hold this same type of licence. At this time, with Quebec sovereignty imminent, we have doubts about the minister's ability to remain impartial despite all his good intentions. What guarantee do we have that Quebecers will be treated with the same concern for fairness and equality as anyone else? Might there not be another repetition of the double standard to which the federal government has accustomed us Quebecers ever since 1867?

This is important. Last winter we were all in a position to see what solely political considerations and powerful lobby groups can accomplish, how they can influence government decisions. Keep in mind how Air Canada and Canadian Airlines contracts were awarded. Moreover, can we have any certainty that the minister's decisions will place public interest above everything else and, if so, how can we have that certainty?

The government would have been far wiser to have taken advantage of the opportunity available in this bill to mandate the Agency to assess proposals from carriers and to decide on allocation of international routes through an impartial public quasi judicial process.

Bill C–101 also affects the railways, and some of its provisions would benefit from a review. Clause 90 is a perfectly beautiful example of flexible federalism. While this government is unceasingly singing the praises of Canada with this bill, it is once again exhibiting an extremely unhealthy tendency to interfere in provincial jurisdictions. This government's flexible federalism means that the provinces give in and the federal government invades their jurisdictions.

Take the short line railways, for instance, which are a purely provincial matter. Nevertheless, clause 90 of the bill authorizes Parliament to pass legislation declaring any railway, including short line railways, a work for the general benefit of Canada. Basically, this means that provincial legislation no longer applies and that the company is regulated by the federal government.

While Quebec is doing everything in its power to encourage the creation of short line railways, the federal government, with its continuing tendency to interfere with the business and jurisdictions of the provinces, is doing everything it can to discourage or prevent Quebec investors from investing in short line railways.

• (1340)

Clauses 140 to 146 refer to the sale of railway lines. We read that potential investors have only 60 days to indicate their interest.

Sixty days to indicate their interest, to make an assessment of and collect, the capital required to purchase the lines available. This is hardly encouragement, unless it is supposed to encourage them to drop their plans.

As a member from a region—the riding of Champlain—where railways are practically non–existent, I think I can say that this government gives no consideration to the development of the regions which, you may recall, were severely affected by the abandonment of branch lines. The federal government is letting the regions die a slow death.

While the Quebec government supports decentralization to the regions, the federal government is interested in the regions only insofar as that they give it an opportunity to interfere in areas under the jurisdiction of Quebec.

As I read this bill, I wondered whether the Minister of Transport consulted his colleague, the Minister of the Environment, when the bill was being prepared. At a time when the Quebec government invests millions of dollars so people will ''think green'', when Quebec schools teach our children at an increasingly younger age about protecting the environment, the bill before the House today does not provide that the agency shall conduct an environmental study before authorizing the construction of a railway line. Why give more power to the auditor general under Bill C–83, if we cannot even ensure protection of the environment in an area relating to transportation?

Is it not our duty as lawmakers to protect the future of our planet and, therefore, any legislation that could have an effect on the environment should contain clauses to ensure this protection.

I cannot support this bill because it is unclear. It is totally vague. Is this government's trademark not its lack of clarity? The fog settles in without clarifying anything about the new Canadian transfer. And yet, the government was saying a few months ago that this was the key that would unlock Quebec's claims. The same was said about unemployment insurance reform.

One thing is sure, Quebecers know the sort of society a yes vote will take them into. Whereas a no vote does not reveal what sort of Canada we will be in. No doubt it will be a foggy Canada, because discussions on this keep being put off.

For these reasons, I will vote against Bill C–101.

[*English*]

Mr. Mike Scott (Skeena, Ref.): Mr. Speaker, I am pleased to rise today to address the motion to refer Bill C–101 to the Standing Committee on Transport prior to second reading. As we are all aware, in the past a number of bills have been sent to committee prior to second reading. Bill C–45, Bill C–64, Bill C–89 and Bill C–91 are a few of the bills which have gone through that process.

Originally Reformers supported this new process since we believed the government when it said MPs would play a much greater role in shaping legislation within committee. However, committee reform has come to represent yet another broken promise within the Liberal red ink book. That faulty document states that MPs will receive a greater role in drafting legislation through committees. It goes on to say that committees will also be given greater influence over government expenditures.

It will come as no surprise to anyone who has sat on a committee that none of these things has come to pass. In most cases the opposite is true; the role of MPs at committee has been diminished or their efforts have been deliberately obstructed by Liberal committee members.

The best example of this is the fiasco which arose over the committee hearings surrounding Bill C–64, an act respecting employment equity. As I mentioned earlier, this bill was sent to committee prior to second reading under the premise that it could be more easily studied there and amendments could be brought forward and discussed at length.

● (1345)

However the proceedings were completely mismanaged and the whole examination of the bill was so skewed in favour of the government's position that Reformers boycotted the hearings. For instance, only four of the fifty witnesses to be called before the committee were accepted from the list submitted by the Reform Party.

Furthermore, debate on each clause within the bill was limited to five minutes. This meagre five–minute allotment included the introduction of amendments, debate on the amendments and time to ask questions of departmental officials. Government members of the committee refused to accept amendments printed in only one of the official languages, and it is reported that numerous voting irregularities occurred. This was the new and improved committee process we were promised in the red book.

Before referring Bill C–64 to committee prior to second reading on December 12, 1994, the minister of human resources stated that the process represented: ''innovation on the part of the government to turn over a bill after first reading to a committee so it can help in the actual drafting of the bill''.

As we have heard, MPs from my party were allowed almost no input in the final drafting of Bill C–64. However the futility of committees is not constrained to that one example. If we turn to Bill C–89, a piece of legislation that would see the privatization of CN Rail, we can also point to instances whereby opposition MPs were simply ignored with respect to amending legislation.

The Reform Party put forward a number of non–partisan amendments to the bill that were in the best interests of the Canadian National Railway, the industry and the taxpayer. Again these amendments were ignored and the bill was ultimately fast tracked with no amendments being introduced. MPs who were promised input into the legislative process were thwarted.

Further, it comes as no surprise that the government fast tracked Bill C–89 and is now attempting to do the same with Bill C–101. Bill C–89 permits shares of CN Rail to go on sale this fall. Bill C–101 is an attempt to bring the Canadian rail industry into a more competitive position with respect to its U.S. counterparts. Bill C–101 attempts to make it easier to establish short line railways and abandon lines. It reduces the number of regulations and taxes imposed on the rail industry. Should Bill C–101 be fast tracked, CN Rail shares will look more inviting to potential investors.

In all, Bill C–101 is a huge piece of legislation which shippers, railways and provinces have serious concerns over. All these parties have a right to be heard and that right should not be denied because the government wants to ensure CN Rail shares will sell this fall.

In August the minister of agriculture stated that the legislative process surrounding Bill C–101 would be open and amendment friendly. However, as I understand it, the Standing Committee on Transport has imposed arbitrary deadlines for submissions by stakeholders.

Further, I am told that while submissions have been received by the committee, the committee has yet to make them available to committee members. Why should we believe the minister of agriculture or anyone else with respect to the promises of openness and thoroughness at the committee stage?

The minister of human resources promised the same in relation to Bill C–64 and Reform MPs were shut out of that process as well. The government is long on promises, awarding MPs greater powers at committee stage. However it is short on delivering on promises, as we have already seen in a number of bills.

Therefore it will come as no surprise to members of the Chamber that I cannot support the government's motion to refer the bill to committee prior to second reading. Reformers will not assist in fast tracking such an important piece of legislation to spruce up CN Rail's profile for sale of its shares this fall. Reformers will not help the government limit access to committee hearings under any circumstances.

All parties affected by Bill C–101 have a right to come forward and be heard. We gave the government the benefit of the doubt and supported its promises of parliamentary reform through the committee reform system. It has done nothing to revamp the process and its promises amounted to nothing but so much Liberal hot air, of which we have had enough in the Chamber, let alone at committee.

• (1350)

I guess committee reform will just have to be added to the long list of Liberal broken promises. Accordingly I will not support the motion presently under debate.

Mr. Stan Keyes (Hamilton West, Lib.): Mr. Speaker, I rise to speak to Bill C–101 respecting the Canada Transportation Act. In my capacity as chairperson of SCOT I had originally planned to speak to the bill after committee review. I believe it is my first duty to hear and evaluate the concerns and issues raised by various stakeholders who may be affected by the legislation to ensure an effective legislative process.

Speaking of process, I was listening very carefully to the misleading statements made by the member for Kootenay West—Revelstoke and felt compelled to respond. A full seven minutes of the ten–minute slot allotted to the member to speak to Bill C–101 were devoted to procedural matters that were not at all relevant to the substance of the bill. Plain and simple, the member chose to play politics, something the third party promised not to do when elected to the House.

Bill C–101 was introduced in the House by the Minister of Transport on June 20. Privileged to be the chairperson of the Standing Committee on Transport, I attempted with the consensus of committee members, as stated in my letter to the stakeholders dated July 17, 1995, to ''solicit written submissions throughout the remainder of July and August in order to ensure that you and other stakeholders have ample opportunity to apprise committee members of your concerns prior to formal consideration of the legislation in the fall''.

In other words, I first appealed to the opposition members of both parties to proceed with a pre–study of the bill. The notion was flatly rejected. Step two was to make an appeal to the stakeholders, as previously stated, to send along their written submissions to give committee members, especially members of the third party, an idea of the concerns raised by stakeholders as early in the process as possible.

I asked them to prepare not 25 copies as alleged by the member for Kootenay West—Revelstoke earlier this day but 15 copies, if possible, to cut down on committee expenses, something else the third party preaches ad nauseam. We also asked that submissions be sent in both official languages. Unfortunately many were not. Therefore, before the clerk could circulate the submissions, we had to have them translated and that takes time.

Mr. Stinson: No.

Mr. Keyes: Tell your colleague from Kootenay West—Revelstoke that.

The Acting Speaker (Mr. Kilger): I understand that at all times matters of importance bring out strong views and strong feelings. However I remind all members to make their interventions through the Chair.

Mr. Keyes: There was no secret agenda to hold back submissions as the hon. member for the third party has suggested. I explained all this to the member verbally last week. I went over there, sat down, explained it all to him, and then I followed it up with a formal letter addressing each and every one of the concerns he raised in the House today.

That did not satisfy the member opposite, not at all. Finally and quite frankly the chairperson, committee members, the government—

Mr. Fontana: And the parliamentary secretary.

Mr. Keyes: And the parliamentary secretary, the member for London East. We are doing our level best to produce effective legislation.

Because of my appeal to the stakeholders backed by the consensus of the committee in July, our committee clerk has received over 70 written submissions and close to 100 requests to appear before the Standing Committee on Transport. We have done our homework.

• (1355)

I assure the House and all my colleagues that, as I stated in my letter to the member for Kootenay West—Revelstoke, every stakeholder who has contacted the committee clerk to appear before the Standing Committee on Transport is being provided with the opportunity to do so with or without a written submission.

We look forward to working on Bill C–101 as put forward by the Minister of Transport to create the effective legislation the country needs to go into the next century with a transportation system that will be unmatched by any other country in the world.

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, I am pleased to commence, albeit briefly, debate on the bill. I recognize that in only a few minutes we will be adjourning to commence proceedings under Standing Order 31.

However, in the few moments afforded me, I want to talk about the bill in question respecting the Canada Transportation Act.

I guess it is now time for question period.

The Speaker: We always welcome astute comments.

[*Translation*]

It being two o'clock 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*]

FLEETWOOD TRAILERS

Mr. John O'Reilly (Victoria—Haliburton, Lib.): Mr. Speaker, it is a pleasure to announce that the Fleetwood trailer facility in the town of Lindsay, Ontario, has won the customer satisfaction award for the fourth consecutive year.

The Prowler trailer plant competes against 15 other factories in North America every year and it is the only facility located in Canada. Its rating was over 95 per cent.

It was my pleasure to present a Canadian flag to our friendly American vice–president of operations who attended from California to help congratulate the Lindsay plant employees on their championship.

I say congratulations to the Lindsay management and employees on their success.

* * *

[*Translation*]

FIGHT AGAINST AIDS

Mr. Maurice Dumas (Argenteuil—Papineau, BQ): Mr. Speaker, yesterday, 40,000 people, including 25,000 in Montreal, took part in the walk against AIDS. The purpose of this third Farha Foundation walk–a–thon was to collect funds for those organizations that assist and support people with AIDS.

With serenity and respect, the procession observed a minute of silence to pay tribute to AIDS victims so that no one will forget them or forget that this disease is still causing too many tragedies.

Saint–Exupéry used to say that everyone was responsible for all. The walkers showed this kind of solidarity. As for the federal government, it is still waiting to assume its responsibilities and take real action against this disease. Will the federal government finally listen to reason? It is worth repeating that ''everyone is responsible for all''.

* * *

[*English*]

COMMUNITIES IN BLOOM

Mr. Philip Mayfield (Cariboo—Chilcotin, Ref.): Mr. Speaker, the city of Quesnel, British Columbia, in my riding of Cariboo—Chilcotin was a finalist last weekend in the Canada–wide competition called ''Communities in Bloom''.

Each year proud community minded citizens across the country are pleased to show off their towns and cities to the judges. The finalists were judged on the quality of their green space, the diversity and originality of landscape, general tidiness, environmental awareness, and the level of community involvement.

The people of Quesnel are very proud of the natural beauty of their city at the confluence of the Quesnel and Fraser Rivers. They have worked hard to make it beautiful for themselves and very attractive to all visitors.

I am proud that Quesnel was awarded the prize for originality in floral plantings.

I ask my colleagues to join me in warmly congratulating the citizens of Quesnel for this outstanding achievement.

SUPREME COURT

Mr. Bill Blaikie (Winnipeg Transcona, NDP): Mr. Speaker, the recent decision of the Supreme Court of Canada to overturn legislation passed by the House regarding the advertising of tobacco products is the latest evidence of a shifting balance of power away from Parliament toward the unelected and unaccountable Supreme Court.

In this and other decisions the court has extended the rights of individual citizens to business corporations as presumed legal individuals. This presumption has transformed the charter from a guarantor of individual rights to a political lever that allows corporations to evade the legitimate regulatory actions of a democratically elected government and House of Commons.

In addition, the court has also in some cases interpreted laws or extended them in ways deliberately not articulated by Parliament at the time the law was passed. This growing shift in power toward the court requires new measures to improve the accountability of the court.

I call on the government to consider a royal commission to propose measures that would add transparency to and wider participation in the process of selecting Supreme Court judges in a manner consistent with our parliamentary system of government.

* * *

NEW BRUNSWICK

Mr. Andy Scott (Fredericton—York—Sunbury, Lib.): Mr. Speaker, once again New Brunswick is on the cutting edge of the emerging new economy. It is leading in the area of making governments more user friendly and making it easier for Canadian businesses to compete in the global economy.

The federal and provincial governments will combine efforts on trade promotion and will share information on export programs. The program being announced today in Fredericton is to be known as ''Trade Team New Brunswick'', the first of its kind in Canada. This program will simplify the process of helping exporters develop new markets.

Under the trade team concept an entrepreneur will be able to get information on both governments' programs from any economic agency of either level of government. The trade team concept is a result of ten months of work by eight different government agencies.

I congratulate Premier Frank McKenna and the federal Minister for International Trade on this great achievement. I also extend my best wishes to the Canadian Exporters Association which is meeting in my riding today for its 52nd annual conference.

S. O. 31

FEDERATION OF STEREA HELLAS

Mr. John Cannis (Scarborough Centre, Lib.): Mr. Speaker, I rise to welcome a group visiting the nation's capital region today.

The Federation of Sterea Hellas represents over 15,000 Canadians who descended from the central part of Greece known as Roumeli. The federation is involved in many worthwhile projects and is primarily concerned with issues of an ethnocultural nature.

This year the federation has unanimously decided to recognize the right hon. Prime Minister of Canada for his longstanding commitment and service to our nation. It also commends him on his efforts of national unity, world peace and his undying belief in democracy and human rights.

I wholeheartedly support the federation in its decision and congratulate the Prime Minister on this well deserved recognition.

I also extend a warm welcome to the federation, its president, Mr. Constantin Bikas, and Mr. Chris Geronikolos. I hope their stay in Ottawa will be an enjoyable and informative one.

* * *

[*Translation*]

JOSEPH RICHOT

Mr. Reg Alcock (Winnipeg South, Lib.): Mr. Speaker, representatives from all political parties gathered this morning in the rotunda of the Manitoba legislature to unveil a plaque to commemorate Father Noël Joseph Richot.

Father Richot was an adviser to Louis Riel and led the delegation that negotiated the terms of the Red River Colony's entry into confederation. Through his arguments, the colony obtained provincial status and bilingual and bicultural institutions. Father Richot worked to expand the francophone population in Manitoba.

With this 125th anniversary of Manitoba's entry into confederation, it is appropriate to honour Father Richot at the Manitoba legislature, a provincial institution he helped create.

* * *

FÉDÉRATION DES FEMMES DU QUÉBEC

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, a majority of members of the Fédération des femmes du Québec support sovereignty. An exceptional proportion of 83 per cent of them have said yes to change. Each day, more and more women consider Quebec's sovereignty as a prerequisite to the progress of equity and justice in our society.

• (1405)

Whether it is for pay equity, parental leave, preventative withdrawal of work or child care services or to prevent regressive federal reforms of old age pensions and unemployment insurance, the women of the Fédération des femmes du Québec are convinced that only a sovereign Quebec will fulfil their needs.

The Bloc Quebecois invites all Quebec women to participate actively in the debate on Quebec's future.

* * *

[*English*]

PEARSON AIRPORT

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, this fall is an anniversary of sorts for the Liberal government. It will be two years since the controversial cancelling of the Pearson airport contract.

For two years the government has claimed the process was corrupt and yet for the same two years it has not produced one substantive piece of evidence demonstrating its alleged corruption.

For two years the government has claimed it was not a good financial deal for Canadians in spite of government documentation to the contrary, and yet for the same two years it has not come up with an alternative plan.

For two years the government has claimed that failure to pass Bill C–22 has resulted in its inability to deal with the problem in spite of the fact there is no injunction standing in its way and the Pearson Development Corporation has not requested specific performance in its court action.

Witnesses under oath at the Senate inquiry made allegations which indicate the cancellation of Pearson is nothing more than a snit by the Prime Minister against the principal partner in the deal who had the audacity to donate to the Prime Minister's main opponent in his leadership campaign.

After two years the Liberals should not be celebrating; they should hang their heads in shame.

* * *

QUEBEC REFERENDUM

Mr. Jag Bhaduria (Markham—Whitchurch—Stouffville, Ind. Lib.): Mr. Speaker, yesterday's official announcement confirming October 30 as the date of the Quebec referendum brings us a step closer to the certainty that the people of Quebec will overwhelmingly vote to stay in a united Canada.

I thank Premier Parizeau for giving the citizens of Quebec the opportunity to decisively say yes to a united Canada. Each and every eligible voter now has the opportunity to reject the false premises and unrealistic expectations of the separatist movement in Quebec. The destiny of millions of Canadians is now in their hands. I am convinced they will choose the no option.

Having spent the past four weekends in Quebec meeting with numerous committee organizations, I believe a stronger and united Canada will emerge on October 31. I urge every member of the House to work toward achieving a united Canada. Our efforts will make a difference in keeping Canada together.

* * *

CANADA

Ms. Bonnie Brown (Oakville—Milton, Lib.): Mr. Speaker, school children from around the world love contests, and last June Canadian school children got their chance to enter one.

At the request of cartoonist Ben Wicks newspapers from across Canada and the Schoolnet asked our children to depict how they felt about their country. They could submit letters, poems, drawings or paintings.

The response was overwhelming. More than 50,000 replies were received and 300 were selected for a new book called *Dear Canada/Cher Canada—A Love Letter to My Country.*

Today Mr. Wicks and 20 children from across Canada are in Ottawa to launch this book. The proceeds from the sale will go to needy mothers and children in Haiti and to the Boys and Girls Clubs of Canada.

Through this book the children of Canada are telling us what the rest of the world already knows, that Canada is the best country in the world.

* * *

PRESENCE IN GALLERY

The Speaker: Colleagues, Mr. Wicks and the children are here. I would ask them to stand and be recognized by Parliament.

Some hon. members: Hear, hear.

* * *

[*Translation*]

NATIONAL INFRASTRUCTURE PROGRAM

Mr. Ronald J. Duhamel (St. Boniface, Lib.): Mr. Speaker, the national infrastructure program put in place by our government will soon be two years old. All regions of this country have enjoyed the significant benefits of this program, which not only made it possible to modernize municipal facilities but also created an impressive number of jobs.

In Quebec, this program created over 25,000 new jobs in connection with 1,882 projects. To date, in excess of $436 million was injected into the various projects by federal, provincial and municipal governments.

• (1410)

The national infrastructure program also showed that the various levels of government can co–operate when they really want to. It is a good example of a successful and effective program, and we are quite proud of it.

* * *

QUEBEC ECONOMY

Mr. Mauril Bélanger (Ottawa—Vanier, Lib.): Mr. Speaker, yesterday the Parti Quebecois Premier made use of something said by one of the executives of the Bank of Montreal to reaffirm his confidence in the economic future of an independent Quebec. It is paradoxical, to say the least, to see the head of the Parti Quebecois using the words of a representative of the Bank of Montreal to support his separatist pretensions. In June 1994, the same man was publicly inviting Quebecers who did business with the Bank of Montreal to pull out of the institution because its chief economist had dared to say that the election of the Parti Quebecois would make the money markets extremely nervous.

This is a fine example of the separatists' double standard. If you make a statement in favour of Quebec independence one day, you are quoted publicly. Then, another day, if you say something against separation, you become the target of the PQ's big guns. So much for intellectual impartiality.

* * *

JOB CREATION

Mr. Michel Guimond (Beauport—Montmorency—Orléans, BQ): Mr. Speaker, historically Quebec has been the biggest loser by far when it comes to federal expenditures for job creation. A study commissioned by the Bélanger–Campeau Commission concluded that the current level of federal expenditures for job creation in Quebec is far below the average. Since statistics have been available, Quebec has not received its share of funding from Ottawa aimed at bolstering the economy, whereas Ontario has had the lion's share in terms of federal purchases of goods and services, capital investments, research and development, defence spending, I could go on and on.

With the cuts that were announced in the last federal budget not only will development continue in Ontario, but Quebec will not even receive the amount of social transfers it was receiving in the past. That is an excellent reason for a yes vote this coming October 30.

* * *

[*English*]

ADAMS RIVER BRIDGE

Mr. Darrel Stinson (Okanagan—Shuswap, Ref.): Mr. Speaker, three weeks ago the Adams River bridge was torched by an arsonist during the Gustafsen Lake confrontation, also with Shuswap Indians, forcing some 90 residents previously blockaded by the Adams Lake Indian Band to use a temporary ferry as their sole access to every service from medical health to the mail.

The Department of Fisheries and Oceans has said the salmon resource will prevent bridge demolition and reconstruction until mid–August 1996. Because the court ruled the private road belongs to the Adams Lake Indian Band, nobody knows who owns the bridge and therefore who has the responsibility to rebuild it.

I will present a petition today from Indian Point residents that the government buy out their homes at the assessed value.

On behalf of Adams Lake residents, mostly seniors seeking peaceful retirement, whose lives have been so terribly disrupted by federal and provincial government mismanagement, I urge the minister to buy out their homes now.

* * *

[*Translation*]

NORTH AMERICAN FREE TRADE AGREEMENT

Mr. Paul DeVillers (Simcoe North, Lib.): Mr. Speaker, the three countries that are party to the North American Free Trade Agreement have not yet been invited to comment officially on an independent Quebec's membership in NAFTA, and yet already anxiety is being felt in government headquarters in Quebec City. Today's *Globe and Mail* reveals that the Parti Quebecois government has prepared a list of 31 different subjects or areas for negotiation with the future partners before an independent Quebec joins NAFTA.

This list of preferential acts and regulations Quebec currently enjoys as a province of Canada would no longer be covered by the terms of the present agreement should Quebec separate. Quebec would be best assured of protecting these various sectors of activity by remaining in Canada, and this is what the people will say on October 30.

* * *

STUDIES COMMISSIONED BY THE QUEBEC GOVERNMENT

Mr. Raymond Bonin (Nickel Belt, Lib.): Mr. Speaker, what we now call the Le Hir studies will not go unnoticed in the current referendum debate. After delivering separatist tinted studies and after hiding studies that did not fit with PQ orthodoxy, the minister responsible for reworking information has just tabled in one fell swoop the last 26 studies he commissioned.

Furthermore, these studies are available for consultation only at government offices. Anyone wanting a copy pays 25 cents a page.

• (1415)

The people of Quebec have already amply paid for these separatist propaganda studies. The Parti Quebecois government's attempt to impose an information tax on them is unacceptable.

ORAL QUESTION PERIOD

[*Translation*]

RESEARCH AND DEVELOPMENT

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, last Friday, the Prime Minister refused to take part in a four–way public debate on the political future of Quebec and asked the official opposition to give him one good reason to vote Yes on October 30. Here is one good reason among many others, and I am referring to Ottawa's ongoing under–investment in research and development spending in Quebec, which is otherwise a preferred way to create new jobs. I may recall that Quebec receives only 18.6 per cent of federal funding, as opposed to 50 per cent for Ontario.

My question is directed to the Prime Minister. What explanation does he have for the fact that the federal government is depriving Quebec of its fair share of research and development and has done so for nearly 20 years?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, Quebec receives more than its share of research and development funding. The figures quoted by the Leader of the Opposition assume that money spent within the national capital area only benefits Ontario, while in my riding, I have 1,700 people who work in research and development institutions on the Ottawa side.

This is the wrong way to look at spending. In fact, when we exclude the National Capital area, we see that nearly 30 per cent of research and development spending goes to Quebec, which represents only 24.9 per cent of the population.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, if we exclude Ottawa, if we forget that Ottawa is in Ontario, if we overlook the fact that jobs created on the Ontario side benefit Ontario, that taxes are paid in Ontario, that contracts are awarded in Ontario and that research networks are created in Ontario, then he is right. However, Ottawa will not go away.

It so happens that Quebec receives only 13.8 per cent of Ottawa's research and development spending in its laboratories within the national capital area. Only 13 per cent is done in Quebec and the rest on the Ontario side.

Will the Prime Minister, and my question is directed to him since he is ultimately responsible—since he will not go on television, he can at least answer me here—will the Prime Minister—unless he sends his ineffable minister who just replied—will the Prime Minister at least admit that the federal government systematically discriminates against Quebec when distributing funding for research among its own laboratories?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I think the Leader of the Opposition is getting a bit upset. The answers given by the Minister of Intergovernmental Affairs were quite clear.

Here in the national capital, some people live in Quebec and work on this side of the river, while some people on this side of the river work on the other side. The minister just said that in his riding, Hull—Aylmer, on that side, 1,700 residents work on research and development in laboratories on this side, in the national capital. If we exclude the national capital, in other words, if we compare Quebec with the other provinces, Quebec receives more than its share.

It has 24 per cent of the population and receives 30 per cent. That is clear, if we compare Quebec with Saskatchewan and Ontario with Quebec. Here in the national capital, we share and share alike. We have lived together for more than a century and will continue to live together for another hundred years.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, all but a few—three, four or five—research centres are located on the Ontario side. Dozens of federal research centres are located in Ontario. The Prime Minister should at least acknowledge this basic truth, which is that Quebec has always been denied its fair share in research and development. Many have acknowledged this before him, so he could make a gesture today and admit it.

• (1420)

We know that Quebec receives federal help on social assistance, unemployment insurance and equalization, but this spending does not create jobs or stimulate the Quebec economy in any way.

Does the Prime Minister admit that Ottawa's chronic underinvestment in research and development, which creates jobs, is the reason why Quebec is so dependent on unproductive federal contributions?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, Canada developed in such a way that today, for example, the aeronautical industry is concentrated in Quebec. It could have been elsewhere in Canada, but that is the way things turned out.

Some sectors are concentrated in Quebec, some in Ontario, some in other provinces, so that Canada manages to develop in an equitable way. But there is always room for improvement.

I am not saying that Canada cannot be improved; it can always be improved. But one should not separate from a country simply because of petty quarrels on approximate budget levels on one side or another. One can find all kinds of justifications. For example, Quebec naturally receives money for national ports but, because it is in the middle of the Prairies, we have not yet dug a river in Saskatchewan so that we can give that province its share of the national ports budget. That province does not receive anything for national ports but it does not complain about it.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, what an extraordinary leap of logic.

The federal government is about to sign with GM, in Ontario, a major contract worth as much as $2 billion for the acquisition of armoured vehicles. Despite the intergovernmental affairs minister's attempt to reassure Oerlikon in Quebec, a GM spokesperson clearly indicated that Oerlikon was not a contender for the armoured turrets subcontract, in spite of the fact that Oerlikon is the Canadian center of excellence for this kind of work.

Given that, in the past 15 years, Quebec has been shortchanged by at least $10 billion in the distribution of federal military expenditures, why would the Prime Minister not give Quebecers the assurance that they will get their fair share of the economic and technological benefits associated with the generous contract which was awarded to General Motors instead of Oerlikon?

Hon. David Michael Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, to date, no contract has been signed with General Motors, and the question of content will be addressed as part of the contract negotiations.

As for Oerlikon, there have been discussions between officials of my department, other departments and General Motors to examine the possibility of including Oerlikon in GM's plans for manufacturing armoured personnel carriers.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, Canadian Prime Ministers have been promising for decades to remedy the situation. Yet, no corrective action has ever been taken.

How can the defence minister explain the statement he made about this contract on Radio–Canada's television program *Enjeux*, that the federal government cannot afford to be fair to Quebec? How does he justify making such a statement?

[*English*]

Hon. David Mr. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, it is not unusual but the hon. member has taken the words I used on that television program entirely out of context. What I stated was that the mandate of the Canadian Armed Forces is to deliver its services in the fastest, most efficient way possible.

We have to do that sometimes without having regard to the expenditures of national defence being equitable in every single region. Part of that problem harks back to the second world war when a disproportionate amount of Canadian forces infrastructure and spending was in the Atlantic provinces because it was a staging area for war. This has tended to disfavour certain regions.

• (1425)

In spite of that, in the 1994–95 fiscal year 20 per cent of military spending and 27 per cent of the capital expenditures were made in the province of Quebec.

* * *

NATIONAL DEFENCE

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

Media reports today maintain that documents received from the Department of National Defence through access to information have been falsified. One of these documents had entire sections deleted and the Department of National Defence did not indicate any omissions but presented it as an accurate copy of the original. Another document had not only been edited but entire sections had been rewritten in order to misrepresent statements which were damaging to the Department of National Defence in the original.

I demand that the Minister of National Defence explain the actions of his department to Canadians.

Hon. David Mr. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, in a review of certain access to information requests made of the department, it was discovered that certain errors and omissions had occurred. Immediately when that was made known to senior officials, I was informed. An investigation has ensued. The information commissioner has also been informed and we would like to know why this state of events has occurred.

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, on Friday the Prime Minister assured the House and all Canadians that the government takes responsibility for making sure that the Somalia commission has all the facts. Today's revelations call into question the government's commitment. The Department of National Defence has turned over mountains of material to the commission.

If the Department of National Defence is capable of falsifying documents to the media, how can Canadians be sure it is not altering evidence to the commission of inquiry in a similar fashion?

Hon. David Mr. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): I certainly do not accept the premise in the hon. member's question.

It is quite obvious that some erroneous thing has happened which is being investigated. Certainly we stand by what we have said repeatedly and what the Prime Minister said Friday, that all documentation will be made available and all co–operation will be given by the Department of National Defence to the inquiry.

We would like to know why these omissions did occur. We acted responsibly by informing the information commissioner. As soon as we know why this happened we will certainly make that public.

It was the department officials themselves once they found the errors who called in the person who had originally made the request. They were quite open and honest about this particular mistake that had occurred.

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, the Minister of National Defence has consistently expressed confidence in his department officials despite recurring charges of mismanagement, poor judgment and misconduct.

Another internal inquiry is utterly unacceptable. The DND hierarchy is absolutely unable to investigate itself. The evidence of these documents suggests possible criminal behaviour.

Will the minister treat this as a criminal matter within his department which is separate from the Somalia inquiry and immediately call in the RCMP to investigate the Department of National Defence?

Hon. David Mr. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I would not preclude any measure that might be taken with respect to this matter. Initially we are investigating it ourselves. Should it warrant investigation by an outside agency such as the RCMP, that will be done.

* * *

[*Translation*]

CFB CHATHAM

Mr. Jean–Marc Jacob (Charlesbourg, BQ): Mr. Speaker, my question is to the Minister of National Defence.

In order to lessen the consequences of the closure of the base in Chatham, New Brunswick, the minister forced the bidders for the program of refurbishment of armoured vehicles to do the work in Chatham, where there is no expertise in the field. Yet, in Saint–Jean, Quebec, the government closed the Military College, reduced the staff and the activities of the base, with dire consequences for the region's economy, but offered no compensation whatsoever.

How does the minister justify, on the one hand, compensating Chatham for the losses while, on the other, refusing to give Oerlikon of Saint–Jean the same incentives he gave GM, and this despite the fact that Oerlikon has unique expertise in the area of gun turrets?

• (1430)

[*English*]

Hon. David Mr. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, the armoured personnel carrier contract, the refurbishment of the old carriers and the direction of part of that work to Chatham—and the hon. member conveniently forgot to mention that most of the work on the refurbishment would be done at the defence workshops in the east end of Montreal—do not constitute any reparation or compensation for base closures. We have categorically ruled that out.

If we can assist a community, whether it is Chatham, Saint–Jean, Quebec, Calgary or anywhere else where base closures have been announced, by directing or encouraging suppliers to do business with a base or make purchases or manufacture in certain regions, then we would do so.

What we have said because of all of the closures—the one at Chatham being the most devastating in terms of its regional impact—is that any contractor who wishes to carry out a small part of the work of refurbishment would have to stipulate that the work be done in Chatham, New Brunswick. I think that is fair and equitable.

[*Translation*]

Mr. Jean–Marc Jacob (Charlesbourg, BQ): Mr. Speaker, I did not forget the whole business of refurbishing the armoured vehicles, but I remind the minister that he specified that contracts would be in Chatham, whether there is expertise there or not.

Should I understand that when it comes to Ontario and New Brunswick the Minister of National Defence does not hesitate to compensate for closures, protect jobs and even create new ones, whereas for Quebec there is no maintenance work provided for the old armoured vehicles? The Prime Minister wants us to give him good reasons to vote yes, here is one.

[*English*]

Hon. David Mr. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, the hon. member is quick to criticize the government, especially on defence reductions.

First, I have to remind the hon. member that it was his party in the last election that called for a 25 per cent reduction in defence spending.

Second, the hon. member has the Canadian forces base Valcartier near his constituency. He conveniently forgets to tell you, Mr. Speaker, that actually defence expenditures at Valcartier have been increased in the last couple of years when other regions have suffered.

Third, he conveniently forgets to say that the majority of the refurbishment work is to be done in an area of very high unemployment, the east end of Montreal, because the defence workshops there are the most able to perform that work. He does not tell us all of that.

* * *

1996 CENSUS

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, the Minister of Industry says that a question on race is included in the 1996 census because a specific question on racial origin would be beneficial for a wide range of purposes.

However, question 19 is inconsistent as it confuses race, nationality and geographic location. It would allow the Minister of Citizenship and Immigration to claim to be a visible minority because of his Latin American birth.

Can any minister advise the House of one purpose this question will benefit other than providing targets for the government's employment equity program?

Hon. Jon Gerrard (Secretary of State (Science, Research and Development), Lib.): Mr. Speaker, I thank the hon. member for her question. Every five years Statistics Canada gathers important information to allow the government to fulfil its programs and commitments to Canadians.

In this context, the questions which have been developed for the 1996 census are eminently reasonable and sensible.

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, Canadians filling out this question will have the option of stating whether they are one of the following nationalities: Chinese, Filipino, Japanese or Korean. However, most immigrants, or descendants of immigrants from these countries, consider themselves to be proud Canadians but they cannot indicate that.

Is the government prepared to stop the practice of creating hyphenated Canadians by adding another nationality to the list, Canadian?

Hon. Jon Gerrard (Secretary of State (Science, Research and Development), Lib.): Mr. Speaker, the hon. member has omitted to read question 17. Question 17 asks to which ethnic or cultural group does this person's ancestors belong. In Question 17, one of the answers is Canadian.

• (1435)

Question 19 is different. I point out that the census document will quite clearly allow people to show that they are of Canadian origin.

[*Translation*]

RESEARCH AND DEVELOPMENT

Mrs. Pierrette Venne (Saint–Hubert, BQ): Mr. Speaker, my question is for the Minister of Finance, who is responsible for regional development in Quebec.

When it was first announced that the Canadian space agency would be located in Saint–Hubert, we were told that federal aerospace research would be conducted in Quebec. However, aerospace research centres, which have a combined budget of close to $45 million, have remained in Ottawa.

Does the Minister of Finance, who is responsible for regional development in Quebec, agree that maintaining space research activities in Ottawa, rather than centralizing them in Saint–Hubert, close to the space agency, favours Ontario at the expense of Quebec?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, the aerospace industry employs over 32,000 people in Quebec, thanks to the federal programs in that sector. The fact is that the agency is there. It is not in Ottawa. As a Montrealer, the hon. member should know that there is a great deal of work in research and development. The agency is located in her riding. The member should be very proud of that and she should know that there is a lot of R and D being conducted, that a lot of work is being contracted out, and that many jobs were created thanks to federal activities in her riding.

Mrs. Pierrette Venne (Saint–Hubert, BQ): Mr. Speaker, how can the minister claim that Quebec was treated fairly by the federal government regarding federal research centres, considering that these centres employ only 3,000 people in Quebec, compared to 11,000, or almost four times more, in Ontario? Is this not another good reason to vote Yes?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, Quebec's pharmaceutical industry exists thanks to federal programs. The aerospace industry exists thanks to federal programs. As for the computer industry as a whole, Quebec entrepreneurs are successful in these sectors thanks to federal programs.

If we look at R and D grants, Quebec gets over 40 per cent thanks to federal programs. The truth is that the federal government has built on the enormous capabilities of our entrepreneurs and, instead of criticizing us, the hon. member should take pride in their success.

[*English*]

FOREIGN INVESTMENT

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, billions of dollars are required to finish construction of Canada's information highway. Right now those billions of dollars are stuck at the U.S. border. The reason they are stuck there is because of archaic foreign ownership restrictions that have been upheld by the government. Even its own advisory council is asking for change.

When will the government do something for consumers instead of catering to special interests and bring that much needed investment into the country?

Hon. Jon Gerrard (Secretary of State (Science, Research and Development), Lib.): Mr. Speaker, I am pleased that the hon. member has highlighted the importance of developing the information highway in Canada. It is important to note that it is recognized in the telecommunications area that our structure in terms of foreign investment is appropriate. They are looking at and have recommended changes in other areas.

Quite frankly we think the investment potential is here. It is a very exciting investment for the Canadian area and it is occurring with the existing rules in the area of telecommunications.

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, we have heard those speeches for two years in this place. If they keep up with this kind of attitude, the information highway will become an information goat path in Canada.

Thousands of jobs are waiting to be created in the country. Why is the government stifling the creation of all those jobs, those 21st century jobs, by maintaining 19th century protectionist policies?

Hon. Jon Gerrard (Secretary of State (Science, Research and Development), Lib.): Mr. Speaker, I am pleased to inform the hon. member that Canada's telecommunications infrastructure and programs are seen as among the leaders in the world.

● (1440)

We are moving very quickly to open up a very competitive environment. Investment in this area is increasing dramatically and the investment in research and development, which has been the particular question today, is very substantial. It looks like a bright future.

[*Translation*]

RESEARCH AND DEVELOPMENT

Mr. Gilles Duceppe (Laurier—Sainte–Marie, BQ): Mr. Speaker, my question is directed to the Minister of Finance, responsible for regional development in Quebec.

The Prime Minister asked us to find good reasons to vote Yes in the referendum, and here is another one. Research and development is a fundamental tool for developing the economy and employment in Quebec. Ever since statistics became available, Quebec has never had its fair share of federal spending in this area.

Will the Minister of Finance, who is responsible for regional development in Quebec, admit that the federal government has done nothing in the past two years to redress a long standing injustice with respect to research and development in federal laboratories, which leaves Quebec with a meagre 15.8 per cent of the R&D budget although it represents 25 per cent of the population?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, unfortunately for the hon. member, these figures are entirely inaccurate. They are not correct.

In the past ten years, the federal government built ten new research centres in Quebec.

An hon. member: Really?

Mr. Martin (LaSalle—Émard): Yes, really. Furthermore, six research institutions were established jointly with the province. All these institutions are involved in areas that are vital to the development of Quebec and Canada: biotechnology, energy, the environment, aerospace, optics, and many more.

Mr. Gilles Duceppe (Laurier—Sainte–Marie, BQ): Mr. Speaker, no mistake, it is absolutely too good to be true.

A study released in 1992 reported and I quote: ''Moreover, research and development expenditures by the federal government in Quebec must account for a fairer share than the disgraceful 13 per cent they now represent''. The author of that study—the Prime Minister says Le Hir—no, no, if you just look to your left you will see the author, the Minister of Finance, who was quoted in the June 8 1992 papers as saying so. He is the author.

It was the Minister of Finance who wrote ''the disgraceful 13 per cent'', when he was—

An hon. member: Oh, oh.

The Speaker: I am sure that we are getting to the question right now.

Mr. Duceppe: Yes. It is far from being too good to be true, nothing has changed. Is this not, based on the words of the minister himself, a good reason to vote yes?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, that was written when we were not in government. We have made a complete change in direction since then.

Mr. Speaker, I would like to congratulate the hon. member, the one quoting Le Hir, for at last quoting someone credible.

* * *

[*English*]

REGIONAL DEVELOPMENT

Mrs. Bonnie Hickey (St. John's East, Lib.): Mr. Speaker, day after day we hear Reform members criticize regional economic development especially in Atlantic Canada. I am an Atlantic Canadian and I would like to know the facts.

My question is for the minister responsible for the Atlantic Canada Opportunities Agency. Can the minister tell the House and my constituents what ACOA's success rate is, what concrete benefits it brings to the region and what is his response to the criticism from the third party?

Hon. David Dingwall (Minister of Public Works and Government Services and Minister for the Atlantic Canada Opportunities Agency, Lib.): Mr. Speaker, as the hon. member knows, the government committed itself both in the throne speech and in subsequent budgets to developing strong regional economies.

Regional development agencies by their very nature are decentralized institutions committed to working with the private sector, provincial governments, universities and other community organizations.

In Atlantic Canada, ACOA has been able to facilitate the private sector and its success rate is approximately 94 per cent.

I said to committee members that there are bound to be setbacks. There will probably be setbacks in the future, but at a success rate of 94 per cent when the federal government contributes one dollar under that particular agency it generates $4.20.

* * *

• (1445)

IPPERWASH

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, the criminal element in Ipperwash has led insurance companies to declare that the whole area of Ipperwash is an area of insurrection and rebellion. The solicitor general has decided to pass the buck and lay blame at the feet of the Ontario Provincial Police.

Now the provincial police is on a heightened state of alert because of a potential land grab by militant natives at the 2,000–acre Pinery Provincial Park this Thanksgiving weekend.

Will the solicitor general declare these renegades a national security threat and deal with them immediately? When will the minister put the safety of Canadians ahead of the interests of thugs and criminals?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, the matter is clearly under the jurisdiction of the Ontario provincial government through its police of local jurisdiction, the Ontario Provincial Police.

If the Ontario government through the Ontario Provincial Police feels that it needs assistance, there are recognized procedures in place to request such assistance. If a request is made it will be given very active and immediate consideration.

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, the solicitor general should do his job and make sure that the law is applied equally. Ipperwash is just one example of organized criminals getting out of control.

Since he does not believe it is a national security threat, how about the biker wars in Montreal and Toronto? These wars are being waged over the control of the drug trade, gun smuggling, prostitution and other contraband. The pipeline for this contraband is Akwesasne, Oka and Kanesatake.

If he does not believe this is a national security threat, will the solicitor general tell Canadians what is a national security threat, what is organized crime, and his reasons for not acting?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, under our Constitution the administration of justice is a provincial responsibility. The federal government cannot simply walk in and tell the Ontario Provincial Police or the Quebec provincial police to leave and let somebody else do their job. If they feel they need assistance there are provisions in place for that assistance to be requested and, if so, it will be responded to in a quick and effective way.

We are there to help law enforcement across the country. We want to see the laws enforced in an equitable and firm way across the country, but we are not in a position to tell, like the hon. member, that we do not think the Ontario Provincial Police or the Quebec provincial police can do its job. I am sure he should have, as a former member of a local police force, more respect for and confidence in similar police forces across the country.

[*Translation*]

RESEARCH AND DEVELOPMENT

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, my question is for the Minister of Natural Resources. Since the last federal election, Quebec has been awarded only 13 per cent of the research and development contracts of the Department of Natural Resources. Turning the clock back a little, Quebec has received under 10 per cent of research and development contracts for the past six years, a shortfall for the Quebec laboratory industry and Quebec researchers of tens of millions of dollars. Another good reason, Mr. Prime Minister, for a yes vote.

Because the Minister of Natural Resources has long been aware of the situation, what steps has she taken to ensure that Quebec obtains its full share of research and development contracts from her department?

[*English*]

Hon. Anne McLellan (Minister of Natural Resources, Lib.): Mr. Speaker, let me provide the hon. member this afternoon with some very good reasons why Quebecers should vote to stay in Canada.

In the Department of Natural Resources we have a substantial presence in the province of Quebec. Let me share with the hon. member some examples: our annual contribution to Forintek Canada, which recently established its eastern office in Quebec City; funding provided to the Centre canadien de fushion magnétique; the establishment of the Canadian Centre for Geomatics in Sherbrooke; and let us not forget the work done at the Varennes laboratories pertaining to energy efficiency and alternative energy.

The financial infusion of my department into Quebec is strategic and represents targeted investments that will ensure not only Quebec's long term economic future but the future of our nation.

• (1450)

[*Translation*]

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, that only amounts to 13 per cent, which is peanuts. You know very well that Quebec is being had all down the line.

The Speaker: Dear colleague, you must always address the Chair.

Mrs. Tremblay: Thank you, Mr. Speaker.

So the minister knows very well that Quebec has been had all down the line in research and development. Ten or thirteen per cent is far from our share. She could give us a long list; we would not be impressed.

My supplementary question is for the Prime Minister. Mr. Prime Minister, how do you justify—

Mr. Bouchard: No, no. ''How does the Prime Minister justify''—

Mrs. Tremblay: Pardon me. I should address you, Mr. Speaker. I got it wrong. I am all mixed up today.

How does the Prime Minister justify his minister and his government's inaction in a matter in which Quebec is clearly wronged?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the Minister of Natural Resources clearly showed a few minutes ago that she was not at all mixed up.

In Canada, we always try for a balance in all areas possible, but it is mathematically impossible for the proportions to be the same in each area for each province. Some provinces are smaller, some are bigger. It depends on circumstances. On the whole, however, the distribution of laboratories, research and development in Canada has been very fair. When I visit Quebec, I realize some sectors have benefited enormously from research and development in Canada. Aeronautics, as I said earlier, is concentrated in Quebec. In the Montreal region, Canadair is expanding considerably. Pratt & Whitney is another of the major specialty firms. It has gained a reputation for manufacturing engines not only in Canada, but throughout America.

So we do a lot and we will do even more in the future, that is certain, because once the situation in Canada becomes extremely stable, as it will on October 31, Canada will enjoy a new period of prosperity, and we will be able to share even more.

* * *

[*English*]

VIA RAIL

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, the federal government subsidizes VIA Rail to the tune of over $800,000 a day.

Last spring VIA ran a 50 per cent off special. The consequences of this action were twofold. First, privately run bus companies were forced to lay off workers due to the fact they could not compete with twice subsidized rates. Second, the Canadian taxpayer ended up paying for the 50 per cent cuts. Now VIA is at it again offering 50 per cent off rates for the winter and the fall.

My question is for the Minister of Transport. When will he do the responsible thing and put an end to this grotesque abuse of taxpayers' dollars?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, the future of passenger rail in the country is certainly in doubt. When we look at what the hon. member has just suggested in terms of the overall subsidy paid to VIA Rail and to other non–VIA passenger services, we have to be extremely careful about how we will handle the very strong demand on Canadian taxpayers for a subsidy.

Surely even the hon. member would agree that since VIA is running trains on a number of corridors throughout the country we should try to keep them as full as possible and try to avoid as much of a drain as possible on Canadian taxpayers.

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, once again the government is competing against the private sector and using taxpayers' dollars to do so. There is only one way to deal with the situation: privatize VIA Rail and end the squandering of public funds.

When will the Minister of Transport make the logical and ethical decision and introduce legislation that will commence the privatization of VIA Rail?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, I have already indicated that as the budget called for last year Transport Canada is looking at all its activities and all areas in which we have subsidies.

I am glad to see the hon. member believes we should be eliminating subsidies. I hope he will speak to some of his colleagues who are having second thoughts about some of the subsidies that have been eliminated so far.

I assure the hon. member that we will be taking into account the need to look at the future of VIA.

• (1455)

Now that the province of Ontario, the province of Quebec and the Government of Canada have made public the report on high speed rail, we believe the time has come to look very carefully at what the future of VIA and other passenger services in the country should be. Certainly, as has been the case in the past, we will be looking at privatization as one of those options.

* * *

CUSTOMS AND EXCISE

Mr. Julian Reed (Halton—Peel, Lib.): Mr. Speaker, my question is for the Minister of National Revenue.

Canadians expect a lot from Canada Customs in its responsibility for our international border. On the one hand we expect it to keep our streets and communities safe from smuggled guns, drugs and pornography. On the other hand we expect customs to speed the passage of tourists and goods into Canada because tourism and trade mean jobs in this country.

What is the Minister of National Revenue doing to improve service at Canada's borders?

Hon. David Anderson (Minister of National Revenue, Lib.): Mr. Speaker, the member is quite right that we do expect a lot from Canada Customs. Indeed it performs very well. It is one of the best customs services in the world.

Recently we worked on the accord between the President of the United States, Mr. Clinton, and the Prime Minister of Canada with respect to making the border easier for people who are regular travellers and those who pose no great risk to either country.

We have instituted a number of programs, CANPASS for the airports, CANPASS for rail and land traffic, CANPASS for boats, which allow people to get across the border substantially faster than before. At the same time it frees up resources for special teams where we feel there are areas of higher risk. It is this weeding out areas of higher risk from those of lower risk which we think will be the future of our services.

* * *

[*Translation*]

FORESTRY

Mr. René Canuel (Matapédia—Matane, BQ): Mr. Speaker, my question is for the Minister of Natural Resources.

In a letter to the Minister of Natural Resources, a group of Quebec organizations, including the Union des municipalités du Québec, is demanding $80 million from the federal government to compensate for its complete withdrawal from the funding of the private forestry sector by April 1996.

Does the Minister of Natural Resources intend to agree to the Quebec partners' request and to compensate the thousands of Quebec forestry workers abandoned by the federal government?

[*English*]

Hon. Anne McLellan (Minister of Natural Resources, Lib.): Mr. Speaker, as the hon. member well knows because of his interest in the forestry sector in Quebec, it was the previous government that decided to cancel FRDA, federal–provincial forest resource development agreements. Because of the sorry state of the finances of the nation left to us by the previous government, we had no choice but to confirm that decision of the previous government. Therefore FRDA will expire across the nation as their due dates come upon us.

Let me say that because of program review my department had to reassess its priorities. The Department of Natural Resources is not a department of regional economic development. It is primarily a department of science and technology. We are working very closely with our provincial counterparts and industry to ensure the forestry sector has the science and technology base it needs to compete with the best in the world.

Point of Order

LAC BARRIÈRE

Mr. John Duncan (North Island—Powell River, Ref.): Mr. Speaker, the investigator working with the commission de la jeunesse into allegations of sexual abuse at Lac Barrière reserve is expected to present a draft report to the band today.

The total cost of this is anticipated to exceed $300,000. There is concern that the investigator will provide a copy to the band but present only a verbal whitewash to the public. A verbal report is not good enough.

Could the minister assure the House that the public will get a written report rather than the most expensive speech it has ever paid for?

The Speaker: The hon. member for Leeds—Grenville.

* * *

GUN CONTROL

Mr. Jim Jordan (Leeds—Grenville, Lib.): Mr. Speaker, my question is for the Minister of Justice.

The Minister of Justice must have been very encouraged when close to 300 guns of various descriptions were voluntarily turned in recently to authorities in Ottawa–Carleton in exchange for free triple A baseball tickets.

● (1500)

Would the Minister of Justice consider some similar form of gun amnesty on a national scale as a way of flushing out unused and unwanted guns in our society?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, may I first of all acknowledge the hon. member's interest in the whole area of gun amnesty. I am grateful to him for his focus on that subject.

The government is fully aware of the value a gun amnesty can provide. Unused guns for which people no longer have a purpose and illegal guns could be turned in without consequence and without questions being asked. An amnesty can only make communities safer.

I can tell the hon. member that the government is considering an amnesty coincidental with the proclamation of Bill C–68 when that occurs.

Once again I am grateful to the hon. member for raising this point again.

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NUCLEAR TESTING

Mr. Bill Blaikie (Winnipeg Transcona, NDP): Mr. Speaker, my question is for the Minister of Foreign Affairs. It has to do with the fact that the Government of France has proceeded with another nuclear test in the Pacific.

Given the government's oft–stated desire to have Canada be more of a part of the Pacific rim, I wonder if the government is prepared to show solidarity with the opinions of the governments and the peoples of the Pacific rim and call in the French ambassador and tell him just how objectionable the Canadian people and the Canadian government find this continued nuclear testing.

Will the minister tell the House today not just what he is going to say but what the government is going to do about France continually flouting the opinion of the international community on this and the future of the planet?

Hon. André Ouellet (Minister of Foreign Affairs, Lib.): Mr. Speaker, I appreciate the view expressed by the hon. member.

The test is the second in a series of tests France has announced. I have expressed our regret on behalf of the Government of Canada. We hope that by 1996 all countries that have the capacity to have nuclear armament will cease these tests. In the meantime I believe our position is well known by the Canadian public, by the French authorities and by the public at large. I do not think the hon. member should be excited today since this was announced some time ago and we missed his first reactions when the first test took place.

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POINTS OF ORDER

MEMBER FOR MARKHAM—WHITCHURCH—STOUFFVILLE

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, my point of order is very brief.

We have agreed in this House to stand by your rulings. You have ruled that signs and symbols are not to be worn on the lapel. I draw to your attention the fact that the member for Markham—Whitchurch—Stouffville has such a device. Today he was even on camera when he made a statement. I think it would be correct for you to censure him.

The Speaker: I did not see the sign. I cannot see it from here.

Mr. Jag Bhaduria (Markham—Whitchurch—Stouffville, Ind. Lib.): Mr. Speaker, the sign I am holding reads ''One Canada''.

We have from time to time worn a lapel symbol which shows the unity of the country. It is not advertising something. From time to time we do display our support for good causes. This sign is a sign that we believe in a united country and—

The Speaker: Colleagues, you usually leave these things to my discretion. Would you mind if I took time to have a look at this particular sign.

I would point out to hon. members that your Speaker would be hard pressed to have members who carry the identification of a member of Parliament on their lapels remove them. I would be hard pressed to have those members who wear them remove the Canadian flag pins. I would not in any way be able to indicate all possible things you could or could not wear on your lapels.

• (1505)

I have listened to the hon. member's point of order. I said that I would look at it and take it under advisement. If necessary, I will get back to the House.

ROUTINE PROCEEDINGS

[*Translation*]

GOVERNMENT RESPONSE TO PETITIONS

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

* * *

[*English*]

PRIVATE MEMBER'S MOTION M–4

Mr. Jim Jordan (Leeds—Grenville, Lib.): Madam Speaker, I wonder if I could have the unanimous consent of the House to withdraw my private member's Motion M–4 from the Order Paper. At this time the matter seems to be redundant. It has been a considerably long time since I submitted the motion.

I would ask for unanimous consent of the House to withdraw it.

The Acting Speaker (Mrs. Maheu): Is it agreed?

Some hon. members: Agreed.

(Motion withdrawn.)

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COMMITTEES OF THE HOUSE

NATURAL RESOURCES

Mr. Gordon Kirkby (Prince Albert—Churchill River, Lib.): Madam Speaker, I have the honour to present in both official languages the seventh report of the Standing Committee on Natural Resources in relation to Bill C–71, an act to amend the Explosives Act, without amendments.

[*Translation*]

MOTION M–404 WITHDRAWN

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, if you ask, I think you will find the unanimous consent of the House to withdraw Motion M–404 in the name of the hon. member for Beauport—Montmorency—Orléans and replace it with Motion M–494 in the name of the hon. member for Verchères on the Order Paper and especially on the House's priority list. I think we will have the unanimous consent of the House for this proposal.

The Acting Speaker (Mrs. Maheu): Does the hon. parliamentary secretary have the unanimous consent of the House?

Some hon. members: Agreed.

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

Some hon. members: Agreed.

(Motion withdrawn.)

[*English*]

Mr. Milliken: Madam Speaker, just one small item in connection with that matter. Motion No. 494 in the name of the hon. member for Verchères should be transferred into the name of the hon. member for Beauport—Montmorency—Orléans. That would be part of the same order.

The Acting Speaker (Mrs. Maheu): Do we still have unanimous consent for the change?

Some hon. members: Agreed.

* * *

PETITIONS

INCOME TAX ACT

Mr. Paul Szabo (Mississauga South, Lib.): Madam Speaker, pursuant to Standing Order 36 I wish to present a petition which has been circulating all across Canada. This petition has been signed by a number of Canadians from British Columbia.

The petitioners would like to draw to the attention of the House that managing the family home and caring for preschool children is an honourable profession which has not been recognized for its value to our society. They also state that the Income Tax Act discriminates against families that make the choice to provide care in the home to preschool children, the disabled, the chronically, ill or the aged.

● (1510)

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

ABORIGINAL AFFAIRS

Mr. Darrel Stinson (Okanagan—Shuswap, Ref.): Madam Speaker, I have two petitions to present today.

The first petition, duly certified by the clerk of petitions, is from a group of B.C. citizens, including many in my riding of Okanagan—Shuswap, asking Parliament to stop the native land claim negotiations and to start treating native Indians exactly the same as all other Canadians.

ADAMS LAKE

Mr. Darrel Stinson (Okanagan—Shuswap, Ref.): Madam Speaker, it is my sad duty to present a petition duly certified by the clerk of petitions from the residents trapped on the far side of Adams Lake where they can no longer have access to their homes safely and reliably due to government mismanagement.

CANADIAN INTERNATIONAL DEVELOPMENT AGENCY

Mrs. Bonnie Hickey (St. John's East, Lib.): Madam Speaker, pursuant to Standing Order 36, I would like to present two petitions to the House.

In the first petition, students from St. Michael's High School in Bell Island call on Parliament not to cut CIDA's funding for its public participation program.

CANADA ASSISTANCE PLAN

Mrs. Bonnie Hickey (St. John's East, Lib.): Madam Speaker, the second petition is from the Tenants' Action Association from Brophy Place, Hunt's Lane and Kelly Street in St. John's who call on Parliament to retain the Canada assistance plan in its present form.

HUMAN RIGHTS

Mr. Werner Schmidt (Okanagan Centre, Ref.): Madam Speaker, consistent with Standing Order 36, I wish to present three petitions from my constituency.

The first petition asks and petitions Parliament not to 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 of sexual orientation.

ASSISTED SUICIDE

Mr. Werner Schmidt (Okanagan Centre, Ref.): Madam Speaker, the second petition asks Parliament to ensure that the present provisions of the Criminal Code of Canada prohibiting assisted suicide be enforced vigorously and that Parliament make no changes in the law which would sanction or allow the aiding or abetting of suicide or active or passive euthanasia.

RIGHTS OF THE UNBORN

Mr. Werner Schmidt (Okanagan Centre, Ref.): Madam Speaker, the third petition petitions Parliament to act immediately to extend protection to the unborn child by amending the Criminal Code to extend the same protection enjoyed by born human beings to unborn human beings.

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QUESTIONS ON THE ORDER PAPER

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

The Acting Speaker (Mrs. Maheu): Is that agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

CANADA TRANSPORTATION ACT

The House resumed consideration of the motion.

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Madam Speaker, I had just started to make my remarks a few moments before two o'clock. Before I got into full flight I was interrupted for question period. I want to resume where I left off by applauding the Minister of Transport for bringing forward Bill C–101.

Bill C–101 is there to modernize Canada's transportation system. This task has not been easy to undertake but this minister is up to it. He is certainly someone who is not afraid of these challenges and of dealing with issues involving our transportation sector. Transport is one of the largest if not the largest departments of the Government of Canada.

The constituency of Glengarry—Prescott—Russell has a number of rail lines running through it. The Ottawa to Montreal CN rail line obviously runs through through Glengarry—Prescott—Russell. Perhaps I should not say obviously but virtually the only way of getting between the two cities is to travel through my riding. The train goes through such communities as Alexandria, Maxville and others between Ottawa and Montreal.

• (1515)

Some years ago I was very concerned because of a fear that CN would attempt to close down the rail line between Ottawa and Montreal.

[*Translation*]

This fear was justified as one CN document called for the closing of the rail line between the communities of Glen Robertson and Ottawa in Ontario, so that there would no longer have been a railway line for VIA passenger trains between Ottawa and Montreal, except if VIA had wanted to acquire the line abandoned by CN.

[*English*]

The second concern in my constituency was that if the line was abandoned there would not be enough interest or possibility of converting part of what was left of that line into a short line railroad.

This was particularly disconcerting at the time because we had at one point an NDP government in Ontario, although luckily we are rid of it now. I invite my colleague from Winnipeg to listen to this attentively because he will realize the damage that government was doing in Ontario.

It passed the successor rights bill. If someone wanted to start a short line railroad, if the previous company had four people doing the job—it did not matter that it only needed one to do the task in that short four, five or ten–mile piece of railroad—that person was forced to hire the amount of people who were there under the previous regime because of those so–called successor rights.

This was done probably in good faith in an attempt to protect jobs. What the government was really doing was making everybody lose their jobs because if the short line railroad was not viable, it could not be operated at all. Therefore everyone lost their employment rather than some of them keeping it.

Maybe that made sense at the time or prima facie may have made sense. Maybe it was some dictate from the socialist agenda and seemed reasonable in that respect.

In any case, there could not be a short line railroad in Ontario. The Parliamentary Secretary to the Minister of Transport, who is very knowledgeable on these issues, will be discussing this issue with the member for Winnipeg, Bird's Hill and will be briefing him and straightening him out so that he fully understands this issue. I have good reason to believe he is doing that as we speak.

The bill we have today will address a number of issues. It will address provincial running rights. It will address rail line rationalization and short line railways, as I have been discussing, rail transportation issues generally, and economic regulation regarding grain and rail. VIA Rail issues will be addressed along with mergers and acquisition, air transport and a number of other important topics related to the transport industry.

I end by expressing a note of sadness regarding one issue. I know the member for Renfrew—Nipissing—Pembroke shares my view in this. He and I have discussed this issue before.

A couple of years ago there were plans whereby CN and CP wanted to jointly own the rail line linking Coteau junction and a location in northern Ontario, the Montreal to North Bay rail line.

[*Translation*]

Now I notice that negotiations between CN and CP broke off and this joint ownership of the rail line will not come to be.

• (1520)

The reason why I am concerned about this is that, in my view, to ensure its long term viability, traffic should be increased on this particular railway line. I viewed favourably this effort on the part of the two railway companies to jointly own the line.

I am disappointed that the whole thing seems to have failed. To conclude, I urge CN and CP to combine their efforts again so that this line connecting eastern and western Canada that the people of Glengarry—Prescott—Russell benefit from can be saved in the medium term and even the long term.

[*English*]

I am pleased to have had the opportunity to participate in this debate. I ask all colleagues to support this bill.

[*Translation*]

Mr. Yves Rocheleau (Trois–Rivières, BQ): Madam Speaker, I am pleased to speak today on Bill C–101 to amend the National Transportation Act, 1987. As the member representing Trois–Rivières, I would just like to point out that our region, Trois–Rivières in particular, makes extensive use of the railway system, with the northern part of the Mauricie using the CN, and the southern part, including the city of Trois–Rivières, mainly using CP.

It is obvious that the government is trying to harmonize this legislation to draw attention to the bill to privatize CN and make its acquisition more appealing to potential buyers.

Many of the amendments in connection with the National Transportation Agency are designed to remedy regulatory deficiencies which hinder CN and CP's profitability and cause operating deficits that these companies have to absorb in order to maintain existing lines.

It may seem commendable to strive to improve on the National Transportation Agency so that both companies can become profitable, but at the same time it is dangerous to try both to achieve these objectives through more flexible regulations for operators like CN and CP and preserve the intent of the law, which is to protect public transportation. It is dangerous to change the perspective of the legislation which is intended to

foster the use of public transportation, and particularly rail transportation, for the development of people and businesses.

The role of the National Transportation Agency should be to ensure proper balance between the CN and CP monopolies, commercial users and passengers. Since this bill is only at first stage, we can assume that heated discussions will take place when it is reviewed by the transport committee, which will hear many witnesses who will debate these amendments, including railway unions, commercial users and railway companies. These groups will not all agree with the new mandate that this bill proposes for the National Transportation Agency.

In that respect, I want to mention some of the concerns that will surely be raised by various stakeholders during the hearings which will be held regarding this legislation.

First, there is the ability for shippers to call upon the National Transportation Agency to block a rail monopoly. I am referring here to the approach used by Canadian Pulp and Paper Association, but the same could apply to all shippers of raw materials, such as the mining and forest industries which, by nature, ship enormous quantities of materials, usually from remote areas located far from the main industrial centres.

The 1987 act allowed commercial users of railway companies to call upon the agency to circumvent CN and CP's excessive monopoly power. These provisions are maintained, but new hurdles will limit the ability of shipping companies to use them.

Indeed, the shipper will now have to prove that he will suffer a serious prejudice in order to convince the agency to keep CN or CP from unduly raising its prices. We are not saying that the industry should not pay its fair share for the transportation of its products. The problem is that the notion of serious prejudice is not defined in Bill C–101, thus leaving open the possibility that a shipper may resort to political or court action to win his case before the National Transportation Agency.

• (1525)

It is difficult for the industry to prove the degree to which an increase in rates would be harmful to it, and more difficult still to prove that there would be serious prejudice or material injury.

It is vital to discuss what is meant by serious prejudice; otherwise it can be anticipated that too often the decision will have to be made in the courts, after time–consuming discussions have failed.

I would also like to discuss the issue of competitiveness in remote regions. It is essential that all regions have access to a competitive and affordable rail system in Canada that will permit them to compete in the export market.

How will the new changes to the National Transportation Act allowing rail carriers to raise charges or simply discontinue unprofitable branch lines take regional economic realities into consideration by spreading operating costs over the entire system instead of dividing it up into more profitable and less profitable branch lines?

For too long now, the cost of developing remote regions has been calculated without taking into account on the positive side of the ledger the development natural resources confer to the more urbanized regions.

Here again, the concept of serious prejudice might be sustained provided it is given a fairly precise definition in order to prevent rail rates from being raised, thus cancelling out the profitability of industries dependent on this mode of transportation, without any consideration of the wages earned by workers in these industries.

Another provision, which will probably raise questions, deals with agency membership. The bill proposes to cut from nine to three the number of members of the National Transportation Agency. This reduction could lead to a lack of understanding of regional issues across Canada and, in turn, to a misappreciation of any significant risk that shippers may be at a disadvantage because of the monopoly enjoyed by CN and CP.

It will be more difficult for shippers to draw attention to their needs and their regions if the agency is composed of three members instead of nine. Listening to witnesses at the hearings held by the Standing Committee on Transport will surely help us strike a balance between a reduced agency of three members and an expanded agency of nine members.

My comments will also deal with the establishment of short–line railways. The financial difficulties experienced by CN and CP in recent years have led to the recent establishment of short–line railways.

Since these small organizations enjoy higher profits, smaller management and fewer constraints in the distribution of work through their collective agreements, we will see more and more of them. Unfortunately, the phrase ''short line railway'' is not defined anywhere in this bill. Furthermore, in many clauses of this bill, it is unclear whether short line railway operators should be regarded as railway operators or simply as shippers.

Clauses 130 through 137 of this bill concern the identification of competitive lines. In the past, railway operators had their own systems and, already, the two antagonists do not like the idea of using the lines of their competition in return for fair compensation.

Public interest requires better co–operation in the management of CN and CP. For example, CP could pay a price to use CN's tracks, and vice versa, without the tracks' owners being able to prevent such an arrangement.

This would promote free competition, while also giving a more accurate idea of the actual costs of transportation in a particular region.

Since my time is running out, I will immediately move on to the issue of regional development. In the past, under the act governing the agency, railway companies wanting to close or abandon a line had to comply with an elaborate process. Now, these companies will only have to announce their intention to dispose of a line.

• (1530)

The new process to transfer and discontinue the operation of railway lines will be very quick: a 60-day notice, a 15-day period for each level of authority, for a maximum of 105 days. This time frame will allow railway companies to dispose of their lines very quickly, without having to justify their decision on either economic grounds or grounds of public interest.

However, this new transfer and discontinuation process hardly encourages the establishment of short line railways. It is difficult if not impossible to find a potential buyer in just 60 days. Quebec, and the same goes for any other province, will have only 15 days to decide whether to buy a line and continue to provide the existing service to the public.

I can only hope that this time the government will have the vision it has been lacking so far and think in terms of the future, including the interests of Quebec. In this case, as in others, we find no reasons to vote no but many reasons to vote yes, and I hope Quebecers realize this.

[*English*]

Mr. Bill Blaikie (Winnipeg Transcona, NDP): Madam Speaker, it is interesting to notice how the members of the Bloc Quebecois are using every opportunity in the House of Commons to make the point about why they think their fellow citizens in Quebec should vote yes in the coming referendum. I was interested in question period today when they were going on and on about alleged injustices to Quebec. It struck me that if the people of Quebec vote yes they are going to have a heck of a lot less of what the Bloc Quebecois was complaining they were not getting enough of.

The same is true with respect to transportation matters. I heard people in the Bloc refer today to the privatization of CN. I can say with some certainty that if there is a yes vote in Quebec the provision in Bill C–89 guaranteeing that the headquarters of this new privatized CN will be in Montreal will not continue very long past a yes vote. At least if I have anything to do with it, it will not. I imagine that would be true for a lot of western Canadians, particularly people I represent, who from the very beginning felt that if CN was to be restructured in such a radical way, the headquarters of CN should be in western Canada, in particular in Winnipeg, because most of the traffic this new privatized CN will be directing will be in western Canada. This is just by way of making that point to the Bloc.

There are two things I want to get on the record with respect to Bill C–101. I do not think I have to tell anyone in the House that I am in general opposed to the overall agenda of the government with respect to Bill C–101, the privatization of CN, the deregulation of the transportation system, going back to fights we had in the House against the former transport minister, Don Mazankowski, and going back before that.

Sometimes people tend to forget, in particular people in Winnipeg, that this deregulation business really started under a former Liberal Minister of Transport, now the Minister of Human Resources Development. There is a tendency to blame the origins of this agenda on the Conservatives when it goes back beyond that to this fascination the then Minister of Transport, the member for Winnipeg South Centre, had with deregulation at that time, prior to the defeat of the Trudeau government.

I was interested to hear some of the things members said. The point I want to make here, and I do not think it has been made to this point, at least not to my satisfaction, is the process by which we are doing this, if I understand the origins of this procedure by which we refer matters to committee before second reading.

I had a lot to do with parliamentary reform in previous Parliaments and we considered this at one point. The goal of that procedure as it was first imagined was it would be applied to bills of a non–partisan nature. It would not be available to the government alone. It could only be done with some kind of agreement in the House and therefore it would be a mechanism whereby parties could say this is a bill they do not really have much to fight about in, so they want to take it into committee and go over the details.

• (1535)

I have noticed something that may be related to the fact that this procedure was adopted, I believe, after the beginning of this new Parliament when the government only had to deal with rookies on the opposition side in committee. This has now become a procedure available to the government whenever it wants to use it, not something that requires a certain amount of co–operation on the part of the opposition. In my judgment, this goes against the spirit of the reform intent. When I say reform I do not mean Reform Party, but reform in the best sense of the word, reform of the House of Commons. This procedure has become a kind of a fast track procedure. In my judgment it is not being used for the intention for which it was originally designed.

We have here a massive bill which represents a major reorientation of the way transportation decisions are made with respect to rail line abandonment, the creation of short line railways, relationships between shippers and the railway companies, a whole host of things, all of which deserve a major second reading debate. We are reconceptualizing the transportation system of the country. We should be having a debate about that, in which I would want to argue very strongly and at length, hopefully being open to questions from colleagues in the House.

Instead we have this very prescribed, circumscribed three–hour debate in which people have only ten–minute speeches, after which the whole thing is whisked off to committee. There is never really any significant debate on the principle of the bill. That is fine if there is agreement to do so and if it is the kind of legislation that lends itself to that procedure.

With respect to my Bloc and Reform colleagues, they let the government get away with something when they agreed to move ahead with this kind of procedure. They allowed it to go into the standing orders without the kinds of safeguards that should have been required. There should have been some provision that there had to be opposition agreement in order for this procedure to be followed. I believe their inexperience did not stand them in very good stead in that respect.

I want to register once more my opposition to this bill. My opposition has been longstanding to an agenda of which this bill is the latest stage. I know my Reform colleagues were saying earlier that it does not go far enough, that it should be absolute, utter I suppose, comprehensive, total deregulation. However, I think deregulation has not served the country particularly well. It certainly has not served the transportation system very well. It certainly has not served my constituents very well, those who work at the railway and others, and the economic spin–off that used to exist in Winnipeg as a result of the presence of railway jobs there.

A couple of weeks ago another 266 people were laid off in the CN shops in Transcona. This is a far cry from the kinds of promises made during the 1993 election campaign by members opposite about how the many terrible things that were happening under the Tories would cease if only a Liberal government were elected: NAFTA would not go through, Winnipeg would be returned to its former glory as a transportation centre, rail jobs would return from Montreal and Edmonton, and no one would ever be laid off again. That is not the way it has turned out. We have a Liberal government doing what no Conservative government ever contemplated in public, privatizing CN Rail and devastating the community I come from.

We see here an intention on the part of the government and the railway together to basically dismantle CN Rail as we have known it and to have basically tracks and trains, that is it. Maintenance, repair, stores and all kinds of other things the railway used to do for itself will all be contracted out, pieced off here, there and everywhere. As a result a lot more good paying jobs will be lost. In the end this is also about good paying jobs. It is not just about railways.

• (1540)

I listened earlier to the member for Glengarry—Prescott—Russell, the government whip, talking about the impediment to short line railways. One of the reasons for successor rights was to make sure that short line railways are not used as a way of union busting, are not used as a way of laying people off and then hiring them back at half of what they used to make. I do not think that is such a bad sentiment. I do not think that is something for which the NDP government in Ontario or anywhere else should have to apologize.

Those good paying jobs are disappearing. I do not think that is good for Canada. It is not good for the middle class, which is being eroded at both ends. It is not good for the revenues of the government. It is part of the reason we have a deficit, because a lot of the good paying jobs are going, and with them the ability to pay the kind of income tax that would help pay off the deficit.

Mr. Reg Alcock (Winnipeg South, Lib.): Madam Speaker, it is always a joy to rise in the House and follow the member for Winnipeg—Birds Hill. Excuse me, it is Winnipeg Transcona; I apologize for that. I would not want to confuse him with the member for Birds Hill, who is a Liberal and represents his constituents very ably and helps them understand the needs of doing business in the 20th century and not the 19th century, as the member for Winnipeg Transcona does.

It is passing strange to me how the NDP, once a leader in social justice, has become a conservative party, simply refusing to accept any kind of change or acknowledge that any kind of improvement should take place anywhere, anytime.

Like the previous member, I want to briefly comment on the process. I am delighted that the government has chosen to go this route with this bill. I am astounded at the remarks from the Reform Party, which seems to be opposed to this.

In this Parliament since the new government arrived in 1993, we changed the rules of the House in a manner that allows the people of Canada to participate in important debates on public policy prior to the government's making up its mind finally on a piece of legislation. It is an opening up and an inviting into the process, rather than a fast tracking, as the member for Winnipeg Transcona would have us believe.

I think the minister has done a great deal in a very short period of time to deal with the regulatory burden that has been imposed on the country, some of it for good reasons and some of it perhaps we have outgrown. I think we owe the minister a vote of thanks for allowing this debate to take place in this fashion and for steering this debate.

We have the member for Hamilton West, the chair of the transportation committee, well known to the House and very experienced on these matters. I am assured he will give people right across the country an opportunity to come before the committee and put on the table their issues on this very important matter.

The parliamentary secretary, the member for London East, has been working tirelessly to see that members of the House are informed on this issue and are responding to issues that have been raised by constituents right across the country.

I want to comment on an earlier change this minister has brought in, the changes in the WGTA, which represented a stepping back from subsidy and regulation on the part of the government. Two days ago in my home town of Winnipeg there was an announcement by Schneider's that it will open a very large, two million hogs a year, meat processing plant. At last we are doing what western Canadians have been calling for for a long time. We are taking the false subsidies out of the rate structure and we are allowing the development of secondary processing in the prairies, where it should have been for a long time. We are all very pleased about that, and we are pleased it is this government that finally has the courage to challenge the burden that has been imposed by regulation.

I am not saying all regulation is wrong; it is not. Whenever there are imperfect markets, whenever monopolies exist or whenever the public good needs to be protected, there is a need for government to act in a manner that attempts to level the playing field between competing interests. That is what this is all about.

The government has said that while it has owned the CNR it has imposed burdens on the railway for reasons other than the commercial interests of the railway. In an environment where change is taking place so rapidly now and where there has been such a tremendous evolution in transportation, it is time to revisit that. It is time to ask whether these regulations are serving the purpose for which they were intended.

• (1545)

As chair of the western and northern caucus I can tell the House that we take great interest in the particular matter. Transportation is vital to all regions of Canada, but nowhere is that seen as vividly as it is in western Canada with its tremendous distances and sparse populations.

In addressing Bill C–101 this afternoon I cannot emphasize too strongly the importance of rail transportation to western and northern Canada. Commodities such as coal, sulphur, grain and petrochemicals must be shipped substantial distances from points of origin in western and northern Canada to markets around the globe. For most of these movements highway transportation does not present an effective competitive alternative to rail transportation and inland water transport is non–existent. For the great majority of the transportation requirements of western Canadian industry rail is the only realistic way of accessing export markets.

Canadian railways rely heavily on resource based products for their revenues. Intermodal traffic handled by the railways is highly truck competitive and has limited profitability. The eastern Canadian operations of the railways by their own public statements have not been profitable in recent years. Railways accordingly look for their profitability to the resource based industries of western Canada. It is essential that we do not endeavour to solve the financial problems of railways by creating a bigger problem, namely to give railways greater leverage to increase freight rates in western Canada and thereby impair the ability of western Canadian industry to compete on a long term basis in world markets.

There is widespread agreement on the need for railway reform in the country. Railways are burdened with excess track and impediments to productivity improvements. Bill C–101 will permit CN and CP to sell or abandon unprofitable trackage without regulatory intervention and will encourage lower cost short line railway operations to be developed. We believe this makes good economic sense and the legislation is to be commended for enabling railways to become more cost efficient.

There is widespread agreement in the House that the encouragement of a competitive railway environment in Canada is the best way to achieve efficient and cost effective rail service. This, however, is not achieved by complete deregulation as some would allege because there are many industries in western Canada that are essentially captive to rail transportation.

Railway regulation has historically served a different purpose than the regulation of other modes of transport. Trucking regulation restricted available trucking services and limited the freedom of choice of consumers. The deregulation of that industry had a pro–competitive result.

Railway regulation has served a different purpose. It protects captive shippers against the excessive monopoly power of the railways. Legislative provisions which give competitive options to railway customers promote competition. It is the stated policy of the government that those provisions, called the shipper relief provisions, will remain untouched in the present legislation. We are in full agreement with that approach.

I do have grave concerns, however, with certain sections of the proposed legislation that will make it more difficult for railway customers to obtain access to the Canadian transportation agency should the need arise. These barriers to agency access are counterproductive to a competitive railway environment and are unnecessary based on the experience of the last eight years.

The shipper relief provisions have been used by railway customers on only a handful of occasions. Their principal benefit has been to provide railway customers with some bargaining leverage in negotiating rates and service agreements with the railways. In this regard they have been particularly successful, as virtually thousands of rate and service agreements have been entered into between rail carriers and their customers and only when agreements could not be reached has recourse to the agency been required. Accordingly there is no need to construct barriers or fences to prevent their continued utilization. This will only have the effect of impairing their efficiency and making it more difficult for commercial arrangements to be concluded.

Section 113 of the proposed legislation provides that all rates set by the agency must be commercially fair and reasonable, while as a general principle no one could reasonably argue that rates should not be commercially fair and reasonable. The problem is that there is no definition of what is commercially fair and reasonable in the current bill.

Subsection 34(1) will enable the agency to order the payment of compensation for any loss or delay as a result of a proceeding which is found to be frivolous or vexatious. While this again does not appear to be unreasonable on the face of it, I am not aware of any pressing reason for its inclusion in the legislation. There is no history of frivolous or vexatious applications being filed with the agency and should a proceeding be initiated the agency has the jurisdiction to assess costs against an offending party.

• (1550)

I am concerned that this provision could operate as a deterrent to a railway customer who has a valid proceeding to advance before the agency. The chilling effect of a large damage award, should the application be unsuccessful, could well cause a railway customer not to proceed with a valid application.

A further area which I know the committee will consider concerns the running rights provisions. The provision to allow railways to sell or abandon lines will lead to, it is hoped by many, the creation of a great many short line railways. Absent the right to run as was originally proposed to the first competitive interchange where they can receive two bids for their cost of transportation and short line railways will remain captive in a less free environment than they currently have.

I appreciate very much the opportunity to speak on the bill. I know the committee will take the time to hear from many Canadians who are very concerned as we move to a new environment for rail transportation in the country.

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Madam Speaker, I rise today on behalf of the constituents of Okanagan—Similkameen—Merritt to voice our complete agreement with the assessment of Bill C–101 as stated by my Reform Party colleague from Kootenay West—Revelstoke.

During the last election campaign the Liberals outlined in their infamous red book how they were to do business differently. Does the House remember that? They could hardly control themselves describing how they would do business differently once they seized the reins of power.

The Deputy Prime Minister was so reckless as to claim the Liberals would replace the goods and services tax within a year of coming into power or she would resign. The GST is alive and well and the Deputy Prime Minister shows no signs whatsoever of voluntarily resigning her seat as she promised to do. Is this what Canadians are supposed to buy as doing business differently?

My constituents are asking: ''Different from what?'' This type of shenanigans is the same as the shenanigans of the Mulroney government. They are all doing business differently and we all know what the people did with Mr. Mulroney's party and its way of doing business differently.

What are we looking for? What are we looking at? We are looking at failed promises. The Liberals promised major changes to the MP pension plan. They gave us minor changes which do not reflect private sector pension plan standards.

The Liberals promised they would empower individual members of Parliament through an increase in the use of free votes. My goodness, free votes in the House of Commons. The Liberals have reneged on that promise by enforcing a heavy handed control of voting on their own party members.

The point I am leading to is simple. In the view of the motion being forwarded by the government at this time, there is no way we on this side of the House can trust the Liberal government. Neither should the Canadian public. The Reform Party's transport critic is quite right in the stand he has taken. British Columbians rely on railway transportation. B.C. has relied on railway transportation since the time of Confederation. Mining and forestry constitute a substantial portion of the economy in British Columbia.

We have contacted many companies in British Columbia respecting the bill. Our solicitations for input have caused an avalanche of information to flow to our offices. Detailed amendments to the bill keep coming in from many industry sources. All these companies make it very clear they feel strongly that Bill C–101 is vital to maintain and enhance competition in Canadian railways.

• (1555)

However there exists a danger that the Liberals intend to use the bill as a baby step in the right direction. Canadian railways are infected with exorbitant taxes and regulations which have created an unlevel playing field between us and our major trading partner. If there is anything the federal government can do to improve Canada's competitive advantage in terms of land transportation policies, these companies would have us do it.

We all agree that the major accomplishment of Bill C–101 of establishing a clear redefined process for line abandonment is desirable. This would enable railways to establish short line routes to be governed under provincial legislation.

The major flaw in the bill is that the free market is prevented from establishing prices. The Liberals intended the railways to continue to be treated as a service rather than as a business. They will continue through the bill to allow the transportation agency to regulate prices.

The Liberals are once again attempting to use policy as a means of regional development. It is a shame. Canadian businesses are sick and tired of this treatment being used on policy which affects their livelihood. The bill gives cabinet the authority to decide which rail lines will be abandoned in the next few years.

The Liberals are sealing their exclusive right to use these abandonments as policy footballs in their pre–election campaign. There is no reason for the bill to be sent to the committee directly following first reading.

Such a move is only convenient to the Liberal political agenda. We on this side of the House have seen many times in the past what this kind of request from the government benches really means. The Liberals would have us believe that this manoeuvre is another example of doing business differently, using the Grits terms. However we know differently. The Liberals are only interested in facilitating CN's share offering due this fall.

The Liberals are circumventing access to the committee hearings. The committee, suffering from a bad case of Liberal dictatorship, has already affixed arbitrary deadlines for submissions from stakeholders.

These deadlines were adopted by the committee as a result of the domination of Liberal Party membership on the committee. We all know what happens to Liberal Party members who do not vote the way of the Liberal Party intelligentsia or the way they are told to vote. We have seen it before in the House.

On this side of the House we know that the committee has received numerous submissions over the summer. We also know that the committee promised to circulate the submissions so that all hon. members could take them into consideration.

Finally we know that none of the submissions have been circulated. We know that the Liberals are doing business differently. I remember the last government. I cannot see the difference. Do you see the difference, Mr. Speaker?

Here is the different way of doing business that Canadians are seeing. Bill C–89 and Bill C–91 were fast tracked through this place by the Liberals. At that time the Liberals said that it would provide a more amendable process or something like that. Both those legislative proposals were passed without a single amendment. That is doing business differently. They do not allow any amendments whatsoever. It would be laughable if it did not concern important legislation regarding the interest of Canadian stakeholders.

I strongly urge the House not to vote for Bill C–101 which requires due process. Let us make sure this piece of legislation gets the due process this place should give it.

• (1600)

The Speaker: I would point out to hon. members that the Speaker, as a rule, does not answer questions. I know hon. members will know that.

Mr. Glen McKinnon (Brandon—Souris, Lib.): Mr. Speaker, I intend to share my 10 minutes with my colleague from Souris—Moose Mountain.

The Reform Party insists on dealing with only the process and not the content of Bill C–101. From our perspective here on the government side, we feel we are complying with the new rule changes that were initiated by the government. We intend to fulfil those changes.

Bill C–101 has had some interesting background. It attempts to reduce the National Transportation Agency to some degree, from a full complement of nine members down to three full time and three part time. We are also hoping to reduce the number of employees within that agency from 500 down to 200. We feel this is a move that will initiate and respect our drive for efficiencies within the system.

The structure of the rail industry in particular and the laws that regulate it hark back to a time when Canada was a self–contained internal market. That time has passed. Canada's growth and the opportunities of our people now depend on the ability of our industries to embrace and meet the needs of global markets. Rail transportation is strategically important for our exporters as the means that will keep us in those markets. A viable rail industry, one that can attract new capital and one that is sensitive to shippers' needs, is crucial.

For many years the focus of the law has been on the network of the two large railways and ways to prevent these two companies from changing this network. The law was seen as a mechanism to prevent abandonment and also to reduce service. The focus was not on alternative ways to deliver local rail service.

As I read this bill, I am sensing that there are provisions whereby rail abandonment, if it does occur, will be done on a much different basis. There will be respect for the fact that the economics of abandonment must be addressed and that there must have been efforts put in place by the two major lines to actually show that they have attempted to sell such railways in terms of setting up short lines.

The Canada transportation act encourages these main lines to restructure in a way that promotes the establishment of new rail initiatives and alternative short lines. In the future the law will set in place a process that will allow private sector interests or regional officials to intercede to take over lines they consider important for regional rail transportation.

The framework under the new Canada transportation act sees our rail industry and its future viability as crucial for long term growth. It also encourages new participation at the local and regional level to preserve rail service.

The Canada transportation act is good for Canada because it reflects what a modern Canada needs. It is a framework law that recognizes the global nature of markets and the strategic importance of transportation, particularly rail transportation.

Mr. Bernie Collins (Souris—Moose Mountain, Lib.): Mr. Speaker, I was one of the nine members of Parliament who voted in opposition to Bill C–68. I want to go on the record here today as indicating to the House that there was no action taken against any of us for the position we took relative to that vote some time ago. Maybe that will clarify the minds of some of the members of the Reform Party who said that we were going to be held in some disdain for the stands we took. Such was not the case.

With regard to the bill before us today, the federal government is committed to a safe, efficient, affordable, and competitive transportation system for Canada. This legislation is part of the modernization process that is already under way.

• (1605)

The constituents in my riding welcome a modernization and an increase in efficiency in the system. They have a lot at stake in this legislation. The entire riding's economy rises and falls on the relative wellness of the grain industry. Many changes have taken place in the grain farming industry in the past year. There is a period of very dramatic adjustment that our farming community is embracing and dealing with at this moment. The Canada transportation act is one more adjustment. Hence, we must be very careful as we proceed.

I am concerned about short line rails in the expansion. I am concerned about shippers so that they have some degree of knowledge that they are going to be protected and that their rights are preserved in this new competitive arrangement under the new act. That is why I am pleased that this bill is now being referred to committee. This will give the committee and the public ample opportunity to review and debate the merits of each of the aspects of the bill.

In my riding there are many groups with very good ideas, constructive criticisms, and suggestions for changing and fine-tuning on this bill. They want to look at these very carefully and consider the impact of the bill for the long term. This can take place on a detailed level in committee.

I know that this bill addresses the entire spectrum of transportation issues, from rail to air to marine. In particular, my concern is the modernization and increased efficiencies of the rail sector. The legislation cuts red tape and eliminates administrative costs. It restricts government involvement in the day to day affairs of the rail industry.

Rail is the most highly regulated mode of transport in Canada. The act reduces the number of actions that require regulatory agency involvement from almost 200 to 40. This is in line with the federal government's commitment to streamline operations, eliminate duplication, and improve the way we deliver service.

The legislation makes it easier for short line operators to take over lines by making the process more commercially oriented, less adversarial, and more conducive to the sale or lease of surplus lines to newcomers.

The legislation also contains details to preserve shipper rights and protections. There is a lot of heated debate in this area. This is what our government wants to hear. We want those people affected by these changes to come forward at the committee stage and contribute to the final version of the bill.

The CTA is one more step the government has taken toward the modernizing of Canada's transport sector. It enables Canada and Canadian businesses to compete in the 21st century. That, along with our concern for the actions of the agriculture sector, can contribute to a more sufficient and efficient system that is foremost in the world.

The Speaker: Is the House ready for the question?

Some hon. members: Question.

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

Some hon. members: Agreed.

Some hon. members: No.

The Speaker: All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Speaker: In my opinion the yeas have it.

And more than five members having risen:

The Speaker: Call in the members.

And the bells having rung:

The Speaker: Pursuant to Standing Order 45(5)(a), the division on the question now before the House stands deferred until 6 p.m. today, at which time the bells to call in the members will be sounded for not more than 15 minutes.

* * *

• (1610)

REGULATIONS ACT

On the Order: Government Orders:

April 26, 1995—The Minister of Justice—Second reading and reference to the Standing Committee on Justice and Legal Affairs of Bill C–84, an act to provide for the review, registration, publication and parliamentary scrutiny of regulations and other documents and to make consequential and related amendments to other acts.

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.) Mr. Speaker, I move:

That Bill C–84, an act to provide for the review, registration, publication and parliamentary scrutiny of regulations and other documents and to make consequential and related amendments to other acts, be referred forthwith to the Standing Committee on Justice and Legal Affairs following first reading, pursuant to Standing Order 73(1).

He said: Mr. Speaker, Bill C–84, which is intended as a new regulations act, should go to the committee, and members should have the opportunity, before the House decides in principle on this approach to regulation, to discuss its terms.

It may seem that the legislation that governs the making of regulations in government is a technical or a dry subject, but in fact it will surprise some of the members to know that indeed there is a great deal of interest in this subject. There is a great deal of interest among Canadians because that process, the process by which subordinate legislation is made, has a direct effect on the way business is done in this country, on the productivity, on the competitiveness of business.

This proposed legislation is intended to increase the productivity and the competitiveness of our economy, which this government believes it will do.

I also observe this motion and the regulations act, which is being sent to committee after first reading, is another good example of the value of Standing Order 73(1) of the House of Commons, which was sponsored by my hon. colleague the House leader at the opening of this Parliament.

The new regulations act to which I speak today is intended to replace the Statutory Instruments Act, which for almost 25 years now has governed the Canadian system of making regulations. Bill C–84 offers important improvements to that outdated piece of legislation, intending to streamline and reduce delays in the process by which regulations are made at the federal level in Canada.

The legislative reform is an important part of the regulatory reform, part of the innovative economy initiative of my colleague, the Minister of Industry. This legislation is intended to support the bold, innovative, imaginative measures he is taking to strengthen Canada's economy.

There can be no doubt about the need for change in the process by which regulations are made. Problems are created by the current regulatory process. They have been identified many times in the past. There have been repeated calls for legislative improvements, most recently during the government–wide regulatory reviews of 1992–93.

Permit me to touch on some of the key elements of this bill. First, it is intended to provide a simpler and more principled definition of what a regulation is in modern government so that the scope of the act will be more clearly understood, so that its application will be more readily determined.

Second, an effort has been made in drafting Bill C–84 to use plainer language, to more directly communicate its meaning to those persons who use it and who invoke the process.

Third, the statute divides regulatory documents into different categories and provides for different kinds of review, depending upon what category a document falls into.

• (1615)

Fourth, it provides for a revised exemption power that will now be subject to an express public interest consideration.

Fifth, Bill C–84 codifies and I believe clarifies the law by expressly authorizing incorporation by reference, whether on international or other standards that are intended to be included in Canadian regulations, always subject to an express requirement that whatever is incorporated by reference should be made readily accessible to members of the public or any other interested party who wishes to have them.

Sixth, Bill C–84 contemplates a modernized process allowing for the creation of an electronic registry of regulations while at the same time maintaining government accountability for regulations through parliamentary scrutiny.

[*Translation*]

We know that in order to reform the Statutory Instruments Act, a balance must be struck between the interests of the various stakeholders. The new legislation is to streamline and expedite the making of regulations. Yet, this will be done without overlooking the requirement for advance notification, public representations and a thorough parliamentary scrutiny of any related mandatory legislation.

That is why I believe it is important to note that the changes sought by the Regulations Act are, for the most part, material amendments that leave the essence of the current process unchanged. These amendments are designed to remove ambiguities, simplify steps as required and generally modernize the regulatory process.

But first and foremost the purpose of the new Regulations Act is to maintain and strengthen the objectives and basic principles of the Statutory Instruments Act, which contains the legal safeguards required to make binding regulations. These objectives include the rule of law, transparency, the publication of regulations and the monitoring of the executive by Parliament as part of its legislative power.

[*English*]

While the Statutory Instruments Act has generally served Canadians well over the last two decades, over time the regulatory process has come to be viewed both inside and beyond government as an impediment to the timely and efficient making and repeal of federal regulations. The current operation of the Statutory Instruments Act makes it difficult for federal regulators to respond in a timely manner to changing needs with new and improved regulations because the regulatory process is too cumbersome and time consuming. This is of concern to all Canadians, particularly Canadian business because these regimes are not well tailored to evolving circumstances.

Unnecessary delays in modernizing and improving regulatory schemes can also reduce our ability to respond quickly and effectively to new developments in areas such as health and safety, environmental regulation, international trade or federal–provincial relations. Outdated and inappropriate regulatory schemes can also undermine respect for the law, economic growth and competitiveness. They can also complicate the working relationship between the government and the private sector.

We believe that the new act will improve the capacity of government to respond quickly and effectively to changing circumstances, reduce the overall volume of regulations and provide for an expedited process. It will allow us to incorporate important documents by reference. It will do all of that without reducing the role of Parliament in overseeing government as it makes subordinate law.

In moving today that this proposed statute now go to committee for consideration, I express the government's conviction that it represents a significant improvement in Canadian law. I know it will receive the usual balanced and insightful commentary from my colleagues in other parties. I look forward enthusiastically to my own involvement in that important process.

• (1620)

[*Translation*]

Mr. Richard Bélisle (La Prairie, BQ): Mr. Speaker, I am pleased to rise today to speak on Bill C–84.

First of all, let me say that this bill will effect changes in more than 60 acts or bills currently before this House. Its passage will therefore have a very major impact on federal legislation.

Bill C–84 seeks to replace the old Statutory Instruments Act with a new Regulations Act completely consolidated and revised. Like the act it seeks to replace, the bill sets out the principles and administrative procedures that will govern the four steps involved in drafting new regulations: preparation, passage, enactment and publication of regulations passed under federal statutes.

The bill also confirms the reviewing power of the Standing Joint Committee for the Scrutiny of Regulations, ensures better control by Parliament and maintains governmental responsibility over the regulatory process.

In short, Bill C–84 provides, first, a simpler definition of ''regulation'', second, an expedited process for regulations that do not require legal review, third, a revision of the bases for exempting regulations from the regulatory process, and, fourth, a modernization of the regulatory process by providing for consultation, registration and publication by electronic means.

Bill C–84 therefore aims at modernizing the current act and correcting the problems encountered with the present regulatory process.

I will now review some major items in Bill C–84 that I find very important. First of all, the definition of ''regulation'' is simpler and more principled than the current term ''statutory instruments'' found in Section 2. This legislation also specifies that regulations also include all kinds of lists and guidelines, putting an end to an ambiguity in the current act.

It seems also that publication by electronic means will shortly become an addition to regular printing of the *Canada Gazette*, but it might be possible for the government to eliminate the printed copy of the *Canada Gazette* by publishing only by electronic means.

In this case, why not include a reference to the printing, even though that might involve limited editions? Bill C–84 eliminates the requirement of printing a specific number of copies of regulations during the regulatory process, allowing for substantial savings, even in the absence of electronic means.

One can only wonder why goals in the areas of security, health and the environment are specifically mentioned like in Bill C–62. Is it yet another backhanded way of intruding into provincial jurisdictions? Criteria concerning the use of this exemption power of the governor in council are not crystal clear.

Why not extend the prohibition in clause 64 concerning the Defence Production Act to other federal statutes with a significant impact on health and the environment such as big economic development projects like pipelines, Hibernia, nuclear plants and so on? To be able to answer that question, we need to have the complete list of exempted regulations and of other regulations that could be exempted later on if Bill C–84 is passed.

It also seems unthinkable that clause 11(4) should provide that no regulation is invalid because it was not published. We need more openness in this government. Regulations have force of law and should always be published in the *Canada Gazette*. This bill does provide that no penalty can be imposed for a violation of unpublished regulations. We think that people in Canada and Quebec have the absolute right to know which regulations are in force. Why make regulations if there is no penalty when they are disobeyed?

Sometimes, groups or businesses will only find out about regulations when the quarterly index is published.

As a matter of fact, this bill introduces a publication and distribution system for regulations that can be tailored to fit every single case. Clause 15 should simply be dropped, in our opinion.

This new regulatory process would allow the federal government to withdraw gradually from regulating certain industries through the incorporation by reference of private or international standards.

• (1625)

Clause 16(5) provides that an amendment made by a business or a foreign government could have force of law in Canada as soon as it is announced. This in spite of the fact that the amendment is not published as a regulation in *The Canada Gazette* or in both official languages, particularly in French where American standards are concerned. Considering the context of free trade in North America and eventually in both Americas, this may jeopardize the position of the French language.

The purpose of having a regulation incorporate material by reference is twofold. First of all, to remove the requirement for the federal government to regulate every aspect of the sector concerned. Second, to take advantage of the expertise of Canadian, American and international organizations that set standards which, sooner or later, will have to be adopted by Canadian industry. In fact, industry is being asked to regulate itself. Incorporation by reference means that standards can be updated directly by the agencies or governments concerned, while the federal government in Canada is not obliged to adopt them.

This ''privatization'' and ''internationalization'' of business and industrial regulations, probably on the basis of American and international standards, opens the door to the adoption of standards that are drafted exclusively in English.

Even if the code is available in French, in accordance with clause 16(2), what assurance do we have that subsequent amendments will be published in French by the American association or, simultaneously, by the Canadian regulatory authority? Clause 17 on accessibility is not, in our view, a sufficient guarantee in this regard.

It is possible to conclude that a number of documents incorporated by reference in a regulation with force of law in Canada will be neither published nor available in French from the regulatory authority. Will Quebecers have access to regulations wholly in French only after Quebec attains sovereignty? One must wonder.

We are also proposing an amendment to clause 25 in the form of a new paragraph (3) requiring the government to submit the draft regulations to the regulatory committee at the same time as it tables its bills in the House of Commons.

Also, subparagraph 26(*g*)(i) authorizing the making of secret regulations concerning the conduct of federal–provincial affairs must be struck out. Bill C–84 is suggesting here that provinces, like foreign countries, are enemies of the federal government. This same precaution probably does not even exist in European legislation for the Fifteen.

How can an atmosphere of harmony, consensus and co–operation between federal and provincial governments be created when even regulations call for secrecy in federal–provincial affairs? Is such a clause necessary in international relations today? We feel that the defence of Canada is the only part of 26(*g*) fully justified today.

Bill C–84 uses the French expression ''autorité réglementante'' and there is no such word in French as ''réglementante''. The expression that should be used instead is ''autorité réglementaire'' to designate the institutions, departments, organizations and commissions with regulatory authority, in keeping with the definition found in the 1990 edition of *Trésor de la langue française.*

In conclusion, we agree that Bill C–84 is modernizing the existing regulatory process provided by the Regulations Act and deserves our support, but let us support it only after the government has adopted the many amendments we have mentioned today.

[*English*]

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, I welcome the opportunity to join in debate with my colleagues on Bill C–84. This is not a discussion on criminology so it will be a nice articulation of the points today.

Bill C–84 is an act to provide for the review, registration, publication and parliamentary scrutiny of regulations and other documents and to make consequential and related amendments to other acts.

Mr. O'Reilly: He is a legend in his own mind.

Mr. White (Fraser Valley West): Why is it, Mr. Speaker, that I cannot stand up in the House—

• (1630)

The Speaker: After hearing those opening remarks, I had to check to see it was really the member for Fraser Valley West. I invite him to debate.

Mr. Simmons: He has your number.

Mr. White (Fraser Valley West): Mr. Speaker, it is pretty bad when even the Speaker has your number.

It is the Reform Party's intention to oppose this bill, not because of the legislative intent of the bill, but instead we oppose the bill because of what we feel are substantive flaws in the act put forward by the Minister of Justice. In addition, there is equal weight in our opposition to this document because of clauses which are not in this act.

Make no mistake, Reform members on this side of the House are just as intent to see that the regulatory process in Canada functions in an efficient manner. Clearly this bill constitutes the other half of the government's effort at regulatory reform.

In fairness and in stark contrast with the conclusions reached concerning Bill C–62, the government has put forward a bill which attempts to tidy up the regulatory process and replace the Statutory Instruments Act. Yet for the reasons which follow, this initiative, like so many others in the Liberal red book, is long on promise and short on substance.

This act should have been forwarded to the Standing Joint Committee for the Scrutiny of Regulations and not, as has been done, to another government operations committee. You need not take my word for it. It should be self–evident to even the most partisan of members that the words ''parliamentary scrutiny of regulations'' contained in the act's title should have made referral academic. The hon. government member from Scarborough—Rouge River said as much in committee on May 18.

My esteemed colleagues on the government side of the House might argue that no precedent or provision exists for such a referral. However, in a letter from the committee clerk to members of the scrutiny of regulations committee there are indeed well documented procedures. In addition, Standing Order 73(1) would allow the government to make such a referral.

With all due respect, the fact that it was not referred to the appropriate committee leads me to believe there may be something untoward in the government's intention on the bill in the first place.

Also I refer to the fact that the Reform Party would oppose this bill for what it is not. In this case and as members from the scrutiny of regulations committee will point out, there is no statutory disallowance procedure put forward.

One way Parliament ensures that regulations are reviewed is through the scrutiny of regulations committee. You will hear me refer to that committee again and again in this speech. Its work is as germane to this debate as is Bill C–84 itself.

The Standing Joint Committee for the Scrutiny of Regulations has had power since 1986 under Standing Order 123 to recommend that a regulation be disallowed. Let me assure colleagues that this is done in the rarest of situations and usually as a result of a government department exceeding its authority.

The recommendation by the committee under Standing Order 123 is just that, a recommendation. It is up to the minister responsible to address the disallowance. Sadly there is nothing which obliges him to act upon the committee recommendation to disallow a regulation. Further, the disallowance procedure does not apply to regulation made outside of governor in council or by a minister.

Throughout the life of the previous Parliament, the then opposition Liberals on the scrutiny committee saw the shortcomings of this situation presented to them. In a 1992 report released by the Subcommittee on Regulations and Competitiveness, they requested that the disallowance procedure be replaced on a statutory footing.

The government responded that such a measure was not necessary. The Hon. Ray Hnatyshyn stated that it was inappropriate to proceed with legislation until the effect of the experimental rules could be assessed. It is 1995, a full nine years of experimenting and the only thing that has changed is that the Liberals are now in power. I ask hon. members on the government side to join with me and amend this bill accordingly so that all regulations and deleted legislation is subjected to full and effective parliamentary review.

• (1635)

The definition of a regulation contained in clause 2(1) contains the phrase ''are of general application''. This open ended catch all is likely to be the source of debate for many years to come. Granted, when placed alongside the dual version of what exists in the Statutory Instruments Act the government has tidied up the definition somewhat.

However in practice the definition could exclude a departmental order which is specific in its nature. For example the Department of Indian Affairs and Northern Development makes an order with respect to the Sechelt Indian Band concerning licensing. The question then arises whether the order is considered a regulation which is subject to examination as it represents a specific rather than a general application. This is significant because it does represent an anomaly over what presently exists. It is my hope the situation will be clarified by the government at some point in the debate stage.

In addition clause 5(1) modifies the exemption guidelines which are presently set out in section 27 of the Statutory Instruments Act. The problem is that the guidelines in section 27 appear to be replaced with a general discretion. The only check in place is that an order to exempt is itself a regulation and therefore is subject to review.

Clearly this so–called safeguard is subject to interpretation and as such should be considered suspect as it departs from previous practices. The point here is that the Reform Party and Canadians are fundamentally opposed to any kind of exemption power. Somewhere along the way an exemption power has the potential to be abused.

In no way am I trying to question the sincerity with which this Liberal government has put forward this bill. I would never do that. Yet if a government with less integrity were to come into the House and for which we have an ethics counsellor—if members over there remember the ethics counsellor who, as I keep repeating in the House, is about as busy as the Maytag repairman—would it exempt on the basis of a connection to the cabinet? Perhaps not, though I say the potential is there.

Clauses 6(1), 6(2) and 7 are at the heart of the government's initiative to speed up the regulatory process. This effort should be applauded. The clauses could have a disastrous effect on the regulatory process and I will explain why.

The clauses I referred to are supposed to ensure that each regulatory authority, for instance the minister or a government department, is responsible for drafting their respective regulations. Only then can they be submitted to the privy council office of justice for advice. This is thought to be an improvement over the Statutory Instruments Act because in past practices the privy council office drafted and reviewed its work on behalf of most regulatory authorities. It did after all have the most expertise in this area but unfortunately this situation represented a conflict of interest.

Bill C–84 attempts to address that conflict of interest by taking the drafting responsibility away from the privy council office of justice and entrenching it with the relevant minister or department. In doing this the government is turning over the drafting responsibility to legal departments which heretofore have had limited or non–existent experience in the drafting of such regulations. The result is likely that poorer quality drafts will be submitted to the privy council office of justice. In turn, that office will probably end up doing the drafting from scratch.

• (1640)

Again, the clauses represent a good intention but fail to consider the reality of the regulatory process.

I again call on my colleagues in the House to enhance the provisions of this bill. This can best be accomplished by placing a statutory disallowance procedure in the bill. There will be ample opportunity to discuss and review this request, but I ask my colleagues from the government side, especially those who sit on the regulations committee, to push for an amendment in this regard. Many of them pushed for this in opposition and to do any less now would be indefensible.

Mr. Paul DeVillers (Simcoe North, Lib.): Mr. Speaker, it is a pleasure to speak in support of Bill C–84. This bill is about improving the regulatory process to the benefit of all Canadians.

The limitations and particularly the delays created in the existing system result in hidden but very real costs to all Canadians. These are in the form of increased expenditures of revenues spent in enforcing outdated and inappropriate regulations and in reducing competitiveness in the global marketplace.

The reforms proposed in the new regulations act will improve the regulatory system without in any way sacrificing its basic objectives. The government's improved capacity to update regulatory standards faster will promote the public interest by ensuring that health and safety standards are current and take into account evolving technologies.

I would like to spend a few moments now dealing with the provision of Bill C–84 which deals with incorporation by reference. This is incorporation by reference of international standards and other material into regulations. This is an important element in achieving the objectives of our regulatory reform.

It is important to understand that these provisions do not create a new regulatory technique. Incorporation by reference is a legal technique that is currently being widely used by governments in Canada. It is a legal technique whose legitimacy has been recognized by the Supreme Court of Canada. It is a legal technique that is widely employed in Europe and has been advocated by the Standards Council of Canada and many international bodies, including the International Standards Organization of Geneva.

Incorporation of materials into regulations particularly as they are amended from time to time is an important way for government to promote the goals of international and interprovincial harmonization of regulatory standards. I stress that such harmonization does not mean that Canadian standards will be lowered. In many cases the standards adopted will be higher.

Reliance on the expertise and timeliness of international and interprovincial standards writing organizations whose material is typically incorporated on this basis is of significant value in promoting Canadian competitiveness, particularly in the context of rapid technological change. The usefulness of this technique in promoting Canadian competitiveness was recognized in the 1993 report of the finance subcommittee on regulations and competitiveness.

[*Translation*]

The provisions of the new legislation, which authorize departments with regulatory power to develop and revise documents incorporated by reference, also provide the important opportunity to quickly revise and improve regulations. This form of incorporation is limited to documents that are essentially technical and the rules of conduct on substance, established by the departments, remain subject to the entire regulatory process.

I stress once again that, in this area, we will not be amending the legislation in use, we will be codifying and clarifying. It has existed for years, and the new legislation simply incorporates the current practice.

• (1645)

However, we are proposing a significant improvement to this practice, because the provisions of the new Regulations Act establish the express statutory requirement for departments with regulatory power to ensure the accessibility of the documents incorporated.

To ensure effective parliamentary control over the technical standards incorporated, the new Regulations Act provides that the Joint Committee for the Scrutiny of Regulations be supplied *ex officio* with all the regulations.

Consequently, this committee could at any time call for, revise and comment on the regulations into which documents have been incorporated and by so doing review the documents in question. The documents, which are periodically revised, are made available in the form they are in at the time of the request.

[*English*]

Like the rest of the new regulations act, provisions relating to incorporation by reference strike what we believe to be the right balance between the need to streamline and speed up the regulatory process and the objectives of ensuring the legality and accessibility of regulations and providing necessary oversight by Parliament.

The regulatory process is already overburdened. We cannot afford to bring into the process documents that are not currently subject to it. The bill will facilitate use of a legitimate technique that offers opportunities for achieving the flexibility we need without sacrificing legality, accessibility, or parliamentary accountability. For those reasons I urge the committee to review the bill and I urge the House to ultimately pass the bill.

[*Translation*]

Mr. Ghislain Lebel (Chambly, BQ): Mr. Speaker, I am pleased—well, maybe not exactly pleased—to speak to Bill C–84 now before the House.

I listened earlier to the Minister of Justice when he addressed the Chair to refer this bill to a parliamentary committee. I will come back to this issue in a little while, but for now, let me say that we know the party now in office, the Liberal Party, and the somewhat contradictory objectives it is pursuing by introducing all the bills we have seen lately. First, there was Bill C–43, the infamous bill on lobbyists on Parliament Hill. In that bill, the government stated its intention—probably because of the Pearson Airport fiasco—to have an ethics counsellor, someone to oversee everything.

Soon after, they introduced Bill C–62, which I call the standard substitution bill. That bill allowed civil servants to act on impulse, to give in to pressure by their colleagues, and often by friends of the government, as is still the case, and to change some statutory standards. That was what Bill C–62 was all about. Now, we are considering Bill C–84, an act to repeal the Statutory Instruments Act.

We, in the Bloc Quebecois, know that progress must be made, and the Liberals are not stupid. They talk about great principles, things like ''increased efficiency'', ''something good'', something close to the citizens, close to the governed. Let us examine this bill closely. It does contain interesting provisions that we cannot approve blindly.

Let us take, for example, this legislation by reference. The Joint Committee for the Scrutiny of Regulations is having problems with Revenue Canada about the incorporation by

reference of material in a regulation. We could have specified in the appropriate provision that these incorporations by reference also include material provided—as clause 16(1)(*c*) says—by a government.

• (1650)

Can we incorporate in our legislation regulations passed by a foreign government? It is possible. It is possible when, for example, we want to figure out the income of a person, someone who has done his military service in the United States or in another country and is entitled, in that country, to compensation for his involvement in the armed forces. We could possibly refer to regulations or legislation from abroad. But we should specify it. Here we are faced with total uncertainty; we are not sure.

And what happens if the regulations to be incorporated by referral are amended? There again, we do not know. To come back to my example, are we to amend our regulations every time the State Department in the United States raises the pension payable to American veterans? Will we have to amend our regulations? If so, I start to doubt the efficiency of this process.

This bill was motivated by good intentions, that could hardly be challenged. Everybody is in favour of efficiency. Yet, it starts by undermining the principles which, ever since the Bill of Rights of 1688, in England, have been part of the regulatory practices of our constitutional monarchy.

As they say in Latin *delegatus non potest delegare*, you cannot delegate something which has been delegated to you. However, this is what the bill does. After some 300 years of implementation of past regulations. I agree that we should make some changes, we all want changes, especially if they are for the best, but are we going to sub–sub–sub–delegate regulatory powers to the most junior clerk, hired last week, that would have an interest—I know that we must always assume that things are done in good faith—in, for example, changing a regulation to benefit someone in his family, one of his friends? There is no limit to sub–delegation under Bill C–84.

This is dangerous, especially when we refer to Bill C–62 on measure substitution. Although it started with good intentions, I think the government is about to shoot through the bottom of its own boat, which will sink. The bills of the justice minister are always like that. They always state fine principles. We have seen it with the gun control bill. The principle was noble, the principle was laudable, but watch out when it comes up in front of the courts. The government wants to relieve the courts' backlog, but this type of legislation will not help.

There is already too much pressure on the courts, and the government keeps introducing bills that are based on principles but not so much on reality.

At the beginning of my speech, I said that this bill should have been referred to another committee. The Minister of Justice said that it should be referred to a committee of members who would examine its scope. We have a Standing Committee for the Scrutiny of Regulations which has existed for at least 25 years. It is composed of experts, and God knows the Liberals form the majority on that committee. Are they afraid of themselves?

There are Liberal MPs and Liberal senators on that committee. We know that all bills are sent to the Senate for review after they are adopted in the House. We asked the Solicitor General of Canada: Why not refer Bill C–84 to the Standing Joint Committee for the Scrutiny of Regulations, where sixteen MPs and senators spend a lot of time studying regulations? They would be the most competent people to evaluate the scope of this bill.

The solicitor general thought it was a wonderful idea, an extraordinary idea, but that there was no precedent in this House where a bill was referred to a joint committee.

• (1655)

But that is exactly what a precedent is all about; it is a first. If a precedent is not a first, it is not a precedent. Why is the minister so adamant in refusing to refer this bill to a committee which knows the subject, which does that kind of work year in and year out and which reviews thousands of regulations of all kinds annually, from the diameter of nickels to the disposal of toilet waste from airplanes.

There are all kinds of regulations and we study them all. And then we become incompetent overnight because there is no precedent? Another proof of this government's inability to go off the beaten path. The government keeps its eyes on its narrow path and fails to see anything outside of it. Therefore, I would ask the minister to show some common sense and ask his colleague, the Solicitor General of Canada, in the name of all Canadians and for the sake of our regulations, to actually set a precedent. Now is the time to act. Next year, it will be too late. The work will have been done. Otherwise, I will ask him to define ''precedent''.

This was my point. Finally, if this government is trying to be effective, why does it not give a response immediately, within the time frame set out in the Standing Orders? When the committee presents a report on amendments to regulations to the minister, why does he ask for two or three extensions and why does the committee have to go on writing for two years, finally giving up in desperation for lack of results? If at least the minister responded to the committee report, things would improve, and there would be greater effectiveness.

[*English*]

Mr. Harbance Singh Dhaliwal (Parliamentary Secretary to Minister of Fisheries and Oceans, Lib.): Madam Speaker, when I was asked to speak on Bill C–84 I was quite interested and enthusiastic, just as the member for Fraser Valley West was.

This bill affects small and medium size businesses. It is an important bill. As a business person, I have experienced the regulations at all levels of government that do not make sense today.

Bill C–84 replaces the Statutory Instruments Act, which is almost 25 years old. We have not had a serious look at it in 25 years. That is a long time. It was probably outdated 10 years ago. It is something we should have looked at a long time ago. Unfortunately, in government and in politics legislation that should be reviewed frequently is often not because there is no political pressure to review it. I hope we will look at opportunities to review legislation more often and add some sort of sunset clause so that we can modernize regulations on a regular basis.

I was disappointed to hear that the opposition is not going to support the bill. They should actually be congratulating the Minister of Justice for putting the bill before a parliamentary committee before second reading, where the principles of the bill can be examined. This is something members of the third party have often asked for. They want more participation. They want greater opportunities for members of Parliament to be involved in discussions of the bills. This is a great opportunity. Since members across the way asked for it, I thought they would be very enthusiastic and would congratulate the minister for giving that opportunity. Instead, the member for Fraser Valley West was very articulate in talking about the fact that he was not in favour of the bill.

• (1700)

This bill is 25 years old. It is complex, cumbersome, and a real burden to Canadians. The minister is saying we want to simplify and modernize it. We want to make sure that it makes sense for today. What do we hear from the opposition members? They cannot support it; they are not in favour of it. Are they not in favour of simplifying the bill? Are they not in favour of modernizing the bill? Are they not in favour of making sure that committees can do their work and look at this bill?

We often hear in the House about how we have to simplify regulations. We often hear how a lot of the legislation does not make sense for today and that we need to have common sense. Here the minister is providing that opportunity and the opposition members are saying they do not agree with it.

I and many other members have been confronted with a regulation that often makes no sense for today. We then go to some of the bureaucrats and tell them this does not make sense in today's business climate, in today's environment and in today's technology. Often some of the bureaucrats agree with us but tell us their hands are tied because the regulation is very old and has not been reviewed and therefore they have to comply with the regulation.

This is a very good opportunity for all members of Parliament to participate in the changes that are required to have an environment that is efficient. I know the members from the third party often talk about creating greater efficiencies and an environment for businesses so they can have a cost saving.

In terms of the environment, I toured a company in my own riding, Pacific Meadows, that is involved in the recycling of metal. It informs me that there are certain regulations that impede its opportunity to recycle.

Often when government forms regulations it throws this huge net out there and catches, just as it does in the fishing industry, something it does not intend to catch. It becomes an impediment for small and medium size companies to do their business. The net was cast out to cover all sorts of things but not intended to catch some businesses. That is why we need the opportunity, on a regular basis, to review the regulatory process and regulations to ensure that it makes sense for today's environment in terms of international trade, changes in the environment, and changes in the health care area. All those areas have to be taken into consideration. The present act does not take those things into consideration.

This bill will go a long way to ensuring that we have a simplified, modernized bill. I do not know how anybody can be against simplifying something. We have come to a new age of communications and electronics. One of the things this bill proposes is that we have an electronic registry where forms will be filled out electronically so that we can become more efficient and more cost effective. I believe that will go a long way.

I hope the members across the way will realize that small and medium size businesses all over this country will be disappointed with the stand they have taken to vote against modernizing a regulatory process when business people all over this country know we have to improve the way our regulatory process works. I think Canadians across this country will applaud the government and the Minister of Justice for bringing this legislation forward to modernize and simplify our regulations.

[*Translation*]

Mr. Jean–Paul Marchand (Québec–Est, BQ): Madam Speaker, Bill C–84 is an attempt to create confusion in Canadian regulations. There is certainly no indication that this bill will lead to any improvement.

• (1705)

As my colleagues already pointed out, the bill will in fact allow the government to hide its operational mistakes and waste. It will make it easier for public servants and government officials to circumvent Parliament. My colleagues already explained that it is creating confusion in the regulatory process.

This is one of the reasons why we will vote against the bill. Contrary to what my colleague just said, I do not even believe it is an important bill. It was merely introduced to keep the House busy, to avoid dealing with the real issues, the real problems. This bill will not help job creation. We know full well that this bill, like a number of other insignificant ones, is being introduced to keep the House occupied and avoid any debate on sovereignty or the future of Canada. It allows the government to procrastinate and wait until after the referendum to make cuts in Quebec. Social programs will be drastically cut.

Next year, cuts will be more drastic than this year. This year, $650 million will be cut in social programs. Next year, it could be $1.2 billion and maybe more. The following years, it will be $2 to $3 billion a year. These are the real problems. They affect Canadians and Quebecers who would like their elected representatives to address these problems. And yet, here we are in this House talking about a piece of legislation which deals with regulations and does not even improve the situation, creates confusion and gives bureaucrats more powers to impose regulations which might not be beneficial to small business and business people.

As far as the real issues are concerned, this government has a tendency to table legislation in keeping with a political philosophy which is increasingly more right wing, favouring cuts and the centralization of powers. What is happening to social programs clearly shows that this government has no respect for the ordinary citizen. When it makes huge cuts in social programs and reduces UI accessibility, these are the real issues.

Why not talk about that, rather than about regulations which, for all intent and purposes, are without any importance? It is because we are waiting until October 30, to see whether Quebec will vote for sovereignty. Personally, I hope that Quebecers will realize that federalism is no longer profitable, that Quebec contributes more and more to a central government which is less and less effective, and Bill C–84 proves it, because again it creates confusion. It is inconsistent and does not even abide by the Official Languages Act.

We are giving powers to officials without making them responsible to Parliament. This is what Canada is offering the people of Quebec. Here we have a government which is less and less effective, which creates confusion and which despises Quebec. When we talk about cuts in social programs worth billions of dollars per year, when we talk about cuts in unemployment insurance, we are talking about things which impact on ordinary people. Also, the government has shown that it intends to reduce old age pensions. These are real problems, real issues which worry people, at least in Quebec, and here we are, today, talking about regulations, something that nobody understands.

• (1710)

Reading through the bill, one cannot see its purposes nor its basis, except perhaps to keep us busy here, in the House, talking for hours on end about this worthless jumble. The real questions are being avoided, or postponed to the end of October.

This bill is another example of the federal government's tendency to centralize, of its policy shift to the right. This is serious, because the trend was already evident throughout North America, in Alberta, in Ontario, but now it reaches into the federal government. It will soon make itself felt in cuts to unemployment insurance and social programs, and many Quebecers will end up on welfare.

Federalism is not profitable for Quebec any more. From now on, Quebec will see itself paying more and more every year into the federal system while receiving less and less. Incidentally, Quebec has not been receiving its due share from all federal departments for a very long time now. We did receive a lot of money through equalization payments and unemployment insurance benefits, but that will change in the next few years. Quebec will get less and less and pay more and more.

In the case of unemployment insurance, the federal government stopped contributing to it in 1990, employees and employers paying for it entirely. This year, in 1995, the federal government took from the UI program some $5 billion that will be used to other ends than unemployment insurance payments. Not only are they not giving money for those who lost their jobs, they are limiting access to UI benefits. Next year, in Quebec, two thirds of the people who will claim unemployment insurance benefits will be declared ineligible.

It has already been estimated that 40,000 unemployed will have to go on welfare. These are the real issues that concern people. But, this week, in the House, we will be talking about regulations which do not make sense and only show that the government does not know where it is going. This government is not addressing fondamental concerns, because in the debate on sovereignty, it has nothing to offer to Quebec; therefore, it is avoiding dealing with issues.

In Quebec, we want to give confidence to Quebecers and to encourage them to take their destiny into their own hands after October 30. We want to give real hope to employers, to ensure equity and justice. This bill concerns the justice department. However, the best way for Quebecers to get real justice at home is for Quebec to become sovereign.

[*English*]

Ms. Mary Clancy (Parliamentary Secretary to Minister of Citizenship and Immigration, Lib.): Madam Speaker, it gives me a great deal of pleasure to take part in the debate this afternoon.

Madam Speaker, when you and I were both elected in 1988, among all of us who came into Parliament that year there were probably a number of things we wanted to do here as parliamentarians. A number of issues were of tremendous interest to us: the question of the future of our wonderful country, the unity of Canada, the continued thriving of one united Canada, and issues relating to matters very close to my heart such as making sure that violence against women is eradicated soon.

• (1715)

It is a safe bet to say that the majority of members of Parliament whenever they were elected do not necessarily become passionate over tissues like Bill C–84, the Regulations Act. Yet these matters are very important.

The hon. member for Kingston and the Islands will take part in the debate a little later. I think this is something the hon. member understands full well. From his years as a high school student when he wrote a paper about the pipeline debate in the House the hon. member has been very interested in and perhaps one of the most knowledgeable members of the House on questions of process.

When we talk about regulations and the Regulations Act we are really talking about process, if I might wax somewhat hyperbolic, read in tooth and claw, as I am sure the hon. member from Kingston and the Islands would agree.

It is not the stuff of which romantic novels or poems are written. It is not the stuff of overweening rhetoric, but it is the stuff of the day to day operation of government. Most particularly it is the stuff of the day to day operation of good government.

What are the objectives of the bill? There are a number of objectives. It will simplify and streamline the regulation making process because it will clarify existing legal uncertainties in the regulatory field. That sentence probably does not strike huge chords of interest in the populous in general. It probably does not strike huge chords of interest in my colleagues on the opposite side in any of the opposition parties. I would hazard a guess that, fond as I know my colleagues on this side of the House are of me, it probably is not striking huge chords of interest in the member from Miramichi, for example. I do not think it is striking huge chords of interest in my friend from Saskatchewan.

Mr. Milliken: Not at present.

Ms. Clancy: Not at present. That is all right too because this is the stuff of good government. It also is the stuff of promise keeping. One of the major promises in our red book in 1993 was to simplify and streamline the red tape that affected small business and this act will do just that. For example, it will replace the antiquated and misunderstood phrase statutory instrument with the word regulation.

In my time practising law, teaching law and commenting on the law in the media before I came to this place, there was the idea that we had to demystify the processes of law and government for most Canadians. It is certainly of great importance that we demystify those processes for those Canadians working in the area of small business.

The legislation will modernize the regulatory process for the information age by providing a legislative framework for the electronic publication of regulations and for public comment, the electronic medium. That is yet another milestone for us on the information highway, an area in which the hon. Minister of Industry and the hon. Secretary of State for Science and Technology have served us so well in recent days.

The act will make regulations more responsive to public concerns by improving the scrutiny role of the Joint Committee on the Scrutiny of Regulations.

• (1720)

It was not necessarily one of those committees that members of Parliament from either side of the House rushed to join, but it was one very important to the smooth functioning of good government. One of the reasons the government is in power is that historically and currently we offer good government to Canadians.

An hon. member: Oh, oh.

Ms. Clancy: One of the ways we do it is by not electing empty barrels.

By streamlining and simplifying the regulatory process and making it more accessible to the public, the act supports government efforts to make government more transparent and open to Canadians, again a fulfilment of a red book process.

The legislation also supports the government's agenda of promoting economic growth and job creation through a streamlined and expedited regulatory process that will improve the capacity of departments to respond rapidly to the changing circumstances of the global economy.

One thing I find when I go back to my riding and talk with people in small business is the question of not knowing what is expected of them. The passage of the bill will make the problem much less onerous for Canadian operators of small businesses.

I think of those people who opened small businesses in the city of Halifax. I think in particular of those people who are the most common openers of small business in the country, women. Women start more small businesses in Canada than men do. They tend to stay at it longer and they tend in the long run to be more successful.

One of the problems I hear from women when I go to meetings encouraging women entrepreneurs, talking with them about small business and the relationship between government and small business, is a fear to get into these areas because they are

not sure what is expected of them. They feel they will have to pay accountants and lawyers large amounts of money to interpret government policy to make sure that their businesses are staying within the realms of government regulation.

The bill will go a long way to easing those fears, to opening up for entrepreneurs the ideas of government policy and to telling them exactly what is expected of them.

The whole point of good government is to make the country an even better place, an even more liveable place for the people who live in it. I listened to my colleague from Quebec a few minutes ago. He made the point over and over again that the federal government had nothing to offer to the people of Quebec. I do not believe that, Madam Speaker. I know that you do not believe it. More important, the people of Quebec do not believe it either.

Recently I had the very good fortune to travel right across the country. This summer I did it twice, once by stopping off in various places with the immigration committee and listening to people—my hon. colleague from Bourassa was with me on that trip—and once again by returning from the fourth women's conference in Beijing via Vancouver and Calgary to Ottawa.

The ties that bind us together never cease to amaze me, whether we are from Quebec or the maritimes, the north or the west; whether we are from Southwest Nova or Kingston and the Islands; whether we are from the beautiful province of British Columbia; whether we are from the north or the prairies; or whether we are from that beautiful province that is every bit as much my country as it is yours, the province of Quebec.

It is good government that this government offers Canadians. It is good government that will keep Canadians together. It is acts like this one in their plainness that give us good government.

• (1725)

[*Translation*]

Mr. Osvaldo Nunez (Bourassa, BQ): Madam Speaker, although in favour of the updating of the Regulations Act to address the problem of the current regulatory process, the Bloc Quebecois cannot and will not enter this venture blindly.

As it is, Bill C–84 does not give all the safeguards we should expect. First, clause 5 provides that the Governor in Council may exempt regulations from the application of the regulatory process provided that the public interest is respected.

According to the same clause, the public interest includes achieving goals relating to safety, health, the environment and sustainable development and reducing regulatory costs and delays. Why are the objectives of safety, health and the environment mentioned? Is the government trying in a underhanded manner to extend the federal jurisdiction over the environment sector? Is the government once more trying to create unnecessary and expensive overlaps?

Mr. Boudria: Come on!

Mr. Milliken: Nothing of the such.

Mr. Nunez: That is what the bill says, dear colleague.

Does this government want to take over provincial areas of jurisdiction? Is this what they call flexible federalism? For me we are going backwards instead. Another attempt to pull a fast one on the provinces. This bill also questions the publication of regulations. This bill calls into question many other aspects. It is left to the Clerk of the Privy Council to decide whether all regulations should be published in the *Canada Gazette* as is now the case or in any other venue as he sees fit, either in special interest magazines or through electronic means.

What openness. Only the people and organizations directly concerned could have easy access to the regulations. This procedure fosters inequalities between people and between small businesses and large corporations, which, unlike small businesses, can afford lobbyists to keep a close eye on what the government is doing.

This kind of action is unconscionable. The clerk must be required to publish an official notice in the *Canada Gazette*. And to better spread the information, he may order that the regulations be published in a different venue. I have no problem with that. That is progress, that is transparency, and not a double standard policy where the government tries to hide some information. But there is worse than that in this bill.

This bill is indefensible, especially the clause that indicates that failure to publish a regulation does not invalidate it. That is where the shoe pinches. The government must at least be honest; people have the right to know which regulations are in effect. The official publication of the regulation must validate it. How could it be otherwise, if we want to ensure equity to the people in general?

To some extent, this bill allows for the privatization of commercial and industrial regulations, probably based on American standards, which opens the door to the introduction of standards written only in English.

• (1730)

Who will be responsible for translating an American code on screw and bolt strength requirements for the aircraft industry, for example? If such a code were available in French, what guarantee do we have that subsequent changes will be published in French by the American association?

By providing few guarantees, Canada is using co–operating agencies or countries to impose upon us standards and frameworks that do not concern us. With this legislation, in particular clause 19, the federal government is trying, little by little, to minimize the Quebec culture by eroding our identity.

In its opinion, there is only one multicultural Canadian culture expressing itself in several languages, including French, but mainly in English.

Parliament scrutiny of the regulatory process is maintained in its existing form. The government should have taken the opportunity given by this act to improve distribution of regulations to all members of Parliament. The legislation should provide for the right of every member to have access to regulations through electronic means or at least through a printed copy. The whole body of federal legislation must be available. Yet, at present, members of Parliament do not have access to this work instrument.

In conclusion, I would like to point out another anomaly the government is not correcting in this legislation. As soon as a bill is introduced in the House, the government has regulations drafted. If members had access to draft regulations when legislation is debated, we would avoid a loss of time in basic discussion and we would be in a better position to assess the impact of new regulations.

For all these reasons, I will vote against this legislation in its present form, but I will vote yes in the upcoming Quebec referendum.

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I listened with a great deal of interest to the speech of the hon. member for Bourassa, because it contained many good ideas. I hope he will sit on the Standing Committee on Government Operations, to which this bill will be referred. He will then have the opportunity to move amendments because, as he knows very well, the government introduced this bill and moved that it be referred to committee today, before second reading, so that he and other members on the standing committee can move all kinds of amendments. That is part and parcel of the new procedure introduced by the government at the beginning of this session of Parliament, and I certainly hope the hon. member will be on the committee with his ideas and amendments.

[*English*]

I think it is an extremely important procedure that is being followed on this bill. The bill has some deficiencies, some of which were pointed out by the hon. member in his speech, which cause me concern. I am sure the members of the committee will want to take a very careful look at it.

As a member of the scrutiny of regulations committee who has been working in this area for about two years now, I have my own concerns about this bill. I am sorry that it is not being referred to the Standing Joint Committee on Scrutiny of Regulations, which has some expertise in this area among the members of the committee who have worked on this. Many of the members of the committee have worked on it a good deal longer than I have and are far more knowledgeable. I am sorry they are not going to have the opportunity to deal with it as a committee.

• (1735)

On the other hand, I strongly suspect some of us will attend the odd meeting of the government operations committee and make known our views in respect of certain aspects of this bill, which I hope will help the minister as he deals with it in committee and will help make the bill a better one for everybody in Parliament.

Mr. White (Fraser Valley West): Bring Mary back.

Mr. Milliken: I know the hon. members want to hear more from the hon. member for Halifax, the parliamentary secretary to the Minister of Citizenship and Immigration. I too regret that her speech was limited to 10 minutes. I was enjoying her speech. I also note her reference to hon. members opposite as barrels. I am sure they were enjoying that.

Mr. Stinson: At least we are full barrels, not empty like the government.

Mr. Milliken: The hon. member says that they are full barrels. I am not sure what they are full of.

I would like to deal with a few of the proposals in the bill. Rather than being distracted by the comments from the other side, I would prefer to stick to my own views on this bill today.

I praise the minister for agreeing to allow the bill to be referred to committee before second reading. I believe it gives the committee maximum scope, notwithstanding the criticisms we have heard from the other side about this, to effect change to this bill should it find the provisions in the bill are unsatisfactory.

We know from the previous speaker's comments that the bill purports to repeal the Statutory Instruments Act and replace the definition of statutory instruments with a new definition of regulation. It allows among its provisions for the incorporation by reference of regulations or of descriptions in other documents promulgated by other organizations or other governments.

I know the hon. member for Bourassa in his remarks referred to clause 16 of the bill, which says that a regulation may incorporate by reference material produced by a person or body other than the regulatory authority, including a personal body such as an industrial or trade organization and a government agency or international body. He expressed some concern about that.

In clause 19 of the bill it says ''Material does not become a regulation for the purposes of this act because it is incorporated by reference in a regulation''. I have a slight concern, because a regulation is referred to the Standing Joint Committee on Scrutiny of Regulations. Will the material incorporated by reference also be referred to that committee? I believe it is important that it be so referred. If clause 19 will be argued as a means for saying that it is not before the committee, I would have concerns. That is a point that should be clarified in the course of the committee proceedings on this bill.

Clause 25 of the bill, which refers regulations to committees, does constitute an improvement over the existing law. There are certain statutory instruments currently now adopted that do not come before the scrutiny of regulations committee. The definition contained in this act widens the scope of the committee's work to allow it to see more than was otherwise the case.

I have attempted through questioning to elicit the lists of the kinds of things that would not now be referred to the committee, but without a lot of success. I fully anticipate the government operations committee in the course of its deliberations on this bill will be able to get that information. I am looking forward to seeing the list and I will review it of course with some care.

The fact that there is a wider definition of those things being referred is significant. I believe it represents an advance in the law. I am surprised to hear the hon. member for Bourassa

[*Translation*]

—and his colleagues, the hon. members for Québec–Est and Chambly, expressing negative views on this bill.

Mr. Boudria: Very negative.

Mr. Milliken: Very negative, as the hon. member for Glengarry—Prescott—Russell is saying.

This is not necessary, because the bill is a good bill, with good ideas. There have been a lot of changes in this area of the law, and that is important. This is a renewal, and that is why it is important, because nothing was done in this area for many years.

[*English*]

The changes the government is proposing in simplifying the whole regulatory process one hopes—it is a hope that is fervent on my part, but I am not sure I am fully expecting it to be fulfilled—will result in more efficient use of the regulatory process.

• (1740)

As a member of the scrutiny of regulations committee, one of the criticisms I have of the current process is the slowness with which things move. I know that citizens I run into who are operating businesses find it passing strange that it takes the government so long to make changes to regulations that are shown to be out of date and inapplicable in the circumstances.

I did not bring any horror stories with me today. I have not had a recent incident. However, I am aware that over the years members of the public have complained that a regulation is out of date, should have been changed, the standards in the industry have changed dramatically and the regulation no longer reflects industrial practice and is simply not enforced because nobody is obeying the regulation. Yet nobody gets around to making changes to it. Part of the reason no one gets around to making these changes is because of the time it takes to get changes effected in government regulations. It is a process that takes months or years. Because of that we have suffered.

The regulatory regime in Canada is nowhere near as good as it should be. It could be improved drastically if change could be effected more quickly. This bill will allow that. To that extent, it is a beneficial change. We may want to look at the ways it allows it, we may want to look at the safeguards built into the process, but the fact is that the bill does allow more efficiency. For that reason alone, I think it is worth supporting.

I am surprised to hear my colleague from Bourassa say that he will not vote for the bill at this stage when we are not approving it in principle. We are simply referring the bill to committee before second reading. I know what has happened. He has listened to somebody else in his party who decided that the party should vote against it and he is going along with that. If he had argued in the right places I think he could have convinced his leader and the other members of his party that they should be supporting the bill.

I am not sure of the position of the Reform Party. Unfortunately, I missed their speaker on this bill. I understand that the Reform Party is also opposed to the bill.

Mr. Stinson: You missed more than that.

Mr. Milliken: The hon. member says that I missed more than that. I did miss more than that, but I understand there was only one speech made by the Reform Party on this bill. I do not know who made the speech. I suspect it was one of the members who is sitting here now. I am sorry I missed it. I am sure I would have enjoyed it. Whether it would have illumined me on the subject of the bill is another matter. Perhaps the hon. member for Glengarry—Prescott—Russell, when he makes his speech, will be able to comment on the pearls of wisdom, or otherwise, we heard from the Reform Party earlier this afternoon.

I thank the minister again and praise him for bringing forward the bill. I believe it is important to have a look at this area of the law. This bill will allow the committee responsible to do that. I only hope that the members of the scrutiny of regulations committee will have an opportunity to have some input on the bill during the course of committee deliberations.

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Madam Speaker, I am pleased to have the opportunity to speak, albeit briefly, on this bill.

[*Translation*]

Today, once again, we have seen that the Liberal government is in favour of this democratic evolution, this modernization of the legislation, and we can see too that the two parties on the other side want to maintain the status quo. It is clear. Obviously, this is not surprising on the part of the Reform Party, because we know that these people are much like a species that disappeared millions of years ago, and I do not think it is necessary to mention the species we are talking about. However, we are a bit surprised by the hon. members from the Bloc Quebecois, because they claim they want progress, they want change.

Oh, well. Sometimes, they change things by going backwards, but I must say that I am a bit surprised to see that they are in favour of the motion before the House today. The motion now before the House is interesting, because we are not passing this bill. We are only talking about the House referring the bill to a parliamentary committee without first having approved it.

• (1745)

I could have read the exact motion. Pursuant to Standing Order 73(1), Bill C–84 would be referred to the Standing Committee on Government Operations before second reading. The bill deals with the registration, publication and parliamentary scrutiny of regulations.

In other words, we are not asking members to tell us today if they are in favour or against the bill. The only thing the government is asking the House is for this bill to be discussed in committee, without first getting approval in principle at second reading stage.

So, we are not asking members opposite for their approval. We are asking for a parliamentary committee to consider this bill beforehand, to determine if we should approve it, with or without amendments. In other words, we want to find ways to improve the way we do things.

The member for Bourassa and others are in favour of the status quo. They are against progressive, flexible federalism as we see it on this side of the House. They are uncompromising, they are dead set on keeping the status quo and they refuse to let this bill go through.

You can see how our colleagues opposite are acting. They are very partisan and show a total lack of objectivity. We heard the member for Bourassa say in his speech that he thought the government could use this bill—and keep in mind that we are not voting on the bill, but only referring it to a committee for prior study—that this bill could be used against the French culture. Imagine that, we are talking here about a bill aimed at modernizing the regulations review process. Is the member not going too far?

[*English*]

The bill will do a number of things such as replace the rather antiquated and misunderstood phrase statutory instruments with something a little more modern like regulations. Some of these terms confuse the best of us.

A moment ago I was saying to my colleague, the parliamentary secretary, that the term statutory instruments was about as clear as a term used sometimes in real estate known as incorporeal hereditament. My colleague, the member for Victoria—Haliburton, who I think is a real estate agent by training, will know what I am referring to. It is another way of describing curtain rods and such. It can mean more than curtain rods, but that is the thrust of the debate. I am told it can also mean sump pumps and the like.

We have some terms in law that are confusing at the best of times. In this process we are studying at committee level the Regulations Act to modernize it. There could be places in the bill where the committee will offer changes or modifications to better the bill before it asks the House for approval in principle.

The important and operative point to remember is that the only matter being sought of the House right now is whether the bill should be studied in committee, not should it be approved in principle first and referred to a committee which is the normal way of doing business. Today that is not even being sought.

What do we hear from across the way but systematic obstruction that we are familiar with? Those members are married to the status quo. They want no improvement in the federation, no improvement in our laws and no modernization.

The hon. member for Kingston and the Islands has informed us that he is very much interested in the issue, as he should be, because he is learned in the law. He will no doubt have an important contribution to make to that effect in committee.

• (1750)

The Standing Committee on Government Operations is very ably chaired by the hon. member for Fundy Royal. He is also a very well known lawyer and will be able to deal with the issue along with other members of the committee who will be studying the bill.

An hon. member: How many lawyers are there?

Mr. Boudria: A member across the way is asking how many lawyers are on the committee. I think it is a grand total of one.

Mr. Stinson: That is too many.

Mr. Boudria: A member across says that is too many to deal with statutory instruments. Perhaps we can have the benefit of the wisdom of the member who has made these utterances. In committee he will no doubt enlighten the rest of us on how to proceed with modernizing the statutory instruments of Canada.

I am sure the hon. member for Timmins—Chapleau will be listening attentively. He too is learned in the law and will be listening to the immense contribution of the member across the way so he can inform us on how to better the statutory instruments or the regulations made pursuant to the laws of the land.

I know the hon. member across the way is just champing at the bit. I know he will make a profound discourse on the subject. My colleagues and I are all waiting anxiously to hear the comments of the hon. member across the way in the Reform Party who is heckling at the present time and who is obviously very anxious to participate in this very important debate this afternoon.

I want him to tell us exactly what the position of his party is with regard to referring the bill before second reading for a full study prior to approval in principle in the House of Commons and why it is his party is choosing to behave in that way, if not simply to say that it has no interest in making things in the House better or more modern.

[*Translation*]

I will say, in conclusion, that it is not too late for the member for Bourassa, the member for Drummond and others to change their mind and to vote in favour of this motion to refer the bill to committee before second reading.

In doing so, we are showing our intention, our desire, collectively and individually, to improve the laws of Canada. We will see in a few moments if the members for Bourassa, Mercier, Drummond and our other colleagues opposite are in favour of the status quo or if they are in favour of improvement. We will see in a few moments. But let us not hold our breath, because it is quite likely that these people will want the status quo because it suits their purpose in the current debate.

[*English*]

The Acting Speaker (Mrs. Maheu): 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: No.

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

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the yeas have it.

And more than five members having risen:

The Acting Speaker (Mrs. Maheu): Call in the members.

The division on the motion is deferred until 6 p.m., at the request of the government whip.

SUSPENSION OF SITTING

Mr. Milliken: Madam Speaker, I think you would find unanimous consent to suspend the sitting of the House until 6 p.m. when the bells will start their 15–minute sounding.

The Acting Speaker (Mrs. Maheu): Is the House in agreement to suspend until six o'clock?

Some hon. members: Agreed.

(The sitting of the House was suspended at 5.55 p.m.)

SITTING RESUMED

The House resumed at 6 p.m.

* * *

MANGANESE BASED FUEL ADDITIVES ACT

The House resumed from September 28 consideration of the motion that Bill C–94, an act to regulate interprovincial trade in and the importation for commercial purposes of certain manganese based substances, be read the second time and referred to a committee.

The Acting Speaker (Mrs. Maheu): Call in the members.

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

Government Orders

(*Division No. 338*)

YEAS

Members

Adams	Alcock
Allmand	Althouse
Anderson	Assad
Assadourian	Asselin
Axworthy (Winnipeg South Centre/Sud–Centre)	Bélair
Bélanger	Bélisle
Bellehumeur	Bellemare
Bernier (Gaspé)	Bertrand
Bethel	Bevilacqua
Bhaduria	Blaikie
Blondin–Andrew	Bonin
Bouchard	Boudria
Brown (Oakville—Milton)	Brushett
Bryden	Caccia
Calder	Cannis
Catterall	Chan
Clancy	Cohen
Collenette	Collins
Cowling	Crawford
Culbert	de Jong
Deshaies	DeVillers
Dhaliwal	Dingwall
Dromisky	Duceppe
Duhamel	Easter
English	Fewchuk
Finestone	Finlay
Flis	Fontana
Fry	Gaffney
Gagliano	Gauthier
Godfrey	Goodale
Graham	Gray (Windsor West/Ouest)
Guimond	Harb
Harvard	Hickey
Hopkins	Hubbard
Ianno	Irwin
Jackson	Jacob
Keyes	Kirkby
Knutson	Kraft Sloan
Lalonde	Landry
Lastewka	Lavigne (Beauharnois—Salaberry)
Lebel	LeBlanc (Cape/Cap–Breton Highlands—Canso)
Lee	Loney
MacDonald	Malhi
Maloney	Marchand
Marchi	Massé
McCormick	McGuire
McKinnon	McLellan (Edmonton Northwest/Nord–Ouest)
McTeague	McWhinney
Mercier	Mifflin
Milliken	Murphy
Murray	Nunez
O'Brien	O'Reilly
Ouellet	Pagtakhan
Parrish	Payne
Peric	Peterson
Picard (Drummond)	Pickard (Essex—Kent)
Pillitteri	Plamondon
Proud	Reed
Regan	Richardson
Rideout	Robichaud
Rocheleau	Rock
Scott (Fredericton—York—Sunbury)	Serré
Sheridan	Simmons
Solomon	St. Denis
Stewart (Brant)	Stewart (Northumberland)
Szabo	Taylor
Thalheimer	Tobin
Torsney	Tremblay (Rimouski—Témiscouata)
Ur	Valeri
Venne	Verran
Walker	Whelan
Wood	Young
Zed—145	

NAYS

Members

Bridgman	Brown (Calgary Southeast/Sud–Est)
Chatters	Cummins
Duncan	Epp
Forseth	Frazer
Hanrahan	Harper (Simcoe Centre)
Hart	Hill (Prince George—Peace River)
Hoeppner	Mayfield
McClelland (Edmonton Southwest/Sud–Ouest)	Meredith
Morrison	Penson
Ringma	Schmidt
Scott (Skeena)	Solberg
Stinson	Thompson
Wayne	White (Fraser Valley West/Ouest)—26

PAIRED MEMBERS

Arseneault	Bachand
Bakopanos	Barnes
Beaumier	Bergeron
Bernier (Mégantic—Compton—Stanstead)	Bodnar
Brien	Campbell
Caron	Cauchon
Copps	Crête
Culbert	Dalphond–Guiral
Daviault	de Savoye
Debien	Dubé
Dumas	Dupuy
Eggleton	Fillion
Gagnon (Bonaventure—Îles–de–la–Madeleine)	Gagnon (Québec)
Gerrard	Godin
Guay	Langlois
Laurin	Lavigne (Verdun—Saint–Paul)
Leblanc (Longueuil)	Lefebvre
Leroux (Richmond—Wolfe)	Leroux (Shefford)
Loubier	MacAulay
Maclaren	Manley
Ménard	Minna
Mitchell	Nault
Paradis	Paré
Patry	Peters
Phinney	Pomerleau
Ringuette–Maltais	Robillard
Sauvageau	Speller
St–Laurent	Telegdi
Tremblay (Rosemont)	Vanclief

● (1825)

The Acting Speaker (Mrs. Maheu): I declare the motion carried. Consequently, the bill is referred to the Standing Committee on Environment and Sustainable Development.

[*Translation*]

(Bill read the second time and referred to a committee.)

● (1830)

CULTURAL PROPERTY EXPORT AND IMPORT ACT

The House resumed from September 28 consideration of the motion that Bill C–93, an act to amend the Cultural Property Export and Import Act, the Income Tax Act and the Tax Court of Canada Act, be read the second time and referred to a committee; and of the amendment.

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 45, the House will now proceed to the taking of the deferred division on the amendment from the hon. member for Medicine Hat.

Mr. Boudria: Madam Speaker, if you were to seek it, I think you would find that the House agrees to apply in reverse the result of the division on Bill C–94 to Bill C–93.

Mr. Duceppe: Agreed.

[*English*]

Mr. Ringma: Agreed.

The Acting Speaker (Mrs. Maheu): Is there unanimous consent to reverse the vote?

Some hon. members: Agreed.

(The House divided on the amendment, which was negatived on the following division:)

(*Division No. 339*)

YEAS

Members

Bridgman
Chatters
Duncan
Forseth
Hanrahan
Hart
Hoeppner
McClelland (Edmonton Southwest/Sud–Ouest)
Morrison
Ringma
Scott (Skeena)
Stinson
White (Fraser Valley West/Ouest)—25

Brown (Calgary Southeast/Sud–Est)
Cummins
Epp
Frazer
Harper (Simcoe Centre)
Hill (Prince George—Peace River)
Mayfield
Meredith
Penson
Schmidt
Solberg
Thompson

NAYS

Members

Adams
Allmand
Anderson
Assadourian
Axworthy (Winnipeg South Centre/Sud–Centre)
Bélanger
Bellehumeur
Bernier (Gaspé)
Bethel
Bhaduria
Blondin–Andrew

Alcock
Althouse
Assad
Asselin
Bélair
Bélisle
Bellemare
Bertrand
Bevilacqua
Blaikie
Bonin

Bouchard
Brown (Oakville—Milton)
Bryden
Calder
Catterall
Clancy
Collenette
Cowling
Culbert
Deshaies
Dhaliwal
Dromisky
Duhamel
English
Finestone
Flis
Fry
Gagliano
Gauthier
Goodale
Gray (Windsor West/Ouest)
Harb
Hickey
Hubbard
Irwin
Jacob
Kirkby
Kraft Sloan
Landry
Lavigne (Beauharnois—Salaberry)
LeBlanc (Cape/Cap–Breton Highlands—Canso)
Loney
Malhi
Marchand
Massé
McGuire
McLellan (Edmonton Northwest/Nord–Ouest)
McWhinney
Mifflin
Murphy
Nunez
O'Reilly
Pagtakhan
Payne
Peterson
Pickard (Essex—Kent)
Plamondon
Reed
Richardson
Robichaud
Rock
Serré
Simmons
St. Denis
Stewart (Northumberland)
Taylor
Tobin
Tremblay (Rimouski—Témiscouata)
Valeri
Verran
Wayne
Wood
Zed—147

Boudria
Brushett
Caccia
Cannis
Chan
Cohen
Collins
Crawford
de Jong
DeVillers
Dingwall
Duceppe
Easter
Fewchuk
Finlay
Fontana
Gaffney
Gallaway
Godfrey
Graham
Guimond
Harvard
Hopkins
Ianno
Jackson
Keyes
Knutson
Lalonde
Lastewka
Lebel
Lee
MacDonald
Maloney
Marchi
McCormick
McKinnon
McTeague
Mercier
Milliken
Murray
O'Brien
Ouellet
Parrish
Peric
Picard (Drummond)
Pillitteri
Proud
Regan
Rideout
Rocheleau
Scott (Fredericton—York—Sunbury)
Sheridan
Solomon
Stewart (Brant)
Szabo
Thalheimer
Torsney
Ur
Venne
Walker
Whelan
Young

PAIRED MEMBERS

Arseneault
Bakopanos
Beaumier
Bernier (Mégantic—Compton—Stanstead)
Brien
Caron
Copps
Culbert

Bachand
Barnes
Bergeron
Bodnar
Campbell
Cauchon
Crête
Dalphond–Guiral

Daviault	de Savoye
Debien	Dubé
Dumas	Dupuy
Eggleton	Fillion
Gagnon (Bonaventure—Îles–de–la–Madeleine)	Gagnon (Québec)
Gerrard	Godin
Guay	Langlois
Laurin	Lavigne (Verdun—Saint–Paul)
Leblanc (Longueuil)	Lefebvre
Leroux (Richmond—Wolfe)	Leroux (Shefford)
Loubier	MacAulay
Maclaren	Manley
Ménard	Minna
Mitchell	Nault
Paradis	Paré
Patry	Peters
Phinney	Pomerleau
Ringuette–Maltais	Robillard
Sauvageau	Speller
St–Laurent	Telegdi
Tremblay (Rosemont)	Vanclief

The Acting Speaker (Mrs. Maheu): I declare the amendment negatived.

* * *

OCEANS ACT

The House resumed from September 29 consideration of the motion that Bill C–98, an act respecting the oceans of Canada, be read the second time and referred to a committee; and of the amendment.

The Acting Speaker (Mrs. Maheu): The question is on the amendment.

Mr. Boudria: Madam Speaker, I think you would find unanimous consent that all members who voted on the previous motion be recorded as having voted on the motion now before the House, with Liberal members voting nay.

[*Translation*]

Mr. Duceppe: Bloc members will vote in favour of this motion.

[*English*]

Mr. Ringma: Reform will vote in favour of the Bloc amendment to that bill, except for those members who might wish to vote otherwise.

Mr. Solomon: Madam Speaker, members of the New Democratic Party present in the House this evening vote no on this bill.

Mrs. Wayne: Madam Speaker, the Progressive Conservative Party will be voting nay.

Mr. Bhaduria: Madam Speaker, I will be voting nay.

(The House divided on the amendment, which was negatived on the following division:)

(*Division No. 340*)

YEAS

Members

Asselin	Bélisle
Bellehumeur	Bernier (Gaspé)
Bouchard	Bridgman
Brown (Calgary Southeast/Sud–Est)	Chatters
Cummins	Deshaies
Duceppe	Duncan
Epp	Forseth
Frazer	Gauthier
Guimond	Hanrahan
Harper (Simcoe Centre)	Hart
Hill (Prince George—Peace River)	Hoeppner
Jacob	Lalonde
Landry	Lavigne (Beauharnois—Salaberry)
Lebel	Marchand
Mayfield	McClelland (Edmonton Southwest/Sud–Ouest)
Mercier	Meredith
Morrison	Nunez
Penson	Picard (Drummond)
Plamondon	Ringma
Rocheleau	Schmidt
Scott (Skeena)	Solberg
Stinson	Thompson
Tremblay (Rimouski—Témiscouata)	Venne
White (Fraser Valley West/Ouest)—47	

NAYS

Members

Adams	Alcock
Allmand	Althouse
Anderson	Assad
Assadourian	Axworthy (Winnipeg South Centre/Sud–Centre)
Bélair	Bélanger
Bellemare	Bertrand
Bethel	Bevilacqua
Bhaduria	Blaikie
Blondin–Andrew	Bonin
Boudria	Brown (Oakville—Milton)
Brushett	Bryden
Caccia	Calder
Cannis	Catterall
Chan	Clancy
Cohen	Collenette
Collins	Cowling
Crawford	Culbert
de Jong	DeVillers
Dhaliwal	Dingwall
Dromisky	Duhamel
Easter	English
Fewchuk	Finestone
Finlay	Flis
Fontana	Fry
Gaffney	Gagliano
Gallaway	Godfrey
Goodale	Graham
Gray (Windsor West/Ouest)	Harb
Harvard	Hickey
Hopkins	Hubbard
Ianno	Irwin
Jackson	Keyes
Kirkby	Knutson
Kraft Sloan	Lastewka
LeBlanc (Cape/Cap–Breton Highlands—Canso)	Lee
Loney	MacDonald
Malhi	Maloney
Marchi	Massé
McCormick	McGuire
McKinnon	McLellan (Edmonton Northwest/Nord–Ouest)
McTeague	McWhinney
Mifflin	Milliken
Murphy	Murray
O'Brien	O'Reilly
Ouellet	Pagtakhan
Parrish	Payne
Peric	Peterson
Pickard (Essex—Kent)	Pillitteri
Proud	Reed
Regan	Richardson
Rideout	Robichaud
Rock	Scott (Fredericton—York—Sunbury)
Serré	Sheridan
Simmons	Solomon
St. Denis	Stewart (Brant)
Stewart (Northumberland)	Szabo
Taylor	Thalheimer
Tobin	Torsney

Ur	Valeri
Verran	Walker
Wayne	Whelan
Wood	Young
Zed—125	

PAIRED MEMBERS

Arseneault	Bachand
Bakopanos	Barnes
Beaumier	Bergeron
Bernier (Mégantic—Compton—Stanstead)	Bodnar
Brien	Campbell
Caron	Cauchon
Copps	Crête
Culbert	Dalphond–Guiral
Daviault	de Savoye
Debien	Dubé
Dumas	Dupuy
Eggleton	Fillion
Gagnon (Bonaventure—Îles–de–la–Madeleine)	Gagnon (Québec)
Gerrard	Godin
Guay	Langlois
Laurin	Lavigne (Verdun—Saint–Paul)
Leblanc (Longueuil)	Lefebvre
Leroux (Richmond—Wolfe)	Leroux (Shefford)
Loubier	MacAulay
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Ménard	Minna
Mitchell	Nault
Paradis	Paré
Patry	Peters
Phinney	Pomerleau
Ringuette–Maltais	Robillard
Sauvageau	Speller
St–Laurent	Telegdi
Tremblay (Rosemont)	Vanclief

The Acting Speaker (Mrs. Maheu): I declare the amendment negatived.

* * *

CANADA TRANSPORTATION ACT

The House resumed consideration of the motion.

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 45, the House will now proceed to the taking of the deferred division on the motion of Mr. Young relating to Bill C–101, an act to continue the National Transportation Agency.

[*Translation*]

Mr. Boudria: Madam Speaker, if you were to seek it, the House would give its unanimous consent that those members who voted on the previous motion be recorded as having voted on the motion currently before the House, with Liberal members voting yea.

Mr. Duceppe: Madam Speaker, members of the Bloc Quebecois will vote no on this motion.

Mr. Ringma: Madam Speaker, members of the Reform Party will vote no on this motion.

[*English*]

Mr. Solomon: Madam Speaker, members of the New Democratic Party vote nay on this motion.

Mrs. Wayne: Madam Speaker, I will be voting yea.

Mr. Bhaduria: Madam Speaker, I will be voting yea.

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

(*Division No. 341*)

YEAS

Members

Adams	Alcock
Allmand	Anderson
Assad	Assadourian
Axworthy (Winnipeg South Centre/Sud–Centre)	Bélair
Bélanger	Bellemare
Bertrand	Bethel
Bevilacqua	Bhaduria
Blondin–Andrew	Bonin
Boudria	Brown (Oakville—Milton)
Brushett	Bryden
Caccia	Calder
Cannis	Catterall
Chan	Clancy
Cohen	Collenette
Collins	Cowling
Crawford	Culbert
DeVillers	Dhaliwal
Dingwall	Dromisky
Duhamel	Easter
English	Fewchuk
Finestone	Finlay
Flis	Fontana
Fry	Gaffney
Gagliano	Gallaway
Godfrey	Goodale
Graham	Gray (Windsor West/Ouest)
Harb	Harvard
Hickey	Hopkins
Hubbard	Ianno
Irwin	Jackson
Keyes	Kirkby
Knutson	Kraft Sloan
Lastewka	LeBlanc (Cape/Cap–Breton Highlands—Canso)
Lee	Loney
MacDonald	Malhi
Maloney	Marchi
Massé	McCormick
McGuire	McKinnon
McLellan (Edmonton Northwest/Nord–Ouest)	McTeague
McWhinney	Mifflin
Milliken	Murphy
Murray	O'Brien
O'Reilly	Ouellet
Pagtakhan	Parrish
Payne	Peric
Peterson	Pickard (Essex—Kent)
Pillitteri	Proud
Reed	Regan
Richardson	Rideout
Robichaud	Rock
Scott (Fredericton—York—Sunbury)	Serré
Sheridan	Simmons
St. Denis	Stewart (Brant)
Stewart (Northumberland)	Szabo
Thalheimer	Tobin
Torsney	Ur
Valeri	Verran
Walker	Wayne
Whelan	Wood
Young	Zed—120

NAYS

Members

Althouse	Asselin
Bélisle	Bellehumeur
Bernier (Gaspé)	Blaikie
Bouchard	Bridgman
Brown (Calgary Southeast/Sud–Est)	Chatters
Cummins	de Jong
Deshaies	Duceppe
Duncan	Epp
Forseth	Frazer
Gauthier	Guimond
Hanrahan	Harper (Simcoe Centre)
Hart	Hill (Prince George—Peace River)
Hoeppner	Jacob
Lalonde	Landry
Lavigne (Beauharnois—Salaberry)	Lebel
Marchand	Mayfield
McClelland (Edmonton Southwest/Sud–Ouest)	Mercier
Meredith	Morrison
Nunez	Penson
Picard (Drummond)	Plamondon
Ringma	Rocheleau
Schmidt	Scott (Skeena)
Solberg	Solomon
Stinson	Taylor
Thompson	Tremblay (Rimouski—Témiscouata)
Venne	White (Fraser Valley West/Ouest)—52

PAIRED MEMBERS

Arseneault	Bachand
Bakopanos	Barnes
Beaumier	Bergeron
Bernier (Mégantic—Compton—Stanstead)	Bodnar
Brien	Campbell
Caron	Cauchon
Copps	Crête
Culbert	Dalphond–Guiral
Daviault	de Savoye
Debien	Dubé
Dumas	Dupuy
Eggleton	Fillion
Gagnon (Bonaventure—Îles–de–la–Madeleine)	Gagnon (Québec)
Gerrard	Godin
Guay	Langlois
Laurin	Lavigne (Verdun—Saint–Paul)
Leblanc (Longueuil)	Lefebvre
Leroux (Richmond—Wolfe)	Leroux (Shefford)
Loubier	MacAulay
Maclaren	Manley
Ménard	Minna
Mitchell	Nault
Paradis	Paré
Patry	Peters
Phinney	Pomerleau
Ringuette–Maltais	Robillard
Sauvageau	Speller
St–Laurent	Telegdi
Tremblay (Rosemont)	Vanclief

[*Translation*]

The Acting Speaker (Mrs. Maheu): I declare the motion agreed to. The bill therefore stands deferred to the Standing Committee on Transport.

(Bill deferred to a committee.)

* * *

[*English*]

REGULATIONS ACT

The House resumed consideration of the motion.

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 45, the House will now proceed to the taking of the deferred division on the motion of Mr. Rock relating to Bill C–84, an act to provide for the review, registration, publication and parliamentary scrutiny of regulations and other documents and to make consequential and related amendments to other acts.

[*Translation*]

Mr. Boudria: Madam Speaker, if you ask me, I think the House will give its unanimous consent to apply the results of the previous vote on the motion on Bill C–101 to the motion on Bill C–84 now before the House.

Mr. Duceppe: Agreed.

[*English*]

Mr. Solomon: Madam Speaker, members of the New Democratic Party in the House this evening vote no on this motion.

Mrs. Wayne: Madam Speaker, I will be voting yea.

Mr. Bhaduria: Madam Speaker, I will be voting yea.

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

[*Editor's Note: See list under Division No. 341.*]

[*Translation*]

The Acting Speaker (Mrs. Maheu): I declare the motion carried. Accordingly, the bill is referred to the Standing Committee on Government Operations.

(Motion agreed to and bill referred to a committee.)

[*English*]

Mrs. Wayne: Madam Speaker, on a point of order. On Bill C–93, I did not hear you asking for unanimous consent. It was my desire to vote nay on Bill C–93.

The Acting Speaker (Mrs. Maheu): It being 6.40 p.m., the House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

(The House adjourned at 6.39 p.m.)

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Monday, October 2, 1995

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Publié en conformité de l'autorité du Président de la Chambre des communes par l'Imprimeur de la Reine pour le Canada.

Published under the authority of the Speaker of the House of Commons by the Queen's Printer for Canada.
