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**OFFICIAL REPORT**
**(HANSARD)**

## Friday, February 10, 1995

**Speaker: The Honourable Gilbert Parent**

# HOUSE OF COMMONS

**Friday, February 10, 1995**

The House met at 10 a.m.

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*Prayers*

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## GOVERNMENT ORDERS

[*English*]

### YOUNG OFFENDERS ACT

The House proceeded to the consideration of Bill C–37, an act to amend the Young Offenders Act and the Criminal Code, as reported (with amendments) from the committee.

SPEAKER'S RULING

**The Speaker:** My colleagues, with regard to Bill C–37, an act to amend the Young Offenders Act and the Criminal Code, there are seven motions in amendment standing on the Notice Paper for the report stage of this bill.

[*Translation*]

Motion No. 1 will be debated and voted on separately. Motions Nos. 2, 3 and 4 will be grouped for debate but voted on separately.

[*English*]

Motion Nos. 5, 6 and 7 will be grouped for debate but voted on separately.

I shall now propose Motion No. 1 to the House.

MOTIONS IN AMENDMENT

**Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.)** moved:

Motion No. 1

That Bill C–37, in Clause 12, be amended by replacing lines 13 to 18, on page 10 with the following:

''(5.1) Where a young person elects or is deemed to have elected to be tried by a judge of a superior court of criminal jurisdiction with a jury, the youth court shall conduct a preliminary inquiry and if, on its conclusion, the young person is ordered to stand trial, the proceedings shall be before a judge of the superior court of criminal jurisdiction with a jury.

(5.2) A preliminary inquiry referred to in subsection (5.1) shall be conducted in accordance with the provisions of Part XVIII of the Criminal Code, except to the extent that they are inconsistent with this act.

(6) Proceedings under this act before a judge of a superior court of criminal jurisdiction with a jury shall be conducted, with such modifications as the circumstances require, in accordance with the provisions of Parts XIX and XX of the Criminal Code, except that''.

**Mr. Russell MacLellan (Parliamentary Secretary to Minister of Justice and Attorney General of Canada, Lib.):** Mr. Speaker, I am pleased to have this opportunity to speak on Bill C–37 regarding the amendments that are before the House today.

As members are aware undoubtedly, numerous motions were passed by the Standing Committee on Justice and Legal Affairs following very lengthy testimony on Bill C–37. We had before the committee approximately 40 witnesses.

The government today has tabled further motions, eight to be exact, to which I would like to speak. Seven of these motions involve technical improvements to the bill and one addresses a more substantive issue.

(1005 )

These suggestions have arisen as a result of further review of the bill and from recent consultations with the provinces, the territories and youth justice professionals.

The Minister of Justice recently met with his counterparts, provincial and territorial, in Victoria, B.C. The provinces, as members know, administer large aspects of the Young Offenders Act. They requested changes that would be in their interests primarily in the administration of this act. We were most willing to comply because we want the act to work as well as it possibly can.

Motion No. 1 serves to clarify which provisions of the code will apply dealing with the preliminary inquiries where a youth is charged with murder and the matter is going to be dealt with in youth court.

The existing language of Bill C–37 speaks to proceedings being regulated by the provisions of the Criminal Code relating to juries and trials of indictable offences. The revised language is specific as to the relevant provisions of preliminary inquiries as well as the initiation and conduct of jury trials.

**The Deputy Speaker:** The first group is dealing with Motion No. 1. Ten minute speeches.

[*Translation*]

**Mr. François Langlois (Bellechasse, BQ):** Mr. Speaker, before I start my comments on Motion No. 1, I would like to say once again that the Bloc Quebecois has always been opposed to Bill C–37, an act to amend the Young Offenders Act.

It has always been our position, both in this House and in committee, that Canada, and especially Quebec, where the focus of Bill C–37 has no specific application, do not need this kind of legislation.

Since the Young Offenders Act was first implemented a little over ten years ago, the authorities in Quebec have done a good job of harmonizing provincial legislation with the Young Offenders Act. The Youth Protection Act is a case in point. The same people are responsible for enforcing the same laws. I feel that this particular measure is entirely unnecessary and constitutes an unexpected shift to the right.

However, when we see 70 Liberal members rise to vote on Bill C–226, we realize why this kind of bill was introduced. Our young people need jobs far more than they need sentencing. If they had jobs, if their future was not a dead end, there would be no need for legislation to lock them up and refer them to adult court so they will get longer sentences. What we have here is a society that is running scared and a government that will not admit it.

As for Motion No. 1, since that is our topic, it raises far more questions than it answers. Perhaps I may touch on a few points.

The young person's right to elect is provided in the Act, except in the case of murder charges. However, there is no indication when the right to elect to be judged before a jury or before a judge or a magistrate may be exercised. Will a young person exercise his right when he first appears in court? Will he exercise it at the preliminary hearing? Will he exercise it when he applies for bail or release from custody? There is no indication at all. There is absolutely nothing to go by. Does this mean we go by the jurisprudence already established in adult court? There is no indication where the law stands.

(1010)

I think the government will have to redo its homework on this one. The steamroller approach may have to be moderated a bit.

One wonders also, in the case of a young person charged with murder, to which court his request would have to be submitted for release on bail while proceedings are pending. Would it be a superior court, as is the case presently for adults, or would it be a youth court? The rules are different.

If a young person must appear before a superior court judge to request release on bail for the duration of the proceedings, there are no safeguards against possible information leaks resulting from the presentation of such a request. It might be covered by a journalist, names might be published, although the Young Offenders Act includes specific provisions to protect the young person's identity, in large measure at least.

So the young person may very well appear before a youth court, but be required to appear before a superior court judge to request a release, just as adults must, and then the matter would be disclosed even though it is maintained that the preliminary inquiry would take place before a youth court. This poses a serious problem. I think this needs to be reworked. I also think it was done in a bit of a rush because it was only in a parliamentary committee that the official opposition pointed out that, with longer sentences, the young person would then acquire the choice of proceeding to trial by judge and jury. This aspect has evidently not been thoroughly investigated.

An attempt was made, of course, to link the right to trial by jury, guaranteed by the Canadian constitution even for young persons liable to a prison term of more than five years and Bill C–37, which, originally, made no reference to it at all. Departmental lawyers will have to look at the question more to avoid having the courts establish jurisprudence on procedure over the years.

I understand that, in substantive law, the courts have considerable power to establish rights, but the procedure should be established by the legislator in as safe and certain a context as possible. Vague provisions such as these cannot be ignored. Provision must be made at least for a ban on the publication of the name of the applicant in an application for release, if the application is to be heard by a justice of the superior court, because this is absolutely not clear.

Currently, appearance is made before a youth court justice, and the preliminary inquiry takes place in a youth court. What happens, though, if a bail application is made in between the two; where is it heard? It could be claimed that, since, at least until this point, proceedings are held in a youth court, all proceedings could take place there, but the legislation does not speak on this. Provision must be made to permit everything to remain in youth court, even the application for release on bail, since it is made generally between the appearance and the preliminary inquiry, which takes place in youth court.

Guidelines must be established and limits set on motions for a referral order by the Crown. When can the Crown make such motions? At any point before the trial? Immediately before appearance is made? Following the preliminary inquiry? Between the time of appearance and the preliminary inquiry? Here again it is vague. We will have to rely on the precedents that will be set to determine at what point the Crown will be able to do it under the new legislation. I think it should occur between the appearance and the preliminary inquiry or very shortly after the appearance. Certainly not any longer than the three days that the Crown already has to request that the release from custody hearing be delayed. The legislation is not specific. This must

absolutely be clarified, and surely the department's jurists could help out in this area.

Since Part XVIII of the Criminal Code is referred to specifically, in relation to Motion No. 1, as much for what it says as for what it fails to say, I ask myself the following question: Does the crown have the right to evoke preferred indictment in cases involving young adolescents or is preferred indictment out of the question?

(1015)

If preferred indictment can be used, young people will be treated exactly like adults, at each stage. If the crown decides to proceed by preferred indictment, the young person will appear before a justice and then will be sent directly to trial by judge and jury, without any preliminary inquiry.

At the very least, there must be a provision ensuring that preferred indictment cannot be invoked for a young person accused of a criminal act which is punishable by a prison term of over five years, or, if it is used, certain procedures must be put in place for the youth court, otherwise the Young Offenders Act will have lost all meaning. By proceeding by preferred indictment the crown will be able to sidestep the Young Offenders Act and to send the young person directly to criminal court.

I was already of the opinion that bill C–37 was extremely regressive, considering all of the improvements made to criminal law between 1969 and 1980. I believe that Motion No. 1 makes it worse and the opposition will vote against the motion.

[*English*]

**Mr. Mike Scott (Skeena, Ref.):** Mr. Speaker, I rise today to speak to Motion No. 1. We in this party recognize it is a step in the right direction, but it is a small step. It does not accomplish what the Canadian people want to see accomplished. It does not accomplish what we in this party recognize needs to be accomplished.

I will draw what may be a poor analogy. If you wanted to head from Ottawa to Vancouver and you got on the 401 heading west, you would say that you were going in the right direction but you would not pat yourself on the back because you hit the outskirts of town here. People do not want us to drive on a highway in first gear. They want us to get to Vancouver in a hurry. They want us to get on a jet and get there overnight.

That is what we find wrong with this legislation. It does not begin to accomplish what we know needs to be accomplished. For that reason my party and I have a great deal of difficulty with this amendment.

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

**Some hon. members:** Question.

**The Deputy Speaker:** The question is on Motion No. 1. Is it the pleasure of the House to adopt the motion?

**Some hon. members:** Agreed.

**Some hon. members:** No.

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

**Some hon. members:** Yea.

**The Deputy Speaker:** All those opposed will please say nay.

**Some hon. members:** Nay.

**The Deputy Speaker:** In my opinion the nays have it.

*And more than five members having risen:*

**The Deputy Speaker:** Pursuant to Standing Order 76.1(8), a recorded division on the proposed motion stands deferred.

**Hon. Lawrence MacAulay (for Minister of Justice and Attorney General of Canada, Lib.):** moved:

Motion No. 2

That Bill C–37, in Clause 31, be amended:

(*a*) by replacing line 34, on page 24, with the following: ''offence referred to in the schedule shall, when the circumstances set out in subsection (1) are realized in respect of the records, be'' and

(*b*) by replacing line 42, on page 24, with the following: ''tion 41(1) shall, when the circumstances set out in subsection (1) are realized in respect of the records, be transferred to that special''.

Motion No. 3

That Bill C–37, in Clause 31, be amended by adding, immediately after line 3 on page 25, the following:

''(4) Paragraphs 45(1)(*d*.1) to (e) of the act, as enacted by subsection (2), apply in respect of a record relating to a finding of guilt made before the coming into force of that subsection only if the person to whom the record relates applies, after the coming into force of that subsection, to the Royal Canadian Mounted Police to have those paragraphs apply.''

Motion No. 4

That Bill C–37, in Clause 32, be amended by replacing line 24, on page 25, with the following:

''to (*d*) may be kept indefinitely in the special''.

(1020 )

**Mr. Russell MacLellan (Parliamentary Secretary to Minister of Justice and Attorney General of Canada, Lib.):** Mr. Speaker, the three motions which have been grouped together are consequential in nature.

Motion No. 2 flows from the creation in Bill C–37 of two additional repositories. One is the special records repository which is referred to in clause 32, page 25, proposed section

45(2), and the other is the fingerprint repository which is referred to in clause 32, page 27, proposed section 45(3).

These two repositories will permit the RCMP to store records for additional periods of time. The provisions however require a more limited access than the general repository of the RCMP. The amendment will clarify the point in time at which the records may be transferred from the general repository to the special repositories. The existing scheme already requires a crime free period of behaviour before a youth's record may be subject to destruction.

The scheme in Bill C–37 prolongs the period that records of certain offences will be detained as further precaution. In effect, the records from the general repository are moved to a more restricted repository once the young person has met specified conditions set out in section 45(1) as amended by clause 31 of Bill C–37. The time periods for retention in the general repository were amended in Bill C–37 to generally correspond with pardon periods applicable to adults.

Motion No. 3 flows from the Bill C–37 changes to the record provisions which allow for shorter retention periods for less serious offences and require longer retention for more serious offences. These retention periods will apply to the records of young offenders dealt with prior to the coming into force of Bill C–37.

The effect of the motion is to require young offenders who have received absolute or conditional discharges or have been found guilty of a summary conviction offence to apply for the destruction of their records if they wish the shorter time periods to be applied to them. The conditional discharges were not legislatively provided for in the Young Offenders Act but were introduced into Bill C–37. This motion includes conditional discharges as some judges ordered them.

This measure will allow eligible youth the benefit of early destruction of their records. It is also resource efficient and will avoid the necessity of a mutual case by case search through the existing data bank which could cost well in excess of one million dollars.

For a youth whose records will come into existence following implementation of Bill C–37, the process will be automated and no application by the young person will be required.

(1025 )

With respect to Motion No. 4, like the other two it is consequential in nature. It flows from the motion passed by the committee at the committee stage which removes aggravated assault from the list of offences which trigger presumptive transfers. The option of seeking to have a case involving this charge transferred to the adult court remains open to the crown or course.

The effect of section 45.02(2) is that records relating to murder and to any of the presumptive transfer offences may be kept indefinitely in a special repository of the RCMP.

[*Translation*]

**Mr. François Langlois (Bellechasse, BQ):** Mr. Speaker, Motions Nos. 2, 3 and 4 are indeed rather technical. Their purpose is to improve an ill–conceived bill. By making technical improvements to an ill–conceived bill, we are in fact making it worse.

We will, however, agree to Motions Nos. 2, 3 and 4 on division without a recorded vote.

[*English*]

**Mr. Mike Scott (Skeena, Ref.):** Mr. Speaker, Motion No. 2 merely provides further amplification and clarification but does not materially change the bill. Therefore, we are opposed to this motion on the basis that we oppose Bill C–37.

Motion No. 3 provides clear direction for the RCMP to destroy records at set periods of time subsequent to conviction of the less serious offences for which an absolute discharge, a conditional discharge or a summary conviction punishment has been imposed.

Motion No. 4 merely corrects a mistake or a typo in the bill which states ''in paragraphs 16(1.01) (b) to (e)''. The list only went up to (d) so there was no (e).

Once again, on behalf of the Reform caucus I oppose these cosmetic changes. The only way I will lend support to anything dealing with the Young Offenders Act is if it has teeth, if it does something to reduce criminal activity among youth, if it provides for the increased protection of society which is at the heart of this debate and which is the objective of the traditional role of justice in this country. This is an objective the Liberal government and its predecessor seem to have forgotten in the quest to have the rights of criminals supersede the rights of victims, the victims' families and society at large.

**Hon. Warren Allmand (Notre–Dame–de–Grâce, Lib.):** Mr. Speaker, I just listened to the speech made by the member from the Reform Party who says he will only support measures with respect to young offenders or amendments to the Young Offenders Act if they have teeth and will do something to substantially reduce youth crime. If that is the case, I am wondering why the Reform Party does not support measures which will really be directed to the causes of crime and to the real reasons young people commit crime.

Every time measures are put forward that will really do something to reduce the rate of crime in this country, including youth crime, Reform Party members are opposed to it. They are opposed to spending money on serious social programs. They are opposed to spending money which would really help youth reintegrate into society. They are really opposed to programs that would help youth re–adapt in society. All they want to do is

put young people in prison and let them sit there by themselves doing nothing.

**The Deputy Speaker:** The member for Skeena will realize that one can only debate once at this time, therefore, the hon. House leader for the Reform Party.

**Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.):** Mr. Speaker, in response to whether or not there is substantive material here that we are dealing with, I would concur with the hon. member for Skeena. What the amendments we are discussing today really include is so minor it does not substantially change the material beast of Bill C–37, which is not even a half–baked measure, perhaps not even a quarter–baked measure as far as solving the problems of young offenders and their criminal activity are concerned.

I had the privilege in January before we came back to the House to visit many schools in my constituency. In a free question and answer period students were able to dialogue with their member of Parliament.

They brought up the case of the Young Offenders Act. It was not something I mentioned in my brief presentation to them. They indicated it was insufficient. It has no support among young people. They felt it was casting them in a bad light. They were demanding change.

(1030)

When will this Liberal government realize that even young people want reform of the Young Offenders Act? Give us some meat. Give us something that is substantive and will change the Young Offenders Act to protect the reputations of our young people.

[*Translation*]

**Mr. René Canuel (Matapédia—Matane, BQ):** Mr. Speaker, yesterday, we met with the Council of Churches and they totally agreed with my Liberal colleague. We must address the root causes of the problem. It is not by putting people in jail that we will teach members of society how to live together, and that we will spend as little as possible.

You know that prisoners cost a fortune, not to mention prisons and penitentiaries. When our colleagues from the Reform Party say that tough sentences are needed, almost suggesting that criminals must be punished, I, on the other hand, say that we must address the root causes. We must invest in prevention, in education. We as a society should consider the issue thoroughly and spend the money wisely.

A suggestion was made yesterday. Let us assume that the judges are given the money they need for the year—let us say, for example, $187 million per district. This money could be managed jointly by the judges themselves and the citizens. If that were the case, protecting society would not cost $187 million. It would only cost half as much and these people would also make a contribution to society.

I think that we could make several suggestions like that one.

[*English*]

**Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.):** Mr. Speaker, I listened with some interest when the member for Notre–Dame–de–Grâce accused the Reform Party of not supporting legislation that was going to solve some of the problems of why young people commit crimes.

I suggest to the member that he had ample opportunity when he was Solicitor General and in a position to bring in legislation, to prevent the problems we have today. He did not. All he did was bring in legislation that amplified the problems we now have as a result of the Young Offenders Act.

Like my colleague here, I went into a number of schools in my constituency over the holiday break. I heard the same things. The young people in our country do not feel protected by this legislation. They want some serious changes made to it, not just housekeeping and not just changes in the way we say things. They want to feel free when walking the streets, unhampered in their schools and in their communities.

I do not hear that from the young people. What I hear from the young people and the seniors in my community is that they want protection. They do not see protection in what the government is offering.

It concerns me when I see that the government, which has the potential and the opportunity to put in legislation that would keep pedophiles from wandering the streets, which would at least let the community know who these pedophiles are in order to protect the young people in our communities, fails to do that.

My party is waiting for the government to come up with legislation that we can support. We are waiting for legislation that will make a difference, not this kind of legislation that is going to do nothing but take us further down the path of do nothing legislation.

**Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.):** Smoke screens, Mr. Speaker. That is what is coming from the Liberal side all of the time. We see it from the justice minister on the firearms legislation that is proposed. Because it is something he cannot deal with, he comes out with this as a smoke screen to suggest that he is doing something. This motion is no different.

(1035 )

People ask why we oppose something that is a step in the right direction. The problem is that if they take a step they say: ''There, we have given you a solution'', but we never take the full trip.

The government is going to have to come out with something substantive that will answer the needs of the public, answer the needs of the young people. If it does not, we will never get the final solutions which we require. Half measures have to stop. They do not work. They are only being used as an excuse to cover up the fact that the government does not know what really needs to be done or it does not have the will to do it.

My hon. colleague from the Bloc said that we cannot make the Young Offenders Act tougher, we have to get to the bottom of the problem, find the solutions. Nothing says we cannot work on solving the problems before they come to the justice system. The bottom line is still to protect the rights of law–abiding citizens and their property. Young Offenders Act problems are created mostly against young people. It is the young people we are defending, not oppressing.

**Hon. Audrey McLaughlin (Yukon, NDP):** Mr. Speaker, the amendments before us today raise a larger issue and that is the need, which is ongoing, to study the Young Offenders Act as a whole and not to bring in piecemeal methods.

I heartily disagree with my Reform colleagues who would simply lock up every young person in the hope that they would not commit a crime. At the same time they would cut the social programs and the kind of facilities available to young people.

We have a disturbing trend in this country of a very anti–youth movement. The government has not addressed youth unemployment. Why is it not doing that? It has not addressed the need of young people to have better services for treatment and for work in the communities. Instead it is contemplating cutting some of those very services.

Of course we have to deal with those young people who are committing crimes. We have to deal with the communities and the parents who are dealing with those young people. However we will not do it by the government's policy of an anti–youth campaign which this legislation is.

**Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.):** Mr. Speaker, it is about time that we got back to reality.

I have heard inflammatory comments from members of the Reform Party, and in her effort to correct the record I think the hon. member for Yukon only made things slightly worse, but in the other direction. She referred to things such as treatment, which fall under the authority of the provincial government, as she knows. I really wonder how hon. members can make statements such as that.

I heard a Reform Party member ask why are we not addressing in this bill issues dealing with pedophiles. This is an amendment to the Young Offenders Act, made prior to the comprehensive 10–year review. This amendment is designed to be an interim measure until we have more comprehensive review of the legislation. It is not a substitute for the review. As a matter of fact, the review is going to start very shortly. All members of the House know that.

Only a few days ago a member of the Reform Party was sending letters to Canadians, telling them that members did not care about such issues and that the only way to get things fixed was to buy a membership card for the Reform Party. That is the kind of nonsense and fearmongering that we have been hearing. It is victimizing Canadians, trying to take advantage of fears which they might have.

It is about time we had a little bit of honesty surrounding this and other issues involving social policy and justice.

**Some hon. members:** Oh, oh.

**Mr. Boudria:** Mr. Speaker, I notice my comments are generating a bit of heckling. I am glad. The purpose of this bill, first, is to make sure that 16 and 17–year olds who have committed a violent crime can be shifted to adult court in a more expeditious manner. It has to do with information sharing and it has to do with stiffer sentencing, when required. But let us not portray all young people or even most people as being members of that group.

(1040)

I am the father of two adolescents. I too hear from them the concerns that they have about people in their age groups who do things that are improper. However, at the same time let us not pretend that we live in the most crime ridden society on earth or that locking everybody up would necessarily make us safer. After all the United States would be nirvana for everyone if locking people up made society such a better place.

We have just lived through a terrible economic recession. We know it. But we know that right now there are 424,000 more jobs than there was at this time last year. These are statistics this morning from Statistics Canada. We know that those are the kinds of measures that will help to reduce crime; helping Canadians to have jobs and hope.

Simply locking people up the way the Reform Party members pretend is the solution, is not so. Deep in their hearts they know the truth. It is about time they said it instead of the nonsense we are hearing from them.

[*Translation*]

**Mr. André Caron (Jonquière, BQ):** Mr. Speaker, I have been listening to what our friends in the Reform Party have been saying in the House, and I get the impression they are asking us to live in a world where the rich get richer and the poor go to jail.

What exactly does the Reform Party want? They say we need less government and fewer taxes. So what will that mean? It will

mean less government, fewer social programs to benefit the poor, the sick, the elderly and aboriginal people.

That is the kind of world they would have us live in. They say: cut spending, cut taxes. Sure, Canada may be spending too much and sure, we have to pay taxes, but today I read in the paper that Canada ranked fourteenth among industrialized countries in terms of the tax burden on its citizens. So there is a fallacy somewhere. They say we can no longer afford to spend, so let us look into this. They say we are overtaxed. Well, I am not crazy about taxes, but I wish they would stop and think before saying we should let the neediest in our society go hungry so we can reduce the tax burden on people who just want more money than they already have.

Today, we are talking about young offenders, and sadly, in most cases, people who go to jail are anything but wealthy. These are usually people from disadvantaged families who for all kinds of reasons became involved in crime, but the point is that we want to do something for these people and if we want to do something for our country in the process, we should try and prevent youth crime. We should try and give them some hope, and putting security people in our schools and having armed police officers controlling places where young people get together is not the answer.

In any case, I hope our friends in the Reform Party, especially as far as this legislation is concerned, will stop and think what it would be like if their children were in prison at the age of 15, 16 or 17, without much hope for the future and without much hope of being rehabilitated. I think they would change their tune. It is all very well to talk about these things and make certain suggestions and even go along with them here in the House, but out in the real world, in the schools and the prisons, when we see what young people are up against, I think the issues are far more fundamental than what we have heard today.

[*English*]

**Mr. Ted White (North Vancouver, Ref.):** Mr. Speaker, we have heard a lot of rhetoric this morning from the opposite side. Lots and lots of rhetoric. The Liberals need to remember that when they attack the Reform Party they are attacking the people of Canada because poll after poll shows that people are upset with the Young Offenders Act. They want changes made to put some teeth in it.

Like my hon. colleagues I also visited a number of schools during the break. I got the same message from the students as my colleagues did. The students are fed up with the Young Offenders Act. They feel unsafe. They do not even feel safe going to the McDonald's in North Vancouver because of the gangs that cannot be arrested, that cannot be touched by the police.

When the police approach a gang outside McDonald's on Lynn Valley Road the gang swears at the police. ''F–off'' they say to the police. What sort of control is that? People feel unsafe in their communities. They feel as if the government is letting them down. It is time the Liberal government dropped its rhetoric. Of course we need to get to the source of crime and to help the people at the beginning to prevent crime, but we also have to address the problem of the criminals who are already there, the ones who are making society unsafe.

(1045)

We have to put those people away so that we can protect society. We have to put the rights of victims ahead of the rights of criminals.

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

**Some hon. members:** Question.

**The Deputy Speaker:** The question is on Motion No. 2. Is it the pleasure of the House to adopt the motion?

**Some hon. members:** Agreed.

**Some hon. members:** No.

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

**Some hon. members:** Yea.

**The Deputy Speaker:** All those opposed will please say nay.

**Some hon. members:** Nay.

**The Deputy Speaker:** In my opinion the yeas have it.

**An hon. member:** On division.

(Motion agreed to.)

**The Deputy Speaker:** The next question is on Motion No. 3. Is it the pleasure of the House to adopt the motion?

**Some hon. members:** Agreed.

**Some hon. members:** No.

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

**Some hon. members:** Yea.

**The Deputy Speaker:** All those opposed will please say nay.

**Some hon. members:** Nay.

**The Deputy Speaker:** In my opinion the yeas have it.

**An hon. member:** On division.

(Motion agreed to.)

**The Deputy Speaker:** The next question is on Motion No. 4. Is it the pleasure of the House to adopt the motion?

**Some hon. members:** Agreed.

**Some hon. members:** No.

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

**Some hon. members:** Yea.

**The Deputy Speaker:** All those opposed will please say nay.

**Some hon. members:** Nay.

**The Deputy Speaker:** In my opinion the yeas have it.

**An hon. member:** On division.

(Motion agreed to.)

**The Deputy Speaker:** Motions Nos. 5, 6 and 7 will be grouped for debate but voted on separately.

**Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.)** moved:

Motion No. 5

That Bill C–37, in Clause 35, be amended by striking out lines 17 to 20 on page 29.

Motion No. 6

That Bill C–37, in Clause 35, be amended by replacing lines 3 and 4 on page 30 with the following:

''waiver shall be videotaped or be in writing, and where it is in writing it shall contain a statement signed by the young person''

Motion No. 7

That Bill C–37, in Clause 35, be amended by replacing lines 23 and 24 on page 30 with the following:

''or waiver would otherwise be admissible.''

**Mr. Russell MacLellan (Parliamentary Secretary to Minister of Justice and Attorney General of Canada, Lib.):** Mr. Speaker, Motion No. 5 is the substantive amendment I mentioned at the beginning of my remarks.

This issue revolves around the obligation of police to advise young persons before taking a statement of the possibility of the youth being dealt with as an adult.

Bill C–37 proposed an amendment to require police to so warn a youth where applicable. The language in the bill has been criticized for being vague and for possibly resulting in the exclusion of statements that would otherwise be admissible.

The effect of this motion is to rely on the common law principles articulated by the Supreme Court of Canada in the case of R v. ET, 1993. This option will allow the courts to examine the specific circumstances under which the statement was given to determine the relevance of the warning relating to the possibility of transfer.

Proceeding in this way will also allow broader study of this and other evidentiary issues in the broader review of the youth justice system and the Young Offenders Act.

(1050 )

Motion No. 6 is technical in nature. Its effect is to clarify that the requirement for a waiver to be signed by the young person applies only to a written waiver and not to a videotaped waiver.

One of the reasons for amending Bill C–37 to allow for videotape waivers is that some youth are willing to waive their rights to consult counsel and/or an adult and to make a statement but are unwilling to sign the waiver. Currently the Young Offenders Act does not provide for oral waivers.

Motion No. 7 is technical in nature and intended to clarify an ambiguity. Bill C–37 provides in subparagraph 56(5.1)(c) for the situation where a youth misrepresents his or her age and then subsequently seeks to rely on the evidentiary safeguards for youth provided in section 56.

The bill would permit a judge to rule a statement admissible under specified circumstances even where the normal safeguards required for admissibility of statements have not been met. One of the circumstances is that the statement would be admissible in common law and under the Charter of Rights and Freedoms. The additional clause in subparagraph (c) which states ''and its admission would be appropriate'' is vague and is seen as unnecessary.

[*Translation*]

**Mr. François Langlois (Bellechasse, BQ):** Mr. Speaker, sometimes it is almost ironic to listen in this House to my good friend, the hon. member for Glengarry—Prescott—Russell, criticize the Reform Party, and especially the hon. member for Surrey—White Rock—South Langley, as if Bill C–37 had been tabled by the Reform Party. This government whip who made his people rise to vote in favour of Bill C–37 is at the same time criticizing our Reform colleagues for not going far enough. He should find a logical niche to call his own.

Bill C–37 shows us that the Liberals only have a right wing. For a government to remain in the centre, it must have a left wing to balance things out from time to time. The Liberal Party is now siding with Reform, and we see the hon. member for Glengarry—Prescott—Russell criticizing the Reformers' current position, even though this bill was initiated by the government.

I would like to know what the hon. member for Notre–Dame–de–Grâce think about the standing committee's proposed amendment to Motion No. 5. The standing committee simply proposes that the admissibility of a statement given to a person in authority or a peace officer be subject to an additional requirement, namely that the person in authority or the peace officer inform the young person that he or she may be dealt with as an adult and could therefore face the same consequences as an adult.

A 15–year–old who gets arrested under a new law does not always know what the consequences may be. However, the person who makes the arrest or who has authority over the young person as far as the statement's admissibility is concerned must know that the young person may be tried in adult court and face extremely harsh sentences. Why not maintain the standing committee's proposed requirement to inform the young person of the seriousness of the charge that may be laid against him or her? This would make the young person think for a moment instead of trying to recant later and having previous statements ruled inadmissible.

The young person may want to consult first his parents and then perhaps a lawyer or another person as provided for in section 56 of the Act before making statements that would be very easy to obtain, as young people are much easier to manipulate and draw confessions from. These statements would not really be made freely and voluntarily, as they would be obtained under false representations or through promises or threats.

(1055)

I think that the provision proposed by the standing committee should be maintained. Consequently, we will vote against Motion No. 5 aimed at removing this requirement.

As for the other amendments, they are technical in nature, in our opinion.

[*English*]

**Mr. Mike Scott (Skeena, Ref.):** Mr. Speaker, we have a great deal of difficulty with these amendments as with the other amendments because they do not go nearly far enough in addressing the real issue.

I must say that I appreciate the remarks my colleague in the Bloc just made because he was right on the money. The problems that we are dealing with in the Young Offenders Act were created by that party and specifically by the member for Notre–Dame–de–Grâce who stood a few minutes ago and said that the reason we have problems with young offenders in Canada is that we do not spend enough money. He is saying that we should spend money.

If money were the criterion by which we could fix our problems, with the spending that has gone on here in the last 20 years we would be living in a nation of saints. However we are not because that is not human nature. Human nature requires accountability and deterrents. We do not get them with the Young Offenders Act or with these proposed amendments.

I suggest that the government should examine the real causes of crime in society and the Young Offenders Act and put teeth into the act so that young people understand there is a real price to pay for the transgressions they commit.



**Hon. Warren Allmand (Notre–Dame–de–Grâce, Lib.):** Mr. Speaker, first I want to put a question to the parliamentary secretary or to the minister with respect to Motion No. 5 that would strike out lines 17 to 20 on page 30. Those lines state that when applicable the young person may be dealt with as an adult and if dealt with as an adult could face the same consequences as an adult.

In accordance with the portion I just read, the officer who would be advising a young offender would have to tell him that those were the possible consequences before he signed a waiver.

The amendment that is now being presented by the government would strike out the requirement to advise the young offender there is a possibility that he could be dealt with as an adult and could face the consequences in adult court and go to an adult prison.

I do not quite understand why the government is now making a motion to strike that advice to the young offender. Therefore, when the parliamentary secretary makes his concluding remarks, I would like him explain further why they are now striking out that section which would require the police officer or the official to advise the young offender of that possibility.

I also want to take up again the remarks of the Reform Party. To begin with, let me say that the problems with youth crime cannot be attributed to the sections of the Young Offenders Act. Yes, I bear a lot of responsibility for the Young Offenders Act, but the reasons for youth crime are not with the Young Offenders Act. That is where members of the Reform Party err over and over again. They think that if we amend a few lines in the Young Offenders Act, if we make the penalties tougher and do a few things like that, everything will be fine. They are living in a dream world.

**The Deputy Speaker:** Order, please. The member will have the floor after question period. We will now go to Statements by Members pursuant to Standing Order 31.

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## STATEMENTS BY MEMBERS

[*Translation*]

### MINISTER OF HEALTH

**Mrs. Pauline Picard (Drummond, BQ):** Mr. Speaker, the Minister of Health has frightfully mismanaged her portfolio, hidden behind her staff to camouflage her total lack of leadership and vision and, thus, has lost all credibility.

Overtaken by events, the minister lacks the compassion and passion that moves mountains and softens the Treasury Board. At present, seven community organizations that are devoted heart and soul to supporting people with AIDS have been waiting since October for the minister to trouble herself to follow up on their cries for help.

(1100 )

After giving her the benefit of the doubt for several months, after seeing her refuse to give Canadians a real inquiry into the tainted blood issue, continue to act irresponsibly regarding the hepatitis C issue and sit idly by while women with breast implants were treated with contempt, we must admit the undeniable truth: this minister must resign, out of decency, out of respect for her position and in the best interests of Quebecers and Canadians.

Madam Minister, you have made too many errors.

* * *

[*English*]

## CANADIAN BROADCASTING CORPORATION

**Mr. Walt Lastewka (St. Catharines, Lib.):** Mr. Speaker, the Canadian Broadcasting Corporation, our national public broadcasting service, is attempting to obtain permission to televise the Paul Bernardo trial later this year.

The people of St. Catharines have lived with the loss of a young student, friend and beloved daughter. Respect for the families that are the victims of violence and our own sense of decency tell us that what the CBC is doing is totally wrong.

Concerned citizens are calling for a stop to this Americanization of Canada and they are signing petitions. They are angry that taxpayers' dollars are being wasted by the CBC.

I hope the Minister of Finance and the Minister of Canadian Heritage understand this waste when reviewing grants to the CBC.

* * *

## CANADIAN CULTURE

**Mrs. Jan Brown (Calgary Southeast, Ref.):** Mr. Speaker, the secretary of state in a recent interview stated that we have no national culture. I would like to take this opportunity to respond to that statement.

Most Canadians believe, as my party does, that we must uphold the right of citizens and private groups to preserve their cultural heritage using their own resources but are opposed to taxpayer funded multicultural programs.

An ideological conception of culture is that as Canadians we believe we have something that others do not. Collectively we see ourselves as a tolerant, peaceful and independent people. Canadian culture is not insular but rather has an international consciousness that embraces the ethnic richness others have brought to our shores.

The difficulty is that we continue to debate our self–conception. We need to stop struggling with our self–image and accept who were are.

Visually our culture is a kaleidoscope of images, finely integrated and ever changing. Visual symbols such as our flag, the uniform of the Royal Canadian Mounted Police, the fleur de lis and the ice flows of the north all connect us to one another at the deepest level of our consciousness. This is our Canadian culture.

* * *

## SONS OF NORWAY

**Mr. Len Taylor (The Battlefords—Meadow Lake, NDP):** Mr. Speaker, while Parliament was in recess a very important date passed that I would like to acknowledge today.

On behalf of all Canadians of Norwegian descent I would like to congratulate the Sons of Norway which celebrated its 100th anniversary of January 16, 1995.

The organization has come a long way since its 18 founding members pulled it together 100 years ago. There are today more than 70,000 members and more than 400 lodges in Canada, the United States and Norway.

Continuing what they began in 1895, the Sons of Norway provide its members with the opportunity to care for themselves in times of sickness or death and to advance their language and cultural heritage in North America.

I am particularly proud of my own Nisse Lodge No. 567 in District No. 4 which accepted my application for membership a number of years ago.

I am sure the members of this House would join me today in extending our warmest congratulations and best wishes to the Sons of Norway in this, its centennial year.

* * *

## PORT OF CHURCHILL

**Mrs. Marlene Cowling (Dauphin—Swan River, Lib.):** Mr. Speaker, the port of Churchill is the prairie's own grain outlet and an integral component of Canada's transportation system. Therefore it is essential that prairie farmers continue to have access to this cost effective outlet for their grain and that the port is used to the best advantage of prairie farmers.

A recent report released by the Churchill task force demonstrates the enormous potential of the port and the benefits of a rational, long term approach to the revitalization of the port and bayline.

As the report noted, it would be irresponsible to allow these facilities to deteriorate from neglect when they could continue to make an important contribution to the Canadian economy.

An investment in Churchill is an investment in northern Manitoba, in the Spaceport Canada project, in tourism, in jobs in an area of chronic high unemployment and in the future of prairie agriculture.

* * *

[*Translation*]

## EQUALIZATION PAYMENTS

**Mr. Robert Bertrand (Pontiac—Gatineau—Labelle, Lib.):** Mr. Speaker, the Quebec minister of industry said Wednesday, at the hearings of the North Shore regional commission on Quebec sovereignty, that equalization payments represent only $500 per person annually, or a twelve–pack a week.

(1105)

I would point out to Mr. Paillé that equalization payments, that is the amount the federal government transfers to Quebec annually, are on the order of 3.7 billion dollars.

To describe the contribution made by the Canadian government to redistributing the collective wealth of this country to those in greater need, the minister has used an image that reveals the growing obsession of the members of the Parti Quebecois and the Bloc with concealing any positive initiative by Canada.

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## FRANCOPHONE MINORITIES

**Mrs. Christiane Gagnon (Quebec, BQ):** Mr. Speaker, while the Prime Minister is strutting about telling everyone that Canada is the best country in the world, according to the United Nations, the quality of life of Franco–Ontarians is comparable to that of citizens in the Third World. This was the finding of a study made public yesterday by a group promoting the development of French in Ontario.

It also revealed that if the UN were to take the rate of functional illiteracy among Franco–Ontarians into consideration in calculating the human development index, Canada would be a long way from first place.

How can the Prime Minister crow about a superficial rating and close his eyes to the despicable treatment of the French speaking minority by English Canada? If Statistics Canada were to supply the UN with the real figures on illiteracy among francophones outside Quebec, the Prime Minister might be more circumspect.

* * *

[*English*]

## FORESTRY

**Mr. John Murphy (Annapolis Valley—Hants, Lib.):** Mr. Speaker, I rise today to urge the federal government to renew the federal–provincial woodlot development program with the province of Nova Scotia.

In my riding of Annapolis Valley—Hants there are many private woodlot owners who have worked extremely hard to develop a feasible and financially viable industry. This agreement plays a key role in promoting a sustainable, economically sound forestry industry.

By renewing our commitment to this program we can help ensure more long term jobs through better use of all the resources in our forests, a healthier and more productive forest through improved methods of harvesting and better trained, more entrepreneurial woodlot owners.

I believe through this agreement our government can play an important role in promoting economic growth and environmental sustainability in Nova Scotia's forestry sector.

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## SOCIAL PROGRAMS

**Mrs. Diane Ablonczy (Calgary North, Ref.):** Mr. Speaker, the Minister of Human Resources Development continues to call attention to a quote attributed to me regarding the thoughtfulness of Reform's dissenting opinion to his committee's report. I make no apology for the content of our report. I wholeheartedly endorse Reform's dissenting opinion.

Our response to the committee's recommendations was hastily written only because we were given two days to craft a response, a little less than the four months the minister's office had to write the report for the committee in the first place.

If the minister would think through his own recommendations and come to grips with reforming Canada's social programs without spending more money, especially borrowed money, Canadians would not be so worried about their personal security. If there were ever a time for leadership it is now.

I say to the minister rather than distorting the position of your critics, you would serve citizens better by crafting a position of your own; not one for your own political purposes, but one that is in the best interest of Canadians.

* * *

## DURHAM COLLEGE

**Mr. Alex Shepherd (Durham, Lib.):** Mr. Speaker, Durham is home to Durham College, which from 1992 to 1994 was the fastest growing community college in Ontario. It now has over 42,700 students learning technical skills which will ensure that Durham and Canada will be world class competitors in the future.

Durham College is very much community based. I am pleased to say that I have used its facilities to bring constituents together to discuss issues dealing with government. The most recent was

a forum on the future of Canada's social programs hosted by the president, Mr. Polansky.

A number of weeks ago the students started a protest with respect to a possible rise in tuition fees which may result from program changes regarding federal funding of post–secondary education. Instead of throwing macaroni and being generally disruptive, these students raised money for a local food bank, making a positive contribution to their community while getting their point across.

I have received their initial petition of over 600 signatures. I am sure more are on the way.

I would like to thank the students of Durham College and assure them that I appreciate their mature attitude and I further assure them I will be relaying their concerns directly to the Minister of Human Resources Development.

* * *

(1110 )

## MEMBERS OF PARLIAMENT PENSIONS

**Ms. Paddy Torsney (Burlington, Lib.):** Mr. Speaker, in 1993 Liberals campaigned on the promise to reform MPs' pensions. We committed in the red book to end double–dipping and the Prime Minister has effectively done that for all appointments he has made; witness Romeo LeBlanc and Ed Broadbent.

We told Canadians we would change the age at which MPs could collect their pensions. No more Perrin Beattys should leave this House.

All Canadians are going to be asked to share the pain equally in the next budget. Members of Parliament must show leadership. Let us join with men and women, our constituents of all parties. Now is the time for pension reform.

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## MARINE TRANSPORT

**Mr. Stan Keyes (Hamilton West, Lib.):** Mr. Speaker, the Standing Committee on Transport has embarked on a comprehensive study of the Canadian marine sector. The study is being conducted to assist the Minister of Transport with a broad review of the marine sector.

The marine study will include an examination of the port system, pilotage services, the St. Lawrence Seaway and the Canadian Coast Guard. The marine sector plays a vital role in the Canadian economy. Consequently it is incumbent upon us to ensure that Canadian marine policy is conducive to enhanced levels of safety, efficiency, environmental protection and global competitiveness.

Furthermore it should be noted that the Canadian marine sector contributes almost $2 billion a year to Canada's gross domestic product and moves over 225 million tonnes of international trade every year.

As chairperson of the Standing Committee on Transport, I encourage all members to inform individuals and organizations involved in marine operations of the public committee hearings to be conducted on marine issues.

* * *

[*Translation*]

## QUEBEC REFERENDUM

**Mr. André Caron (Jonquière, BQ):** Mr. Speaker, the members of the official opposition were not in the least surprised this morning to learn that the office of the Prime Minister has set up a special referendum unit, just for referendum activities. History is repeating itself. In 1980, the Liberal government, as the great defender of Canadian unity, used its spending power to fight Quebec sovereignists.

As usual, the federal government is not playing by the rules. As it did in 1980, it is quietly pouring considerable financial and human resources into the Prime Minister's political machinery, away from prying eyes and embarrassing questions. However, in 1995, the people of Quebec will not be fooled by these typically Liberal tactics. We have seen this before; it does not bother us any more.

* * *

[*English*]

## SMALL BUSINESS

**Mr. Monte Solberg (Medicine Hat, Ref.):** Mr. Speaker, it is a fact that our debt and taxes have soared over the last 20 years, but those are simply numbers.

What is really important is how the debt and taxes have affected the lives of men, women and children across the country. It would be a mistake to limit our calculation of the damage to the numbers of people who have been forced out of work because of business closures and plant shutdowns, as tragic as those things are.

What we do not see are the jobs that were never created in the first place because people who had dreams of starting their own business were greeted by a government created business environment that was hostile to business. High taxes, regulation and big government; these three have conspired to crush the incentive of thousands of Canadians who are desperately searching for a sign that their hard work will be rewarded.

While many people ingenuinely claim victim status these days, the real victims are the great silent majority who have done their best while successive governments have done their worst.

No new taxes, cut spending is their message.

* * *

## JUSTICE

**Mr. Jack Iyerak Anawak (Nunatsiaq, Lib.):**

[*Editor's Note: Member spoke in Inuktitut*]

[*English*]

Mr. Speaker, many of my constituents are alarmed by the Supreme Court ruling on extreme drunkenness as a defence. A petition signed by several concerned people was recently sent to me and I would like to draw it to the attention of this House and the government.

The implication of this ruling for communities which suffer from significant alcohol and drug abuse is extremely worrisome and the impact on women and children is particularly serious.

My constituents do not believe that our legal system should accept drunkenness as an excuse for violence and I agree. The Status of Women Council of the Northwest Territories is also urging a government response. It is asking the Minister of Justice to take action.

Last November the Minister of Justice put out a consultation paper on reform of the general part of the Criminal Code. The paper asks for the public's views on many issues, including the defence of intoxication. Extreme drunkenness as a defence is not acceptable.

* * *

## PATRONAGE APPOINTMENTS

**Mr. Paul E. Forseth (New Westminster—Burnaby, Ref.):** Mr. Speaker, patronage appointments are alive and well within the Liberal Party.

When the Conservatives were appointing from within the Liberals called it unethical. The Liberals said they would open it up and make merit the main operating principle. Opening it up is exactly what they did if you belong to the Liberal Party.

(1115 )

The Liberals again have appointed one of their own, Marian Robson, a former appointee of the Vancouver Port Authority, to a comfy six figure salary job at the National Transportation Agency, albeit with a bit of a twist: she did not even compete for the job.

Other qualified candidates applied through the front door, through *The Canada Gazette*. What a shame for these qualified candidates that it did not say in *The Canada Gazette* that they had to be a Liberal Party member.



The Liberals now feel guilty. They do not want to be known as unethical, so they have changed the notice in *The Canada Gazette*. It now reads: ''This notice has been placed in *The Canada Gazette* to assist in identifying qualified candidates for the position. It is not intended, however, to be the sole means of recruitment''.

This is not unethical, it is flat out political corruption.

* * *

[*Translation*]

## THE LATE YVON DEVEAU

**Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso, Lib.):** Mr. Speaker, on Friday, January 13, the Acadian village of Cheticamp and in fact all of Acadia lost a giant of a man in the person of Yvon Deveau, who lost his life in a highway tragedy.

Teacher at the NDA school, frontline fighter for Nova Scotia Acadians, manager of the Coopérative des pêcheurs—he wore all these hats and many more. I worked with Yvon on a number of occasions—on the thorny question of monitoring fishing practices and on the importance of crab fishing. He was always concerned for the development of his community and the welfare of other people.

On the day he died, he was coming from a meeting in Moncton in another effort to rescue the fishing industry from crisis and to save jobs in his native village.

On Wednesday, another Acadian, the Right Hon. Roméo LeBlanc, Governor General of Canada, paid tribute to the extraordinary courage of Canadians.

Yvon Deveau's devotion and community spirit were examples of such courage.

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# ORAL QUESTION PERIOD

[*Translation*]

## NATIONAL DEFENCE

**Mr. Michel Gauthier (Roberval, BQ):** Mr. Speaker, Canadians from coast to coast had a chance to view two videotapes showing particularly offensive behaviour on the part of members of the Airborne Regiment in Petawawa.

The Minister of National Defence ordered an internal investigation. He obtained a report from the chief of defence staff which referred to the existence of a third videotape, and he subsequently ordered that the Airborne Regiment was to be disbanded.

Considering the particularly vivid scenes contained in the two first tapes, what explanation does the Minister of National Defence have for the fact that he decided to disband en entire regiment against the recommendations of his chief of defence staff, a decision with far reaching consequences, without taking the elementary precaution of personally screening the third

videotape that was mentioned in the report from General de Chastelain?

[*English*]

**Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.):** Mr. Speaker, as I mentioned yesterday, in the report that was given to me a couple of weeks ago mention was made of a video taken last August of what was described as a beer welcome party where officers were present. Compared to the earlier video it certainly was innocuous.

Obviously had I had the information I received just before question period yesterday, the existence of that video and some of the untoward things on it, I would have made that public two weeks ago. Obviously things in the video were unacceptable. They were an infringement of the National Defence Act.

The report which I received two weeks ago was incomplete. I want to know why it was incomplete. I want to know why the chief of defence staff was not informed of the electric shock experiments and why the head shaving was not in the report. These all infringe the National Defence Act.

An investigation is under way to find out why we were not informed. As soon as I have that information I will make it available to my colleagues in the House.

[*Translation*]

**Mr. Michel Gauthier (Roberval, BQ):** Mr. Speaker, instead of dumping the responsibility for keeping this information from him on all levels of command in the military, would the minister not agree that he only has himself to blame, since he did not even take the trouble to screen the evidence that was available, evidence of which he had been aware since January 23 and to which he had access? Is he not the author of his own misfortune?

[*English*]

**Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.):** Mr. Speaker, I do not think the Canadian public expects the minister of defence to take the role of a military police officer, to go to military bases and interview people, to view all kinds of evidence and to be a one man show.

We have a large organization. We have a chain of command. The chief of defence staff was tasked with the report. That report came. Obviously it is not complete because some of the military police investigations are ongoing. I do not think anybody expects the minister to be out there doing all of those things.

(1120)

With respect to the actual viewing of the tape, we never really got to the bottom of it until I ordered the tape to be dispatched from Petawawa following the question from the hon. member for Charlesbourg on Wednesday.

The tape was viewed yesterday by one of our senior officers. The chief of defence staff viewed it early this morning. He concurs with the interpretation I gave in this House yesterday that the behaviour was not innocuous, that it was offensive and there was infringement. Action will be taken.

[*Translation*]

**Mr. Michel Gauthier (Roberval, BQ):** Mr. Speaker, you will notice the minister admits that the opposition is better informed about what goes on in the military than the minister himself. This is disturbing.

What are we supposed to infer from the minister's explanations for his lack of information on the events in Petawawa? Does this mean that General de Chastelain failed to put all the information he had received in his report or does it mean General de Chastelain himself was not aware of all the facts about the situation in Petawawa?

[*English*]

**Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.):** Mr. Speaker, I said subsequently to yesterday's question period that the chief and I were not informed completely about that videotape. We are quite open about that. We want to know why the chief was not informed. I want to know why I was not informed.

I know this is a Chamber of thrust and parry where the government is to be criticized. What really concerns me here is that these events, however horrendous and however unacceptable, are casting aspersions upon the thousands of men and women who serve in the Canadian Armed Forces and are performing their duties in some of the toughest parts of the world. These people serve with distinction. I am worried that the kind of tone which is used by the hon. member opposite for partisan purposes undermines the morale of the armed forces.

[*Translation*]

**Mr. Jean H. Leroux (Shefford, BQ):** Mr. Speaker, there is no question of taking issue with the position or activities of young military personnel.

My question is to the minister of defence. Clearly, Canadians' trust has been shaken by the backlash of the events at Petawawa. Not only did the minister make hasty decisions without being fully informed, but it appears, moreover, that not even the chief of defence staff had all the information.

Now that it has been established that a lot of information had been concealed from the chief of defence staff and from the minister of defence, himself, can the minister assure Canadians that he retains full control over the armed forces?

[*English*]

**Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.):** Mr. Speaker, I am somewhat amused by the question. Obviously if I had had the full description of that tape when I gave the press conference announcing the decision of the airborne, I would have made that public. The existence of the tape with the unacceptable acts as it has been embellished by the viewing by officials yesterday actually confirms the government's decision to disband the regiment.

[*Translation*]

**Mr. Jean H. Leroux (Shefford, BQ):** Mr. Speaker, clearly the minister is not aware of all that happens in his department.

Since we now know, based on the events at Petawawa, that all levels of the Canadian military can keep information from this House, does the minister not realize that it is absolutely vital in order to rebuild Canadians' trust for him to order a public inquiry, not only on the events at Petawawa, but on the entire system that allows the army to elude parliamentary control?

[*English*]

**Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.):** Mr. Speaker, the hon. member's question is somewhat rhetorical because we do have an investigation. We have military police investigations. Now the military police are investigating the tape on which we have been speaking this morning.

(1125 )

**Mr. Stephen Harper (Calgary West, Ref.):** Mr. Speaker, on January 23 the Minister of National Defence disbanded the airborne regiment even though he had not seen the videotape of the hazing incident. Apparently his department had not even been in possession of a copy.

Several weeks ago DND obtained what is now reported as a third hazing video. The minister says he was not informed. On Wednesday he claimed he had no knowledge. Yesterday he misinformed the House by calling the video innocuous.

After a year and a half, my question for the Minister of National Defence is, why is it that the minister and the House are continually informed of these incidents through the media? Why does the minister not know what is going on in his own department?

**Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.):** Mr. Speaker, I am not going to proceed with an answer until the hon. member obeys the rules of this House and withdraws that allegation.

**Mr. Stephen Harper (Calgary West, Ref.):** Mr. Speaker, I will ask the question again because it demands an answer.

Why is it that the minister does not inform this House of what is going on in his department? Why do we have to learn about this through the media? Why does the minister have to learn of these activities through the media?

**Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.):** Mr. Speaker, I think people know that yesterday I was somewhat agitated having been informed of the extra charges in this video just before question period. In fact as soon as I received the information I informed my staff. I sent a message to the chief of the defence staff saying that I would report this to the House. That was within a few minutes of question period starting.

If hon. members want to proceed with detailed questions as we have had earlier I will try to give the answers. However, if they want to make silly procedural points then there really is no use continuing the discussions.

**Mr. Stephen Harper (Calgary West, Ref.):** Mr. Speaker, I think Canadians would agree there is nothing silly about these incidents.

On November 16 and 17 I raised questions in the House concerning the allegations of Major Barry Armstrong about events in Somalia, irregularities in the investigation of those incidents and reports that have occurred in *Esprit de Corps* and other publications about alleged cover–ups.

What steps has the minister taken in the interim to personally inform himself about the allegations of Major Armstrong or others or to better inform himself about what happened in these particular events?

**Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.):** Mr. Speaker, as I have said before, all the matters dealing with the deployment of the airborne to Somalia in 1992–93 will be the subject of an inquiry. Therefore it is inappropriate for me to comment any further.

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[*Translation*]

## UNEMPLOYMENT INSURANCE

**Mrs. Francine Lalonde (Mercier, BQ):** Mr. Speaker, my question is for the Minister of Finance.

According to the report on income security in Quebec, the number of households that had to apply for social assistance for the first time increased by three per cent last October, among which a surprising number of young people under 25 years of age.

In all regions, workers who had not yet heard about the unemployment insurance cuts are learning about them the hard way. All the while, surpluses, which will be used to reduce the national debt, are continuing to accumulate in the unemployment insurance fund.

Does the Minister of Finance not realize that his last series of budget cuts have had very dire consequences for the young people who now have to rely on social assistance?

**Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.):** Mr. Speaker, the situation in which unemployed young people find themselves is certainly of great concern to us, on this side of the House, like it is for the hon. member.

Having said this, I believe that the Minister of Human Resources Development's new initiative to help these young people move away from passive assistance to a more active one is something that even the hon. member will support. To conclude, I must say that the unemployment insurance fund is still in a deficit position and that we will have to find a way to eliminate that deficit.

**Mrs. Francine Lalonde (Mercier, BQ):** Mr. Speaker, young people who participate in job training programs should not be refused unemployment insurance benefits. That is the position taken in Bill C–17 and in the reform proposal; it is the position that was taken in the Liberal majority report.

(1130)

Does the Minister of Finance not realize that by cutting unemployment insurance benefits he has increased the fund's surplus at the expense of young people, making them pay an exaggerated amount of the deficit? In such conditions, will the minister commit to sparing young people, at least in the upcoming budget?

**Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development— Quebec, Lib.):** Mr. Speaker, we will do everything possible in the next budget to really create an economic framework within which all Canadians, especially young people, will be able to find work.

**Some hon. members:** Hear, hear. Well said.

**Mr. Martin (LaSalle—Émard):** Mr. Speaker, 0I should also mention that the figures for this year show that the government is making progress on this front. For example, this year, in the month of January alone, just in Quebec, we created 16,000 new jobs, and that will help young people.

* * *

[*English*]

## NATIONAL DEFENCE

**Mr. Bob Ringma (Nanaimo—Cowichan, Ref.):** Mr. Speaker, the underpinnings of morale in the Canadian forces have been under attack for a long period now. I was therefore dismayed to read in yesterday's *Globe and Mail* that when the second battalion of the Royal 22nd Regiment goes to Croatia in April it will be without a Canadian surgical team, instead having to depend on a Czech facility an hour's drive away.

The most fundamental support Canada has always given its soldiers is Canadian medical treatment. Our soldiers are willing to risk their lives. They will make do with equipment shortages, but their morale depends heavily on the availability of adequate medical support.

Will the Minister of National Defence take action to ensure that a surgical team is maintained with our troops in Croatia?

**Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.):** Mr. Speaker, the army command in the former Yugoslavia recommended to the chief of defence staff that it was unnecessary for the Canadian team to continue in that particular theatre of conflict because they had full confidence in the facilities supplied by the Czech armed forces.

It is not unnatural in multi–operational theatres of war that one shares expertise and functions. Certainly the best advice is that the facilities available to Canadian forces in Bosnia and Croatia are comparable to those that would be offered by Canadian forces personnel.

**Mr. Bob Ringma (Nanaimo—Cowichan, Ref.):** Mr. Speaker, they are comparable but they are not Canadian. When we have golf trips, inadequate housing, expenditures on furniture and all sorts of mismanagement like that, let us not add to it.

Will the minister agree that mismanagement of medical support for our soldiers in the field must not take place?

**Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.):** Mr. Speaker, I agree with the hon. member's question. There is no mismanagement of medical facilities with respect to our soldiers in Bosnia and Croatia.

If he has evidence that in some way the facilities we had operational up until now have been mismanaged then I ask him to please give us the evidence.

* * *

[*Translation*]

## GUN CONTROL

**Mr. François Langlois (Bellechasse, BQ):** Mr Speaker, my question is for the Minister of Justice. For nearly a year now, the Minister of Justice has told us every week that a bill on gun control will soon be introduced. Last December, the Minister of Justice confirmed that the bill would be tabled at the beginning of the session. Last Friday, the minister stated it would be introduced this week, but we are still waiting.

Since his bill is ready and he committed nearly a year ago to introduce it, what is the Minister of Justice waiting for?

**Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.):** Mr Speaker, I intend to introduce the bill next week.

(1135)

**Mr. François Langlois (Bellechasse, BQ):** I hope we will be sitting next week.

Does the minister not recognize that his inexplicable delays in introducing the bill serve to maintain public uncertainty and give rise to alarmist speculation?

[*English*]

**Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.):** No, Mr. Speaker, I do not.

* * *

## JUSTICE

**Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.):** Mr. Speaker, the provinces of Manitoba and Ontario have plans to advise citizens when a high risk sex offender is being released into their communities. These plans are necessary because the federal government has been unwilling to introduce any legislation that deals with high risk offenders.

My question is for the Minister of Justice. Why is it that the minister is not showing leadership but rather is abdicating his responsibility to the provinces?

**Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.):** Mr. Speaker, first, the steps announced yesterday by the province of Manitoba and by the province of Ontario do not represent, as the hon. member has suggested, an abdication of federal responsibility. Rather they represent on the part of those two provinces an exercise of jurisdiction that is specifically provided by federal legislation, section 25 of the Corrections and Conditional Release Act, which enables provinces to take those very steps. I decline the suggestion of the hon. member that this in some way represents federal inaction. It is quite the opposite.

Second, the single highest priority for the government in the area of criminal justice is the safety of Canadians. That priority is reflected in the action taken by the government on a variety of fronts.

Two weeks ago I presided at a meeting of ministers of justice from across Canada in Victoria. We decided on specific action to improve the Criminal Code, to introduce new sections and to work with ministers of health to ensure public safety.

**Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.):** Mr. Speaker, I am glad the minister mentioned the conference in Victoria. At that conference last month the Minister of Justice stated that he was opposed to post–sentence detention orders because they may infringe upon the rights of convicted sex offenders. I fail to see where this shows that the federal government is more concerned about the protection of society, as he has just stated.

Could the minister explain to the House why he believes the rights of convicted sex offenders like Fernand Auger are more important than the lives and the rights of victims like Melanie Carpenter and Pamela Cameron?

**Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.):** Mr. Speaker, both the purported quotation offered by the hon. member and the substance of her question represent a marked departure from her usual standard of fairness. I must say that is not what I said at all.

In Victoria when we discussed this issue first we identified changes that could be made to the Criminal Code, upon which we had agreement in principle, changes we will introduce to enhance the existing provisions in relation to dangerous offenders; second, adding new provisions to the code for long term offenders so that we have long term supervision for people who are at high risk to reoffend; and third, we had ministers of health from across Canada present to work with us on those who are mentally ill and who present a risk to reoffend.

We are taking action, very specific action. We understand that going beyond that and into the criminal sphere represents constitutional challenges, but we are committed to looking at those strategies to determine whether there are other steps we could take to enhance the safety of Canadians.

* * *

[*Translation*]

## HUMAN RIGHTS

**Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ):** Mr. Speaker, I have a third question for the Minister of Justice.

The Prime Minister and the Minister of Justice made a solemn commitment to prohibit discrimination on the basis of sexual orientation. They promised to table a bill by June, then September, then December, when the Minister of Justice told us that we had to wait for the strategic moment.

My question to the strategically–minded Minister of Justice is this: Can the minister tell us if he has completed his strategic calculations and is now in a position to let us know when the bill will be tabled?

[*English*]

**Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.):** Mr. Speaker, apart from the way I have distinguished myself for my ability to predict the time at which steps will be taken, I want to emphasize that in this connection the important thing is the commitment of the government to that legislation.

(1140 )

I emphasize for the hon. member, in response to his question, that the government is committed to the amendment to which he refers and that legislation will be introduced.

[*Translation*]

**Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ):** Mr. Speaker, Quebecers and Canadians have been hearing this answer for over a year. Even businesses like Bell Canada, a federal business, has announced today the adoption of an non–discrimination policy.

Why does the Minister of Justice not simply admit that this issue is blocked in cabinet because the government is unable to convince many Liberal caucus members to stand by its election promise?

[*English*]

**Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.):** Mr. Speaker, that is not the case. The government's commitment to the amendment is exactly the same. It is unwavering and the legislation will indeed be introduced.

* * *

[*Translation*]

## FEDERAL PUBLIC SERVICE

**Mr. Mark Assad (Gatineau—La Lièvre, Lib.):** Mr. Speaker, my question is for the President of the Treasury Board.

In view of the alarming predictions made by the Public Service Commission regarding the numbers of jobs that could be cut in the public sector and, consequently, in the private sector, can the minister tell us what kind of measures he intends to take in order to minimize the impact the re–organization of the public service will have on the national capital area?

[*English*]

**Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.):** Mr. Speaker, the assumptions made in the study released by the union are very questionable. The numbers it projects are very much an extreme case. I would caution anyone with respect to looking at that study.

May I say, as I said in the House the other day, that we want to treat people who will be departing because of downsizing in a fair and reasonable fashion. There will be various parts to the departure packages that will help people to re–establish themselves in the private sector.

I met with the mayor of Ottawa this morning to discuss ways in which we could work with the municipal governments to ensure that we minimize the impact on the region. I do note, I might add, that the region within the last year has increased jobs by some 16,000 in number, despite the decline in the federal public service. There is a lot of opportunity now with four out of five jobs in the national capital region being in the private sector to help people move into new opportunities. Certainly we are committed to doing everything we can to help them do that.

* * *

## JUSTICE

**Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.):** Mr. Speaker, I have a question for the Solicitor General.

Once again members of my party have brought to the attention of the House and the minister cases of dangerous sexual offenders who have been released into society only to reoffend, or in the tragic case of Melanie Carpenter to claim the life of an innocent victim.

One such individual, Mr. Harold Irving Banks, was recently transferred to a halfway house in Victoria right next to one of his victims, then transferred to a halfway house in Abbotsford three blocks away from his terrified daughter.

Is it the policy of the government to have dangerous sexual offenders released into communities where their victims reside? Will he take immediate action to have Mr. Banks moved far away from his victims?

**Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.):** Mr. Speaker, it is not the policy to operate in that way as far as I am aware. I will look into this case immediately and I thank my hon. friend for bringing it to my attention.

**Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.):** Mr. Speaker, I thank the Solicitor General for looking into the matter.

I have a question for the Minister of Justice. I am glad that he reiterated his commitment to having the safety of Canadian society as his single highest priority.

I have a very simple question. Will the minister immediately bring forth legislation to incarcerate violent sexual offenders beyond their original sentence if they are deemed to pose a risk to society just before their release?

**Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.):** Mr. Speaker, part XXIV of the Criminal Code already provides that a person who represents a high risk and can be called a dangerous offender within the meaning of that term in the code can be kept in prison indefinitely.

It is up to the provinces to lay those charges in appropriate cases and to see that any such persons are kept in jail indefinitely. That is already on the books.

(1145 )

In addition, we discussed in Victoria and will be introducing changes to the code to add a category of long term offenders who may not be dangerous as in the meaning of that section, but who pose a threat to reoffend which endangers the public. The court will be enabled in such a case to impose as long as 10 years'

supervision after their release from jail for the safety of the public.

* * *

[*Translation*]

## INDIAN AFFAIRS

**Mr. Claude Bachand (Saint–Jean, BQ):** Mr. Speaker, my question is for the Minister of Indian Affairs.

The Royal Commission on Aboriginal People finally produced its report on suicide among young natives. The situation is disastrous. Young natives commit suicide at a rate eight times higher than young non–natives. The Pikangikum and Davis Inlet reserves are tragic examples of this.

Does the minister recognize the seriousness of the problem and what drastic measures does he intend to take to deal with this problem?

[*English*]

**Ms. Hedy Fry (Parliamentary Secretary to Minister of Health, Lib.):** Mr. Speaker, the hon. member has brought to the attention of the House a very tragic situation that is of great concern to the Ministry of Health and to the Minister of Indian Affairs and Northern Development.

The situation of mental health and suicides as is pointed out in the report has been well–known and is an issue of major concern to our department. Last fall we quadrupled our funding for community mental health efforts among aboriginal communities.

The issues are complex. They not only deal with health, they deal with social problems, housing and economic development. We are going to respond to the report as soon as we meet with stakeholders that understand the issues so we can take the right steps to prevent it.

[*Translation*]

**Mr. Claude Bachand (Saint–Jean, BQ):** Mr. Speaker, I heard the same speech in the House a year ago.

How can we trust the minister when, a year ago, he had pledged to take positive steps to improve the dreadful conditions of natives in Davis Inlet, and he did not deliver on his promises?

[*English*]

**Ms. Hedy Fry (Parliamentary Secretary to Minister of Health, Lib.):** Mr. Speaker, as is shown in the report, the issue is extraordinarily complex. It crosses a lot of boundaries. There are spiritual issues, housing issues, economic development issues and social issues.

Issues that have gone on for a long time cannot be dealt with in one day. We want to do the right things. That is why we are studying the issue, working with the communities to make the changes necessary.

* * *

## THE ENVIRONMENT

**Mr. John Duncan (North Island—Powell River, Ref.):** Mr. Speaker, there are serious reports from the Stony Reserve in Alberta of logging activity which is illegal and harming the environment. The reports also state that a few are getting wealthy, tax free, as a result.

Will the Minister of Indian Affairs and Northern Development ensure that violations of the Indian timber regulations in the Indian Act are quickly dealt with and the legislation and departmental policy strengthened to prevent a repeat occurrence?

**Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.):** Mr. Speaker, I thank the hon. member for the question. We are aware, as is everyone in that area, of what is going on at the reserve. Logs are being taken illegally, without permits either from the First Nation band or from DIAND.

We have asked the RCMP—we cannot direct them—to go in and bring the situation under control. I understand it has stopped. We have asked them to seize the logs and any inventory that is being used illegally.

The negotiations are ongoing with the three Stony chiefs to reach agreement on a viable plan for management of the First Nations' inventory.

**Mr. John Duncan (North Island—Powell River, Ref.):** Mr. Speaker, this has been an ongoing problem. It only ceased this week. This is happening because DIAND has abdicated its responsibility with its policy of devolving authority to band control.

In this case the Indian timber regulations are the legislation that control the forestry activity. This is giving loggers, taxpayers, the band and the department a black eye.

Will the minister ensure this legislation is enforced?

**Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.):** Mr. Speaker, the hon. member's question is utter nonsense, showing how ill–informed he is.

It has nothing to do with devolution or dismantling. It has to do with people who are operating illegally. The chiefs do not want it and we do not want it. We will work together constructively in the spirit of dignity and respect to resolve the issue.

(1150 )

## INCOME TAX

**Hon. Charles Caccia (Davenport, Lib.):** Mr. Speaker, my question is for the Minister of Finance.

As we are all aware in the 1980s under Tory rule, the top personal income tax bracket was lowered from 34 to 29 per cent and the corporate tax rate fell from 36 to 28 per cent. While recognizing the confidentiality of the budget, would the minister assure the House that he is fully addressing the lack of fairness inherent in the taxation system we inherited from the Tory government.

**Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development –Quebec, Lib.):** Mr. Speaker, I want to congratulate the member on his question and on the degree to which he is well informed.

The previous government did lower the rates at the top end. It indicated a preference which we began to clear up in the last budget.

The member will remember that in the last budget we eliminated purchase butterflies. We eliminated the preferential tax rate for larger corporations. We eliminated the $100,000 capital gains tax exemption and we brought in new and tougher rules for foreign affiliates.

I can assure the hon. member that the same spirit of fairness that was shown in the last budget will be shown in this budget. I would like to congratulate the member for his desire to see fairness and equity in the tax system, unlike certain of those opposite.

* * *

[*Translation*]

## DEPARTMENT OF JUSTICE

**Mr. Michel Bellehumeur (Berthier—Montcalm, BQ):** Mr. Speaker, these last few days we learned that the Minister of Justice is appointing Liberal friends as legal agents—in the riding of Brome—Missisquoi for example. However, patronage does not seem to stop there.

According to his own officials, during the first seven months of the Liberal government, the department signed 129 service contracts with a total value of $5 million. Could the Minister of Justice explain to us why Quebec individuals and companies obtained only 6 per cent of the total value of these contracts?

[*English*]

**Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.):** Mr. Speaker, I will deal with the question concerning legal agents first. When the government took office the process by which legal agents were appointed by the Department of Justice was criticized by the Auditor General.

In the months since the government took office, we have introduced important changes to that process to ensure its fairness, its efficiency and to ensure that we are getting high quality services throughout the country. Those changes are very significant.

In terms of the numbers to which the hon. member refers I am not familiar with his reference. If he provides me with details, I will be happy to look into it and to respond to his question.

[*Translation*]

**Mr. Michel Bellehumeur (Berthier—Montcalm, BQ):** Mr. Speaker, I would like to remind the minister that the total value of the contracts given to Ontario is eleven times that of contracts given to Quebec.

Does the minister really believe that Quebec individuals and companies have equal opportunity when it comes to offering their services to the Department of Justice?

[*English*]

**Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.):** Mr. Speaker, as I said I am not entirely sure what the hon. member's reference is. I will respond when I have the particulars of his question.

If the hon. member is referring to the value of contracts for legal services, they are affected by such things as the size of regional offices. We have a large regional office in Montreal and it may well be, although I do not know, that services that are performed on contract elsewhere in the country are performed through in house lawyers in justice in Montreal.

When I find out what the member's reference is, I will respond in detail to his question.

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## THE BUDGET

**Mr. Ray Speaker (Lethbridge, Ref.):** Mr. Speaker, the latest budget rumour among many is that Canadians will be forced to invest all of their RRSP savings in Canada.

If the government wants Canadians to invest money in this country, it has two choices. It can force them through regulations and legislation or it can encourage them by getting its fiscal house in order, which this government should do. That would create some confidence.

(1155 )

My question is for the Minister of Finance. Is the minister prepared to force Canadians to invest in Canada or is he going to give them the opportunity to invest freely, as a Canadian should?

**Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development —Quebec, Lib.):** Mr. Speaker, I have said many times that I am not in a position to reveal details of the budget. But I would like to remind the member opposite that we have made it very clear that we are going to get this nation's finances in order.

I would also remind the member opposite that this nation's great resources are not only deep in the ground but they lie in the skills and the talent of those who walk on it. The government will always encourage Canadians to invest in their own country.

**Mr. Ray Speaker (Lethbridge, Ref.):** Mr. Speaker, I can certainly appreciate what the minister has said, but what we want in this country is the opportunity to have the freedom to invest without the intervention of government. Less government is what we want.

The minister wants to take all of the credit for the growth of the economy and the improvements in this country, but I think the provinces have something to do with it. For example, Alberta has the lowest taxes at the current time in the country. We have unemployment at 7.2 per cent. We have a surplus budget and we have investor confidence which is something that is necessary for all of Canada.

In his considerations and responsibilities as the Minister of Finance in creating an investment climate, is he considering the Alberta model as one that should be followed?

**Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development —Quebec, Lib.):** Mr. Speaker, I have some difficulty understanding where the member is coming from. His initial question appeared to be a representation on behalf of foreign bankers. His second question appears to be a representation on behalf of the Conservative government of Alberta. I am delighted to see, however, that the twain have now come together.

Certainly I congratulate any province that has succeeded in getting its fiscal house in order. I would extend to the governments of the provinces of Saskatchewan, Alberta, Prince Edward Island and New Brunswick, in fact mostly the Liberal provinces, our congratulations.

However, I would point out one thing. There is criticism of the way in which the Government of Alberta has gone at that in terms of its health system and its education system. One must wonder whether it makes sense to get short term financial results at the expense of the long term human capacity of the country.

## MPS' PENSIONS

**Hon. Audrey McLaughlin (Yukon, NDP):** Mr. Speaker, my question is for the President of the Treasury Board.

The government is proposing massive cuts to public services, to social services and to health services. These cuts seem to have gone through the Liberal caucus relatively quickly. However, when it comes to something such as MPs' pensions the government seems to be unable to get its act together as indeed the previous government could not get its act together.

I want to ask the Minister of the Treasury Board why inaction on this issue has been allowed to take on a symbolism which I think is both unrealistic and far beyond the reality. To put an end to this will the minister bring in legislation on MPs' pensions before the budget?

**Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.):** Mr. Speaker, as I understand it, the hon. member has also had lively discussions on pension reform matters in the past. Certainly we are going through a discussion of the matter. As the Prime Minister indicated yesterday, there will be an announcement either during the budget or before the budget.

We will live up to our red book commitments with respect to pension reforms.

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## GUN CONTROL

**Hon. Warren Allmand (Notre–Dame–de–Grâce, Lib.):** Mr. Speaker, my question is for the Minister of Justice.

Two new hyperdestructive handgun bullets were recently developed in the United States. One is designed to do maximum damage to human tissue while the second can penetrate body armour. This rhino ammunition is designed to break into thousands of razor–like fragments when it hits flesh and death is almost instantaneous.

(1200 )

I want to ask the minister whether the import and sale of these bullets will be prohibited in Canada and whether the sale of all ammunition will be subject to control under his new legislation to be tabled next week?

**Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.):** Mr. Speaker, Canadians were horrified to read of the production and potential sale of these bullets in the United States.

That news story has seemed to solidify the vast majority opinion in this country that steps must be taken to ensure that in relation to firearms we do not go the way of the United States.

Ammunition of that description has already been prohibited. Order No. 10 of 1992 makes the import or sale of that ammunition unlawful.

The new registration system which the government proposes will permit the tracking of any such prohibited items and ensure that they do not come into Canada.

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### LABOUR

**Mr. Ian McClelland (Edmonton Southwest, Ref.):** Mr. Speaker, my question is to the Deputy Prime Minister.

The right of management to employ replacement workers balances the right of employees to withdraw their labour. The effect of tipping this balance through legislation in favour of employees will destroy the balance between management and labour.

Is it the intention of this government to drive business and investment out of Canada to jurisdictions without such legislation?

**Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.):** Mr. Speaker, absolutely not.

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[*Translation*]

### PUBLIC SERVICE

**Mr. René Laurin (Joliette, BQ):** Mr. Speaker, my question is directed to the Minister responsible for Public Service Renewal. A week ago during a public debate, the minister admitted that between 10,000 and 12,000 federal public servants would lose their jobs in the Ottawa–Hull region, including 4,000 in the Outaouais, which represents more than one–third of the total cuts.

Could the minister explain why, as he was reported to have said in *Le Droit*, more than 33 per cent of these cuts will affect the Outaouais, which provides only 25 per cent of the federal public servants in the Ottawa–Hull region?

**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, all the issues concerning the budget's impact on the public service have been dealt with from the outset by the President of the Treasury Board. I believe we have said many times that we will treat our public servants fairly.

That is exactly what transpires from the proposals released last week by the President of the Treasury Board. Both sides of the river will be treated fairly, there is no question about that.

## ROUTINE PROCEEDINGS

[*English*]

### COMMITTEES OF THE HOUSE

PROCEDURE AND HOUSE AFFAIRS

**Ms. Marlene Catterall (Ottawa West, Lib.):** Mr. Speaker, I have the honour to present the 59th report of the Standing Committee on Procedures and House Affairs regarding the membership of the joint committee on the Library of Parliament.

[*Translation*]

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

[*English*]

ABORIGINAL AFFAIRS AND NORTHERN DEVELOPMENT

**Mr. Gordon Kirkby (Prince Albert—Churchill River, Lib.):** Mr. Speaker, I have the honour to present in both official languages the ninth report of the Standing Committee on Aboriginal Affairs and Northern Development regarding Bill C–60, an act respecting the agreement between Her Majesty in right of Canada and the Pictou Landing Indian Band, without amendments.

[*Translation*]

PUBLIC ACCOUNTS

**Mr. Richard Bélisle (La Prairie, BQ):** Mr. Speaker, I have the honour to present the seventh report of the Standing Committee on Public Accounts.

This report deals with tax revenue and the resource companies allowance, following a dispute between the Department of National Revenue and Gulf with respect to the interpretation of certain tax deductions for the 1974 and 1975 taxation years. The Department of National Revenue issued a reassessment, which Gulf appealed. The court ruled in favour of Gulf. The government appealed the decision and lost in 1992. The government then sought leave to appeal, which the Supreme Court of Canada refused, and has continued to refuse since 1992.

(1205)

Following the court decisions, 40 other companies in the resource sector sought a refund based on their tax returns since 1974. Negotiations are continuing between the government and these companies. The final amount of the refund, including accumulated interest, could reach two billion dollars. In order to offset this substantial risk of erosion of the tax base, the Standing Committee on Public Accounts is recommending a series of measures designed to avoid a repetition of the Gulf affair and to make possible a judicious assessment and management of the risks to the federal government.

Pursuant to Standing Order 109, the committee requests that the government table a comprehensive response to this report.

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[*English*]

## CRIMINAL CODE

**Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.)** moved for leave to introduce Bill C–301, an act to amend the Criminal Code (violent crimes).

He said: Mr. Speaker, it is a privilege to put forth this private member's bill to serve notice to those individuals in society who choose to continually victimize society; for those who wish to continue to commit violent offences on those who are innocent civilians.

This is a three strikes and you are out bill, which gives notice to those individuals who wish to do these things that if they commit three violent offences they are in for 25 years.

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

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## COMMITTEES OF THE HOUSE

PROCEDURE AND HOUSE AFFAIRS

**Ms. Marlene Catterall (Ottawa West, Lib.):** Mr. Speaker, I move that the 59th report of the Standing Committee on Procedure and House Affairs presented to the House earlier this day be concurred in.

(Motion agreed to.)

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## PETITIONS

HUMAN RIGHTS

**Hon. Warren Allmand (Notre–Dame–de–Grâce, Lib.):** Mr. Speaker, I have a petition signed by 33 residents from London, Ontario, whom I met recently. The petitioners point out that acts of discrimination against lesbian, gay and bisexual Canadians are an every day reality in all regions of Canada. This kind of discrimination is unacceptable in a country known for its commitment to human rights, equality and dignity for all citizens. Therefore the petitioners call upon Parliament to act quickly to amend the Canadian Human Rights Act to prohibit discrimination on the basis of sexual orientation.

**Mr. Rex Crawford (Kent, Lib.):** Mr. Speaker, I am honoured to rise in the House pursuant to Standing Order 36 to present a petition with several hundred names on it.

The undersigned citizens of Canada draw the attention of the House to the following: that because the inclusion of sexual orientation in the Canadian Human Rights Act will provide certain groups with special status, rights and privileges; that because these special rights and privileges would be granted solely on the basis of sexual behaviour; that because inclusion will infringe on the historic rights of Canadians such as freedom of religion, conscience, expression and association; therefore the petitioners call upon Parliament to oppose any amendments to the Canadian Human Rights Act or the Canadian Charter of Rights and Freedoms which provide for the inclusion of the phrase sexual orientation.

I support the petition.

(1210)

[*Translation*]

VOICE MAIL

**Mr. Jean–Guy Chrétien (Frontenac, BQ):** Mr. Speaker, it is my pleasure to present a petition, pursuant to Standing Order 36, from the Plessisville seniors club, one of the largest seniors clubs in my riding.

The vast majority of members of this club pray that Parliament will defer its intention to install voice mail systems to reply to inquiries from senior citizens. I myself did a test run this week, and it is very difficult for seniors.

I support totally the petitioners from the Plessisville seniors club.

[*English*]

ROBERT LATIMER

**Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.):** Mr. Speaker, pursuant to Standing Order 36, I have two petitions to table. They are both regarding the Latimer case in Saskatchewan.

The petitioners want to draw to the attention of the House that Mr. Latimer was sentenced to life in prison for second degree murder with no chance for parole for 10 years. These petitioners request that Parliament grant Robert Latimer of Wilkie, Saskatchewan a pardon conditionally or unconditionally for his conviction of second degree murder in the death of Tracy Latimer, his daughter.

There are 1,672 signatures on these two petitions. The case is under appeal and I will reserve my comment until I find out what the results of that appeal are.

SERIAL KILLER BOARD GAMES

**Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.):** Mr. Speaker, I have a number of petitions which I would like to table this morning.

The first petition is against the serial killer board game. It is signed by 684 people, making a grand total of petitions in that regard of 119,440 which I have tabled thus far.

ASSISTED SUICIDE

**Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.):** Mr. Speaker, the second petition is with regard to the issue of assisted suicide, asking Parliament not to consider assisted suicide and euthanasia. It is signed by 102 people. This brings the total for this kind of petition to 22,963.

PARLIAMENTARY PRAYERS

**Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.):** Mr. Speaker, I have another petition signed by a number of Canadians who are objecting to this House's having changed the prayer in Parliament.

SAME SEX RELATIONSHIPS

**Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.):** Mr. Speaker, I have another petition in which people object to homosexual relationships.

BILINGUALISM

**Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.):** Mr. Speaker, another petition wants a referendum on bilingualism.

VIOLENT OFFENDERS

**Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.):** The next petition, Mr. Speaker, has to do with violent offenders.

I wish to table all these petitions this morning.

SAME SEX RELATIONSHIPS

**Mr. Gar Knutson (Elgin—Norfolk, Lib.):** Mr. Speaker, I would like to present a petition.

The petitioners are asking Parliament to act quickly to amend the Canadian Human Rights Act to prohibit discrimination on the basis of sexual orientation and to adopt all necessary measures to recognize the full equality of same sex relationships and families in federal law.

I also have four petitions in which signatories are opposing any amendments to the Canadian Human Rights Act and the Canadian Charter of Rights and Freedoms to provide for the inclusion of the phrase sexual orientation.

BILINGUALISM

**Mr. Gar Knutson (Elgin—Norfolk, Lib.):** Mr. Speaker, the last petition requests a referendum on bilingualism.

VOLUNTEER FIREMEN

**Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.):** Mr. Speaker, I have two petitions I would like to present this morning.

The first one is in recognition of volunteer firemen. These volunteer firemen protect our communities without any financial compensation. There is a deductible, a tax exemption of $500 that is recognized.

My petitioners are humbly praying that this tax exemption be raised from $500 to $1,000 because no change has been made in this tax exemption since 1980.

I would like to support this request from my petitioners for Parliament to pass legislation to recognize the contribution of the firefighters.

YOUNG OFFENDERS ACT

**Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.):** The second petition, Mr. Speaker, is from petitioners who are registering their concern about the Young Offenders Act and how it is unable to prevent crimes by young people. They feel changes need to be made.

My petitioners call upon Parliament to urge the government to review the Young Offenders Act in an open and accountable process which addresses the following principles: deterrence of the offender, the accountability of the offender, and the rights of the victims.

It is my pleasure to present this petition to Parliament.

(1215 )

GRANDPARENTS RIGHTS

**Mrs. Daphne Jennings (Mission—Coquitlam, Ref.):** Mr. Speaker, pursuant to Standing Order 36 it is my honour this morning to stand and present petitions. These names add to the thousands already submitted over the last five and six years.

The request is to amend the Divorce Act, to give grandparents a standing in the courts, to ask for access to the grandchildren. It is important we recognize that our grandchildren in this country are the innocent victims in all of this.

[*Translation*]

VOICE MAIL

**Mr. André Caron (Jonquière, BQ):** Mr. Speaker, I have the pleasure to present a petition signed by 732 senior citizens of my riding stating that they, naturally, feel powerless in the face of the technology of voice mail systems, that they have the right to suitable service, especially in regard to their income security applications, and who pray that Parliament will please ask the government to give up the plan to implement voice mail systems for seniors.

[*English*]

ARMED FORCES PENSIONS

**Mr. Andy Mitchell (Parry Sound—Muskoka, Lib.):** Mr. Speaker, it is my pleasure to present two petitions today.

The first one deals with the basic service pensions for men and women who served in the armed forces during the war and calls on the government to introduce such a pension.

HUMAN RIGHTS

**Mr. Andy Mitchell (Parry Sound—Muskoka, Lib.):** Mr. Speaker, the second petition has to do with the proposed amendments to the human rights act. My petitioners are opposed to that.

ASSISTED SUICIDE

**Mrs. Marlene Cowling (Dauphin—Swan River, Lib.):** Mr. Speaker, I have three petitions to present today.

The first petition with 29 signatures requests that Parliament ensure that the present provisions of the Criminal Code of Canada prohibiting assisted suicide be vigorously enforced and that no changes are made in the law which would allow the aiding and abetting of suicide or active or passive euthanasia.

RIGHTS OF THE UNBORN

**Mrs. Marlene Cowling (Dauphin—Swan River, Lib.):** Mr. Speaker, the second petition I present to the House is on the subject of abortion with 28 signatures.

The petitioners pray that Parliament act immediately by amending the Criminal Code to extend to the unborn the same protection enjoyed by born human beings in Canada.

HUMAN RIGHTS

**Mrs. Marlene Cowling (Dauphin—Swan River, Lib.):** Mr. Speaker, the third petition with 25 signatures requests that Parliament not amend the Canadian Human Rights Act or the charter of rights and freedoms in any way that would indicate societal approval of same sex relationships or homosexuality including amending the Canadian Human Rights Act to include the undefined phrase ''sexual orientation'' in the prohibited grounds of discrimination.

**Mr. Lyle Vanclief (Prince Edward—Hastings, Lib.): Mr. Speaker, I have a number of petitions today.**

The first is from a number of people in my riding calling upon the government not to amend the human rights act or the charter of rights and freedoms that would indicate in any way societal approval of same sex relations or homosexuality.

GUN CONTROL

**Mr. Lyle Vanclief (Prince Edward—Hastings, Lib.):** Mr. Speaker, another petition requests Parliament to refrain from implementing more restrictive controls of firearms that affect only law–abiding citizens. They request that more effective prosecution and tougher sentencing of criminals be carried out.

YOUNG OFFENDERS

**Mr. Lyle Vanclief (Prince Edward—Hastings, Lib.):** Mr. Speaker, another petition asks the government to revise our laws empowering our courts to be stronger on prosecuting young offenders.

BOVINE GROWTH HORMONES

**Mr. Lyle Vanclief (Prince Edward—Hastings, Lib.):** Mr. Speaker, another petition calls upon the government to disallow the use of recombinant bovine growth hormones unless proven completely free of harm to animals and consumers.

ASSISTED SUICIDE

**Mr. Lyle Vanclief (Prince Edward—Hastings, Lib.):** Mr. Speaker, another petition calls upon the government to ensure that the present provisions of the Criminal Code prohibiting assisted suicide and the aiding or abetting of suicide or active or passive euthanasia does not come into play.

GUN CONTROL

**Mr. Lee Morrison (Swift Current—Maple Creek—Assiniboia, Ref.):** Mr. Speaker, I have two petitions today which it is my honour to table under Standing Order 36.

The first one contains 122 signatures mainly from the communities of Aneroid and Vanguard in my riding.

The petitioners state that whereas there is no evidence that the incidence of criminal or suicidal misuse of firearms is impeded by restrictive legislation, they call upon Parliament to desist from passing additional restrictive legislation with respect to firearms or ammunition. They also ask for the repeal of those sections of the Criminal Code of Canada pertaining to the firearms acquisition certificates. I endorse their petition.

(1220 )

HUMAN RIGHTS

**Mr. Lee Morrison (Swift Current—Maple Creek—Assiniboia, Ref.):** Mr. Speaker, the second petition I have is with respect to the amendment of the human rights act and the charter of rights and freedoms to in any way indicate societal approval of same sex relationships or homosexuality. This petition is signed by 61 people primarily from the city of Swift Current.

GOVERNMENT SPENDING

**Mr. Ted White (North Vancouver, Ref.):** Mr. Speaker, I have three petitions to present.

The first one is signed by Charles Kingston and 30 others from North Vancouver praying and requesting that Parliament reduce government spending instead of increasing taxes and implement a taxpayer protection act to limit federal spending.

HUMAN RIGHTS

**Mr. Ted White (North Vancouver, Ref.):** Mr. Speaker, the second petition is signed by 46 petitioners requesting that Parliament of Canada amend the human rights act to include

sexual orientation as a basis for protection against discrimination and to include recognition of relationships based on financial and emotional interdependence.

The third petition signed by 40 people in North Vancouver humbly prays and requests Parliament to enact legislation to amend the Canadian Human Rights Act to prohibit discrimination against persons based on their sexual orientation. It further calls upon the Liberal government to pass Bill C–41 which gives tougher sentences to those who commit crimes of hate against others on the basis of sexual orientation.

**Mr. Janko Peric (Cambridge, Lib.):** Mr. Speaker, I have the honour to table a petition containing approximately 100 signatures forwarded to me by constituents in my riding of Cambridge.

The petitioners pray and request that the government not amend the human rights code, the Canadian Human Rights Act or the charter of rights and freedoms in any way which would tend to indicate societal approval of same sex relationships or of homosexuality.

I am honoured to present my name with this list as well.

* * *

[*Translation*]

### QUESTIONS ON THE ORDER PAPER

**Hon. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, I ask that all questions be allowed to stand.

[*English*]

**Mr. Hermanson:** Mr. Speaker, we will allow all questions to stand. However, I would point out that a number of the written questions have been on the Order Paper for a very long time. This indicates either an inability or an unwillingness to answer. I would implore the government to respond as quickly as possible.

**Mr. Gagliano:** Mr. Speaker, I will take the representation from the House leader of the Reform Party.

**The Deputy Speaker:** Shall the remaining questions stand?

**Some hon. members:** Agreed.

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## GOVERNMENT ORDERS

[*English*]

### YOUNG OFFENDERS ACT

The House resumed consideration of Bill C–37, an act to amend the Young Offenders Act and the Criminal Code, as reported (with amendment) from the committee; and of Motions Nos. 5, 6 and 7.

**Hon. Warren Allmand (Notre–Dame–de–Grâce, Lib.):** Mr. Speaker, before question period I was replying to members of the Reform Party who continue to propose simplistic and unworkable solutions to the problem of crime, especially youth crime. When they say they want something meaningful and effective what they really mean and what they really want are longer, harder sentences to prison without additional resources for correction and rehabilitation.

That model does not work. It is now being tried in several of the United States and violent crime in those states is among the highest in the western world. Those states with ''three strikes and you are out'' laws, those states with capital punishment have among the highest murder and violent crime rates in the western world. Look at Louisiana, Texas, Florida and Mississippi. Those states are executing people in the morning while in the afternoon murders take place during the theft of an automobile.

The approach being proposed by the Reform Party does not work. To begin with there has not been a general increase in youth violent crime in recent years. To give an example let us look at homicide rates among young offenders. The highest number of homicides for youths between the ages of 12 and 17 was 68 homicides in 1975 before the Young Offenders Act, whereas the low rate was 35 homicides for youth in 1987 after the Young Offenders Act.

(1225)

Second, the Young Offenders Act is not, as alleged by the Reform Party, the cause of youth crime. While the Young Offenders Act might be a federal law it is fully and totally administered by the provinces. Some provinces do much better than others.

For example, my province of Quebec dedicates a lot of resources to the Young Offenders Act and has a much better record and much greater satisfaction with the act than other provinces. In some provinces youth crime and youth recidivism is much lower than in others, with the same act right across the country.

If there is violent youth crime in Canada the cause is not the Young Offenders Act. If we want to do something meaningful about youth crime, then we must make a greater effort in prevention and rehabilitation. Yes, certain amendments are required to the Young Offenders Act and we are doing that in Bill C–37, but they alone will not solve the problem of youth crime.

Certain Reform members just said that they met with youth during the Christmas recess and that those youths want significant amendments to the Young Offenders Act. Well, during the recess I also had a meeting with youth in my constituency at Concordia University in Montreal.

Those youth understood that the real problem is principally one of prevention and correction. They also knew that this year

the Parliament of Canada was going to make a thorough review of the Young Offenders Act, a thorough review of youth correction programs, and a thorough review of the situation of youth crime in Canada.

Let us have some honesty and seriousness with respect to this debate. To suggest to Canadians that changing a few lines in the Young Offenders Act is going to solve the problem of youth crime in this country is not correct. I would like my friends in the Reform Party to acknowledge that and be honest with the situation as it really is.

I also would like answers from the parliamentary secretary on the question I asked at the beginning of my remarks.

**The Deputy Speaker:** The hon. member perhaps does not know that the parliamentary secretary has already spoken on this series of motions and he is therefore not able to speak again.

**Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.):** Mr. Speaker, I find it amusing that a person who had the ability to bring in crime prevention programs over 20 years ago is now talking about the need for crime prevention programs to prevent this kind of youth crime.

If that is the solution and the answer, why did this individual not work that kind of a concept into the Young Offenders Act years and years ago? Why did that person who was in the position of instituting crime prevention programs not do it 20 or 25 years ago? Is it not just a little bit late now?

I would suggest that the Reform Party does not disagree that we do need to look at crime prevention and try to keep young people from committing crimes. That does not mean when they do commit crimes that we absolve them of all responsibility and let them return to the street without any kind of recourse for what they did.

Not only did I visit schools back in my constituency, but I also visited the young offender detention centres that are run by the provinces. I cannot say I was pleased with what I saw. What I heard from people working with young offenders is not only the need for accountability and all other things, but the need for government legislation that allows them to work with a federal system in identifying and sharing information on these young people so they know who will be serious problems as adults. The system does not allow for that kind of interchange of information.

The federal government has the responsibility to implement programs and legislation that will allow communities to look after the problem of young people who are falling into criminal patterns.

(1230 )

**Mr. Paul E. Forseth (New Westminster—Burnaby, Ref.):** Mr. Speaker, when the Young Offenders Act came into force in April 1984 it replaced the Juvenile Delinquents Act of 1908. The old Juvenile Delinquents Act was informal and attempted to respond like a wise parent wherein dependent children had few rights.

In April 1985 the maximum age of 18 became uniform across Canada because of the new Young Offenders Act. In fact, many provinces formerly had 16 years as the upper age limit for young offenders.

The main issues that are significant for the average citizen are age limit, transfers to adult court for serious crimes and the privacy provisions.

The Standing Committee on Justice and Legal Affairs will be conducting a 10–year review of the entire act. The situation we are left with is ''get it right next time''.

The government is proceeding with Bill C–37, an act to amend the Young Offenders Act. Its main thrust is to lengthen some penalties but not to touch on areas about which the Reform Party and the majority of Canadians have been asking.

The Reform Party believes that the justice system should place the denunciation of crime and the protection of law–abiding citizens and their property ahead of other justice system objectives. The principle should apply to the Young Offenders Act and the general operation of the Criminal Code.

We believe that the criminal justice policy toward young offenders should be guided by the principles of individual responsibility and system accountability. Young offenders should be held individually responsible for the harm caused by their acts. The justice system should be held accountable for how it handles young offenders. The results that the system delivers should be measured against clearly stated objectives.

I want to provide some alternatives to the criticisms of the previous member of the Reform Party's suggestions. Here are some meaningful proposals that are not simplistic but are reasonable and considered and, most of all, are what mainstream Canada wants.

Lower the Young Offenders Act age definition of young persons to 10 to 15 years inclusive from 12 to 17 years inclusive. Any young offender who commits an indictable offence could possibly be transferred to adult court. Remove extra privacy and secrecy provisions of the Young Offenders Act and treat all YOA records, access to information and ability to publish in the same manner as for adults.

Sentencing must emphasize victim compensation, community service, skills training, education and deterrence to others. In custodial facilities, opportunities for rehabilitation must be

emphasized in a disciplined environment and medical and psychological treatment orders should not require the consent of the offender.

Above all, parents of young offenders should be held responsible for compensating victims of property crime if it can be demonstrated in court that they have not made a reasonable effort to exercise parental control.

The consensus among average Canadians is that the Young Offenders Act is too soft and that stronger, more predictable consequences are needed. Serious and repeat young offenders should be transferred to adult court. Young offenders have to be held accountable for their actions.

A recognition that crime prevention occurs best within nurturing families and early intrusive social services outside the justice system are much better than sentencing.

The public's right to know must take precedence over the rights of an offender for privacy and for general deterrence to work.

It is not a Reform plan to incarcerate all those who commit a crime, only those who commit serious crimes. We encourage community involvement with volunteers supporting alternative measures under the Young Offenders Act.

In summary, the legislative changes previously done and currently planned arise because the original Young Offenders Act was misguided concerning its age of operation. We are therefore not supporting the government's inadequate amendments to the Young Offenders Act.

**Mr. Derek Lee (Scarborough—Rouge River, Lib.):** Mr. Speaker, I want to make two or three comments.

I have listened to the remarks of members opposite. All of it is well–meaning. Some of it borders on the rhetorical but I understand where they are coming from. I do not find any of this a new issue. I think we can make some headway in this Parliament.

As we know, the amendments being proposed to the Young Offenders Act and the amendments we are debating today do principally three things in response to the election commitments of the government in the last election. The government has moved to expedite the transfer of 16 and 17–year–olds to adult court when they are accused of committing the more serious crimes. We have again proposed lengthening the sentence for homicides committed by young offenders. This is the third time Parliament has done this. Last, we have taken steps to deal with the sharing of information between agencies, police, educators and so on involving young offenders.

(1235)

Underlying all of this is the recognition that the way to reduce crime among young offenders, and I suppose throughout the rest of society, is through crime prevention techniques. Once the crime is committed the issue is done. The crime has been committed. We all recognize that. We have commenced a national crime prevention council in the hope that we can engender the kinds of crime prevention techniques, ideas and concepts and put them into place.

Having failed hypothetically with crime prevention techniques to prevent a hypothetical young offender from committing a crime, and having arrested the young fellow, we are then faced with a societal intervention. We have decided as a Parliament, as government policy, that we will not simply take a young offender and drop him into the slammer for a couple of years.

We want an intervention that is appropriate to the circumstances so that the young offender does not commit a crime again. There are several ways to go about it. We have heard different suggestions across the floor of the House and there is plenty to read about it in the media. We want to intervene so it does not happen again. The intervention must be prompt.

I have noted even in the amendments that we propose now and in the existing structures of the Young Offenders Act there is too much potential for delay of that intervention. The secret in applying the justice system to the needs of that young offender so that the young offender will stay straight is that society intervenes promptly in an appropriate way.

Even the youth transfer provisions to the adult court involve procedures. The intervention of the state following the offence of a young offender that takes a year or six months is absolutely useless. Could we please stop and take note that if a 16 or 16 and a half year old commits a crime and we wait a year before we are able to convict and intervene we have wasted a whole year. That young offender is 17 and a half years old. He or she is almost an adult. We have blown the entire window of opportunity to intervene.

We also have to remember that the interventions are not done by the federal government. Interventions following the commission of crimes by young offenders are by provincial jurisdictions. Young offenders are dealt with by provincial procedures following conviction.

This House edicts that there will be an appropriate and a timely intervention by a provincial government. We cannot do it. We have to negotiate it. We have to have the provinces on side. This is a fairly complex undertaking in a country like this. These jurisdictions have been successfully dealt with in the past and we can continue to make progress.

It is important to remember as we consider these amendments to this act that the government is committed to reviewing the entire operation of the Young Offenders Act, even the amendments that we are dealing with today, in a review which will probably take a number of months but which will be intensive. I know that review has the commitment of all members. We intend to do a very good job of producing a report that will

indicate the directions for reform if any. I am sure there will be reform proposals. I am certain of it.

This House and the justice minister may be able to make further proposals with provincial counterparts in the weeks to follow.

(1240 )

**Mr. Leon E. Benoit (Vegreville, Ref.):** Mr. Speaker, I have noticed there are really two main themes in this debate on the Young Offenders Act.

The first theme seems to be that we should deal with the root problem, the cause of youth crime. The other theme is that filling the jails is not going to be the deterrent that we should use to prevent crime, that filling the jails is not the only answer, is not the whole solution to the problem.

I would like to talk a little about these two issues. First I agree absolutely with those who have said that we must deal with the root cause of youth crime. I do not think members would find anyone who would argue with that position.

If we look at the legislation that this government and past governments over the past 20 to 30 years have passed, we find that the role of the family has been weakened by laws, including changes to the criminal justice system and the tax system. These changes have certainly done nothing to get at the root causes of crime, in fact just the opposite. The weakening of the role of the family and the increasing of the role of the state have weakened and added to developing the root cause of crime. It has allowed crime.

The other thing I would like to talk about is the issue of filling our jails as really not being a good deterrent to crime. Jail is part of the answer and jail does provide a deterrent but I too am concerned if we only look at filling the jails as deterrence to crime, including of course crime committed by young offenders.

We have to look at all possible options as deterrents. For example, we have to seriously look at boot camps and other types of set–ups where there is strong discipline. This could be used with young offenders.

Let us also look at something that was removed as an option for deterrence from the Criminal Code in 1971. I am talking about the use of corporal punishment not just with adults but with young offenders. We have to examine the possibility of bringing back corporal punishment as a very effective deterrent.

Before I was involved in politics the first time in 1975 I heard from a constituent who told me about his personal experience in the use of corporal punishment.

This gentleman was at a coffee table in a local restaurant when we were talking about how the criminal justice system had to be improved and how criminals were not being dealt with very well, not firmly enough. One person got on to the suggestion that we reinstate and use corporal punishment in our system again.

One gentleman who had been saying nothing until this point said: ''I am going to tell you something that I have never told anyone before. When I was a young man I committed a violent crime''. We never asked what the crime was. It was not important in the discussion.

He said: ''As a result I received a prison sentence of about two years and I received the lash''. This gentleman said that because he received the lash going in and going out of prison that he believed a deterrent had been provided that kept him from a life of crime. He believed that if it had not been for that corporal punishment, he would have been a lifetime criminal.

When members opposite talk about the harshness of corporal punishment in our criminal system, I would like to ask them this question. Which is more harsh? Which is more kind and gentle, using corporal punishment to prevent a life of crime or not having sufficient deterrents and having an individual become a lifelong criminal?

(1245 )

This gentleman who had received the lash said that he believed it kept him from a life of crime and he also believed that was far less harsh than the alternative of being a lifetime criminal and living every day, every year of his life knowing that he would go back to crime again and again.

Therefore when we are talking in this House about being kind and gentle, let us look at it from a factual and real point of view. I ask again, which is more kind and gentle?

I heard a very similar story from another gentlemen in my riding at an Elks meeting a few years later. This gentlemen had personally received the lash. He received the lash going into jail. He had a longer sentence. He said if he had his choice he would have stayed in jail for life rather than receiving that corporal punishment. This came directly from the person involved. He would have stayed in jail rather than receive the lash on his way out.

I think that says a lot about using corporal punishment as a deterrent. There are many different degrees of corporal punishment that could be used. Certainly with young offenders I think the degree of corporal punishment should be far less.

I know from personal experience throughout my life as a young person growing up that pain was a terrific deterrent. I believe that pain through corporal punishment should be seriously considered in this House as a deterrent to prevent young offenders from reoffending.

When I asked the parliamentary secretary a question in the House last year whether his government had even considered

corporal punishment as a deterrent, the parliamentary secretary stood up, looked at me in a scoffing manner—

**Mr. Stinson:** That is the Liberal look.

**Mr. Benoit:** Maybe that was the Liberal look. He said no and sat down. I believe that it is important that we discuss all options and I believe that we should look at the option of corporal punishment in our criminal justice system generally as a deterrent and in our penal system, including for young offenders.

In closing, I would like to make one more point and comment on how corporal punishment was removed from the criminal justice system. An ominbus bill I believe in 1971, a part of this omnibus bill was not debated, only spoken on by two speakers and that removed corporal punishment as a deterrent in our criminal justice system.

As a result of this bill under a Liberal government back then corporal punishment was removed without debate, without the consideration it deserved. I believe that now we should have the debate in this House and among Canadians to see if other Canadians feel the same as people of my constituency. This issue has been brought up again and again. Then maybe we will see that there will be or is a place in our penal system, including under the Young Offenders Act, for corporal punishment. Let us find out. Let us have an open debate.

**Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.):** Mr. Speaker, I would like to make a short comment.

I listened with interest as the member for Scarborough—Rouge River talked about crime prevention. I think this relates quite specifically to Bill C–37 which we are discussing today.

I will make my point very brief. He talked about crime prevention and the need to focus on crime prevention more than the punishment of crime. He considered that important.

(1250 )

I would ask this House to consider whether the Young Offenders Act as it currently stands, even in light of the amendments in Bill C–37, encourages crime simply because the criminal element over 18 years of age is able to coerce young people to carry out criminal acts because of the lack of harsh offences and consequences that are not enforced under the Young Offenders Act.

What Canadians and even young people are telling us, those who represent them, is tighten up the Young Offenders Act so that these older criminals, the criminal element, are not harassing, coercing and bribing young people to do the dirty work for them because there will not be serious consequences as a result. That is crime prevention, that is what we should be dealing with and that is not in this bill. It is not in the red book and it is not in anything I have seen from the Liberal government to this point.

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

**An hon. member:** Question.

**The Deputy Speaker:** The question is on Motion No. 5. All those in favour of the motion will please say yea.

**Some hon. members:** Yea.

**The Deputy Speaker:** All those opposed will please say nay.

**Some hon. members:** Nay.

**The Deputy Speaker:** In my opinion the yeas have it.

**An hon. member:** On division.

(Motion agreed to.)

[*Translation*]

**The Deputy Speaker:** The next question is on Motion No. 6. Is it the pleasure of the House to adopt the said motion?

**Some hon. members:** Agreed.

**Some hon. members:** No.

**The Deputy Speaker:** All those in favour will please say yea.

**Some hon. members:** Yea.

**The Deputy Speaker:** All those opposed will please say nay.

**Some hon. members:** Nay.

**The Deputy Speaker:** In my opinion, the yeas have it.

**Some hon. members:** On division.

(Motion agreed to.)

[*English*]

**The Deputy Speaker:** The next question is on Motion No. 7. All those in favour of the motion will please say yea.

**Some hon. members:** Yea.

**The Deputy Speaker:** All those opposed will please say nay.

**Some hon. members:** Nay.

**The Deputy Speaker:** In my opinion the yeas have it.

**An hon. member:** On division.

(Motion agreed to.)

**The Deputy Speaker:** Normally at this time the House would proceed to the taking of deferred divisions on report stage of the bill. However, pursuant to Standing Order 45(6), the recorded divisions will stand deferred until Monday, February 13 at 6.30 p.m.

**Mr. Boudria:** Mr. Speaker, I believe if you were to seek it you would find unanimous consent to further defer that vote from Monday at the time of adjournment until Tuesday at 5.30 p.m.

[*Translation*]

**The Deputy Speaker:** Does the House give unanimous consent to this motion?

**Some hon. members:** Agreed.

(Motion agreed to.)

* * *

[*English*]

## AGRICULTURE AND AGRI–FOOD ADMINISTRATIVE MONETARY PENALTIES ACT

**Hon. Sheila Finestone (for the Minister of Agriculture and Agri–Food, Lib.)** moved that Bill C–61, an act to to establish a system of administrative monetary penalties for the enforcement of the Canada Agricultural Products Act, the Feeds Act, the Fertilizers Act, the Health of Animals Act, the Meat Inspection Act, the Pest Control Products Act, the Plant Protection Act and the Seeds Act, be read the second time and referred to a committee.

**Mr. Lyle Vanclief (Parliamentary Secretary to Minister of Agriculture and Agri–food, Lib.):** Mr. Speaker, the government has tabled Bill C–61 introducing the Agriculture and Agri–Food Administrative Monetary Penalties Act, a major component of our program to reform enforcement of the regulatory system for agriculture and agri–food products.

This bill introduces an option to enforce agriculture regulations outside the courts when domestic or imported products do not measure up to Canada's excellenct standards for health, safety and quality. A system that allows for equal treatment of domestic and imported products has been requested by the industry.

(1255)

The administrative monetary penalty system, AMPS, would allow government officials to issue monetary penalties for most breaches of eight federal statutes and regulations under those acts in cases involving both domestic and imported products instead of proceeding through the criminal justice system as has been the case in the past.

The use of the criminal justice system would be reserved for serious breaches warranting high fines, a criminal record and the possibility of imprisonment. The move is in keeping with the government's overall plan. This overall plan will include that we ensure our high standards, apply those standards consistently to both domestic and imported products, increase the rate of compliance and perform our important regulatory function in a more efficient and cost effective manner.

The administrative monetary penalty system means precisely what it says. Monetary penalties will be imposed for violations under eight acts and their regulations, including the Canada Agricultural Products Act, the Feeds Act, the Fertilizer Act, the Health of Animals Act, the Meat Inspection Act, the Pest Control Products Act, the Plant Protection Act and the Seeds Act.

The system we are proposing today was developed in conjunction with the Department of Justice through the regulatory compliance project, a cross government initiative looking at alternatives to criminal prosecution of regulatory violations. The Minister of Agriculture and Agri–food and I are acutely aware that food safety and quality have been and must continue to be our top priority.

Our reputation for safety, quality and the competitiveness of Canadian products is vital to our domestic consumers. It gives producers and processors a critical advantage in the international marketplace. Doing a better job as regulators means protecting that reputation both at home and abroad. That is tied to our overall government commitment to jobs and growth by making the most out of liberalized world trade.

A year ago this government made a number of commitments to the people of Canada. I am pleased to say that within our first year of office we have made a great amount of headway on a number of fronts. Improving the regulatory system is one of those areas.

In reforming the way we enforce regulations we have asked some basic questions. Does what we do now make sense practically and economically? How could we do a better job of regulating? What does the industry want? What about consumers and what about our international obligations?

Under the present conditions penalties for regulatory offences are dealt with under criminal law. That means they are prosecuted in the courts. This is costly. It can cause delays and means that strict requirements of criminal procedure must be followed. This places a considerable pressure on our limited resources.

As a regulatory department we are not dealing with crimes in the order of murder, theft and assault. We are dealing with regulatory contraventions that fall outside true criminal law such as misleading labelling of food products, improper sanitation procedures in food processing and failure to follow market requirements for federal inspection or for packaging.

This legislation, AMPS, will allow us to treat most of these regulatory violations outside criminal courts in a manner that requires less formal procedures and lower costs for proceedings. It will allow us to allocate our scarce resources to uses with the highest value.

This legislation is far more efficient than prosecution, as it allows for the settlement of penalties without going through a hearing process. It is also a much fairer process for violators, as it removes the criminal stigma with these violations.

The use of the administrative monetary penalty system would widen the array of options available to the department in responding to non–compliance. We now prosecute essentially in situations of serious non–compliance such as actions that introduce a foreign disease or a pest into the country. Those are the main areas in which we follow the present process because of the cost and time involved.

A suitable alternative to prosecution that provides suitable deterrents to non–compliance is needed for effective regulatory enforcement. AMPS is such a system.

(1300)

AMPS would provide the government with a much needed method of enforcing compliance with our regulations. The United States uses a monetary penalty system for exporters, yet we have not had this option to ensure that imports meet our standards in Canada. The United States department of agriculture and most other regulatory agencies in the United States use a system of monetary penalty.

Currently we have federal inspectors in plants and establishments in Canada and we generally have effective enforcement options in these situations to deal with non–compliant products. We can seize and detain the product in establishments or stop the processing line until the product is brought into compliance. For imported products these options are not possible. However, the monetary penalty system would give us an effective response to non–compliance in the market of these products.

The system would allow for the use of consistent enforcement practices against importers and domestic companies marketing products that do not meet Canadian health, Canadian safety or Canadian quality standards. Consistency of consequences for non–compliance combined with a greater rate of compliance increases the competitiveness of Canada's agri–food sector.

The recommendation to move to an administrative system came out of the department's regulatory review, where industry associations pointed out the need for active enforcement of domestic standards to imported products. They want a level playing field. This system would lead to equitable enforcement of regulations for domestic and imported products. Further consultation with the agri–food industry would take place in the development of regulations for the system.

The system emphasizes compliance, not punishment. In general, warnings would be issued before an administrative monetary penalty is proposed. In those situations where a penalty has been imposed, the system would allow officials with the Department of Agriculture and Agri–Food to negotiate solutions with companies when the product violates an act or a regulation. Penalties may be reduced or indeed waived if corrective actions such as processing modifications, staff training, the purchase of new equipment or whatever it takes to ensure future compliance, are made by the industry.

This kind of immediate corrective action results in a better product. It also results in improved health and safety and, in the end, more effective enforcement. Negotiated solutions to non–compliance are not now available.

With the monetary policy system being administrative in nature, it would replace most prosecutions and decriminalize violations of the various acts, as there is not a possibility of obtaining a criminal record or of being imprisoned. The system represents a further step toward decriminalizing our regulatory violations. We would retain the right to prosecute offences committed with intent that have the potential to cause significant harm. As well, we would ensure the effective regulation of health, safety and quality of both domestic and imported products.

The system would also allow us to issue tickets at ports of entry to Canada and allow us to issue those tickets for minor violations committed by the travelling public that try to illegally bring meat or meat products or plants or plant products into Canada.

The problem of that type of thing happening has the potential to be serious because of the possibility of introducing plant or animal diseases into the country. For example, the introduction of foot and mouth disease a number of years ago resulted in millions of dollars in damages and costs for its control and eradication. The current system based on prosecution before the courts is generally inappropriate for these violations unless significant harm is done.

Along with an education component developed by the department to increase awareness of important requirements called ''Beware and Declare'', we expect the monetary penalty system to solve the problem efficiently and effectively.

Through these initiatives major airlines will be showing travellers coming into the country a video on the restrictions surrounding the importation of agriculture and agri–food products and the possibility of receiving a penalty if they attempt to bring meat or plant products into the country without declaring them.

(1305)

The use of the monetary penalty is not a new concept in the federal regulatory system. The AMPS being proposed in the bill borrows on the system used by Transport Canada to regulate activities under the Aeronautics Act as does Human Resources Development Canada for enforcement under the Unemployment Insurance Act. Other departments are as well considering a system for use in their regulatory areas.

Under the administrative monetary penalty system we expect a higher rate of compliance simply because the system is flexible, faster, fairer, and sends a clear message on what the response to non–compliance will be. We believe the system makes sense as we move toward a partnership with industry and as we shift many of our inspection activities away from hands on inspection and move more toward a monitoring role.

New enforcement options are needed to address this shift in responsibility as industry will take on a greater ownership of ensuring that agri–food products are in compliance with regulations.

The administrative monetary penalty system provides alternatives to both overly strict and weak enforcement. As I said earlier, our main enforcement options at the present time are to seize and detain a product and to prosecute. In addition, we can suspend and cancel licences, deregister plants and withdraw services. Because these last three options stop business operations either temporarily or permanently, we have used these sanctions sparingly and only as a last resort. As well these sanctions are not available for imported products.

A monetary penalty would generally be considered appropriate when the violation posed actual or potential risk of harm to health or safety and would cause economic harm or is a threat to the environment.

Administrative monetary penalties would be imposed on the basis of absolute liability, that is the penalty could be imposed without proving intent or negligence. The concept of absolute liability is appropriate to the administrative enforcement of regulations with modest levels for penalties and no threat of imprisonment.

We expect to begin implementation with penalties that will be broken into three basic levels ranging from $50 to $6,000 depending on the severity of the offence. The proposed legislation, however, would allow us to set maximum penalties at $15,000. This built–in flexibility would help to accommodate future increase that might be due to inflation and other causes.

The amount of the penalties could be adjusted higher or lower based on several mitigating or aggravating criteria, including seriousness of the violation, the compliance record, the degree of intent to commit a violation, the amount of harm done including harm to health and safety and economic and environmental harm.

As part of the system a review process would be set up to give an opportunity to be heard to those who believe they did not commit a violation. That review would be carried out by an appropriate government official, or a violator could request a hearing before an independent tribunal with recourse to the Federal Court of Canada as the final level of review.

Again in keeping with the emphasis on compliance, not punishment, the proposed act would authorize officials to enter into negotiations, if requested by the offenders, for the amount of penalties and for concluding compliance agreements. Under the compliance agreements, fines can be reduced or waived if the industry takes the necessary steps to ensure future compliance.

As well, under this system fines will be reduced by 50 per cent for offenders who pay the fine within the time prescribed by regulations without asking for a review. Doing a better job of regulating makes sense for the consumer, for the industry and for government.

The administrative monetary penalty system would provide for a quick response to most non–compliance situations. Combined with other enforcement measures, this should have the effect of improving compliance with the regulations. In turn this is expected to reduce the government's exposure to liability resulting from the underenforcement of statutes and regulations.

To conclude I would like to say that to introduce this system initially requires the passage of this omnibus legislation that would amend the eight acts I listed earlier. Implementation of the administrative monetary penalty system is an important step in our overall plan. It is important in order to improve the agriculture and agri–food inspection system. It is important to apply our standards of high quality, high health and high safety equally to products coming into the country and to products produced in Canada. It is important to stop the travelling public from bringing in illegal plants, animals or products made of plants and animals, and to bring an overall greater sense of fairness and expediency to the enforcement of regulations.

(1310)

We are working in close co–operation with the industry. We are adapting to the changing business environment. We are finding different ways of doing business that do not compromise on the world renowned standards of excellence in Canada.

I recommend members of the House approve Bill C–61 as expeditiously as possible.

[*Translation*]

**Mr. Jean–Guy Chrétien (Frontenac, BQ):** Mr. Speaker, I welcome this opportunity to speak to Bill C–61, immediately after the presentation by the hon. member for Prince Edward—Hastings, especially since the hon. member, until quite recently, operated a big farm in his own riding and is an expert on the subject.

The purpose of the bill before the House today is to provide enforcement options to deal with persons who violate certain laws that regulate health standards and the quality of agricultural products sold in Canada and, of course, Quebec.

This legislation, as we just pointed out, will affect eight acts and their regulations, including the Canada Agricultural

Products Act, the Meat Inspection Act, the Fertilizer Act and the Health of Animals Act. With Bill C–61, the government establishes what are referred to as AMPS. AMPS stands for administrative monetary penalties system. Throughout this debate, when we refer to AMPS, that is what we mean. The purpose of Bill C–61 is to extend the range of enforcement options available in legislation administered by the Food Production and Inspection Branch.

Under this system, an inspector from the Department of Agriculture and Agri–Food will be able to impose penalties when regulations are violated. This procedure would obviate the need for going to court, so this is also a matter of alleviating the burden on the judiciary system.

After reading the Auditor General's comments on inspection procedures, it is clear changes were necessary. I realize that these changes are not directly related to the changes recommended in the Auditor General's report, but this may be a first step.

I may remind the House that in his latest report, the Auditor General of Canada pointed out that resources were being wasted as a result of the incredible confusion with respect to inspection standards. A document from the Food Production and Inspection Branch tells us that the government expects to cut $44 million in this sector over five years, including $22 million in the next budget, which the minister will be bringing down a few weeks from now. After the by–election in Brome–Missisquoi, of course.

(1315)

It would be worthwhile knowing the savings, which my colleague from Prince Edward—Hastings did not mention, the amount of the savings generated by this new approach and whether these savings are included in the cuts mentioned earlier.

We must be very careful to avoid imposing drastic cuts that could affect the quality of inspection services. At the risk of digressing briefly from the context of the bill we are currently considering, that is Bill C–61, I will take the liberty of adding that I have received a lot of mail from small meat–packing firms concerned about possibly having to pay inspection costs themselves.

The members of the Bloc quebecois will be keeping a close watch, at the appropriate time, to ensure the government does not dump the costs onto small businesses. That is the end of my brief digression, Mr. Speaker.

The fact remains that the AMP system provides for the imposition of fines, but through an administrative process. An AMP cannot lead to either a criminal record or imprisonment. The main objective of the system is to ensure compliance with the law, it appears. It is not intended to impose heavy fines as the result of an offence.

The system invites negotiation much more than severe penalties. In fact, to my understanding, it provides an alternative to public officials who must ensure compliance with legislation. The principle is clear: the intention is to reduce the number of legal proceedings and to provide more satisfactory solutions to carrying out the law.

Representatives from the agricultural sector have already pointed out that overly excessive fines were sometimes imposed for offences and that officials sometimes had to simply overlook certain mistakes. The flexibility of the AMPs could lessen the problem.

What Bill C–61 provides that is new is an alternative solution for the offender. Once an individual is found guilty, he has a number of options open to him. He can contest his guilt with the minister within a prescribed time frame and under certain terms of the regulations. If, on the other hand, he accepts the guilty verdict and pays the fine, the amount of the fine is automatically cut in half.

In our system of justice, the presumption of innocence is a fundamental right. By giving the offender this option, the accused is in effect threatened with having to go to trial and having to hire a lawyer to defend himself, with all that entails. He is simply told to pay up and be quiet. We oppose this principle which would require the less affluent to admit their guilt even though they would like to proclaim their innocence. The implementation of this measure could create a dangerous precedent.

I would like to compare this possibility to a personal experience of mine. I was stopped by an officer of the Sureté du Québec; I was certainly at fault, driving at 141 km per hour. The officer said, very kindly, ''Sir, you were doing 141 but we will say 135, that will save you this much, you will save that much''.

(1320)

Once he gave me the ticket, I of course wrote out the cheque as soon as I got home and sent it off right away and, in so doing, admitted my guilt. As another example, one of my friends was once ticketed in a different but similar situation, for failing to come to a stop, although he was sure he had stopped properly.

He decided to plead not guilty but he too, poor fellow, should have written out a cheque as I did to get some peace of mind. He had to appear three times in court in Thetford Mines. The first time, the case was postponed because the judge was not in a good mood. The second time, the officer failed to appear. He had informed the court, but there had not been enough time to inform my friend; the third time, he won.

Yes, he won, but the money he saved did not make up for the costs incurred since he missed nearly three full days of work, not to mention his travel expenses and what he paid for his defence.

So, you see, I am more or less convinced that many of our fellow citizens will simply pay, even if they are not at fault, they will pay immediately to receive the 50 per cent reduction. What a deal!

You know that for a $2,000 fine, the fine is reduced by 50 per cent if paid in cash. So, for that reason, I strongly suspect that many people will pay forthwith to avoid costs which, in my opinion, would be much greater. It is a basic right and it must still be respected. As the hon. members opposite have said so well, we live in the world's most democratic country, so we must not let this wonderful democracy run wild, even though it sometimes seems, in my opinion anyway, to only hobble along in some cases.

Therefore, we are against the principle which obliges the less well–off to admit their guilt, even though they would rather claim their innocence. Applying this measure could set a dangerous precedent because the other available option, if the fine is $2,000 or more, is to reach an agreement with the minister. Applying this alternative solution is simple. If the minister accepts—the decision is discretionary—offenders can considerably reduce or even cancel their fines if corrective measures are taken to comply with the regulations in the future, that is individuals or businesses will see their fines reduced by $1 for each $2 they invest to improve their methods, businesses, ways of doing things or working, whether they buy new equipment or give new training to their employees.

Therefore, for each $2 invested in their businesses, $1 is taken off of their fines. This means that for each investment made to comply with the department's regulations, their fines are regularly reduced by 50 per cent. Thus offenders are able to negotiate their sentences. Our judicial system does not lend itself, in my opinion, to this kind of negotiation. When people make mistakes, they must bear the consequences.

This method constitutes a form of economic discrimination in the sense that individuals and businesses with bursting wallets will barely feel the impact of the sanctions, while people who are innocent, but have less financial means at their disposal, could pay bigger fines than their rich neighbours, sometimes for lesser violations.

(1325)

We also have no idea of how the offenders' compliance costs will be estimated, or of what will happen if suppliers inflate prices. If we want to give businesses incentives to invest, let us do it through tax programs or through other means, not by negotiating sentences.

Another thing that bothers me is the power given to the minister and, by extension, to his employees. The minister will use his own employees to ensure compliance instead of the courts. They will be the masters of the destiny of those who have committed violations. They decide if there has been a violation, label it as minor, serious, or very serious, set the amount of the penalty, decide on the cases in which the tribunal may intervene and approve or reject compliance agreements. It seems to me that this is being done and that it could be detrimental and could lead to the obvious risk of political interference, not to say barefaced patronage.

These officials will have full authority to determine whether or not there has been a violation, and if so, the degree of fault. Who will decide if the fine is $2,000 for a minor infraction, $10,000 for a serious infraction or $15,000 for a very serious infraction? The decision–making process is therefore decentralized and the minister claims that the regulations remove any risk of arbitrary decisions. Because they are seen by the department as essential to an equitable application of penalties, it goes without saying that a draft of the regulations must be made available to the members of the committee studying this bill.

I am also somewhat bothered by the independence of the tribunal responsible for hearing the complaints of those named in notices of violation and for reviewing the decisions made by the minister or his officials. This reminds me, if I may digress again, of the meeting last week of the 19 Quebec Liberal members with the president of the CBC to discuss coverage of the referendum campaign in Quebec. It is terrible, Mr. Speaker, the political interference of this government in information. When we speak of democracy in a country such as ours, the first thing this should call to mind is the right to accurate, truthful and unbiased information. When a Liberal party caucus meets with the president, it is not to tell him: Cover the referendum, but do not slant it in favour of the Yes side, slant it in our favour because we are the ones who pay you, who set your budget and who will reappoint you to your position. And, for that matter, we are the ones who appointed you to it in the first place.

I also heard in the fall in this House that the minister of heritage had written to a quasi–judicial body, the CRTC, which reports through his department. The minister had written so that one of his constituents could obtain a licence. And the Prime Minister excused him by saying that he was not alone, that eight other ministers had written—

**The Deputy Speaker:** I am very sorry, but the time set aside for government orders has expired. The hon. member can continue next time.

It being 1.30 p.m., the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

# PRIVATE MEMBERS' BUSINESS

[*English*]

## CHARITABLE AND NON–PROFIT ORGANIZATION DIRECTOR REMUNERATION DISCLOSURE ACT

**Mr. John Bryden (Hamilton—Wentworth, Lib.)** moved that Bill C–244, an act to require charitable and non–profit organizations that receive public funds to declare the remuneration of their directors and senior officers, be read the second time and referred to a committee.

He said: Mr. Speaker, it is an honour and pleasure to rise today to speak on behalf of Bill C–224, an act that would require charitable and non–profit organizations to declare once a year the salaries and benefits of their directors and senior officers.

This is a votable bill. If passed into law it will have a profound effect on all Canadians. It is a first step in bringing public accountability to a huge sector of the Canadian economy that has never been under meaningful public supervision.

I am speaking of the not for profit sector, the charities and non–profit organizations that pay no taxes and yet account for at least $120 billion in revenues and expenditures each year, about one–sixth of Canada's gross domestic product. Let me repeat, $120 billion, a sixth of GDP.

Incredible though it may seem, Canada has had few rules of public accountability governing this huge sector of the economy. The financial affairs of charities are but thinly disclosed to the public while those of non–profit organizations are entirely beyond public scrutiny. Even though charities and non–profit organizations are funded directly or indirectly by the taxpayer, they have been allowed to operate at whatever level of secrecy they choose.

Oh, yes, they will argue, they have to keep books. They have to be prepared for an audit by Revenue Canada. However there are 70,000 charities and 60,000 plus non–profit organizations. What are the chances of a spot audit? Even if an organization is audited, the Income Tax Act forbids public disclosure of the financial details or the results of the examination. The public has no right to know even when a charity or non–profit organization is discovered to have failed to keep the public trust, neither right nor opportunity.

This is a situation that has gone on forever. The potential for abuse is huge. The scope of the likely waste is difficult to comprehend. If only one–quarter of this $120 billion is being frittered away, soaked up in excessive salaries, improper contracts or bureaucratic inefficiencies, then Canadians are losing $30 billion annually, which becomes $30 billion out of the economy.

No wonder Canada has a debt and deficit crisis. I must say it never made sense to me that Canada, with all its resources and given its fine entrepreneurial spirit, should be in the cellar with Italy in terms of debt among the G–7 nations. Now it does.

No nation can possibly let an economic sector worth one–sixth of its GDP run along without scrutiny, without public accountability and not run up serious bills. And not have the financial crisis that Canada now faces.

There is irony here. As the finance minister casts around for spending cuts and savings crucial to the budget soon to be tabled, he looks in every corner of the rest of the economy; consumers, corporations, social programs, the public service and so on. He does not look at charities and non–profit organizations. Is there no waste here, no savings? Of course there are. I can only guess at the reason why charities and non–profit organizations have not yet come under the deficit reduction microscope.

(1335)

It may well be because there has been no decent financial overview of the not for profit sector. It has literally been a case of out of sight, out of mind, for a generation of finance ministers.

No doubt this is true of non–profit organizations. There were 60,000 of them in 1986 and up until two years ago they did not have to file an annual financial information return equivalent to that required of charities. They only had to file as incorporated companies or trusts. If they were neither, they did not have to file at all.

Consequently, as the Auditor General stated in 1990, Revenue Canada ''has no effective check on the right to enjoy tax exempt status''. He could have stated further that the public, private citizens, journalists and even members of Parliament have no opportunity whatsoever to see how they manage their affairs.

However, thanks to the information returns required of charities, though very inadequate in terms of public disclosure, we can at least glimpse the huge dimensions of Canada's charity industry. I would like to refer my colleagues to an excellent paper, ''A Portrait of Canada's Charities'' which was produced by the Centre of Philanthropy, based on a study of 1993 charity returns.

Briefly, here are some of its findings. Canada has 70,000 charities through which $86 billion passed in 1993 for 12 per cent to 13 per cent of GDP. This amount is equal to the GDP of the entire province of British Columbia and considerably more than the entire agricultural sector. Forty billion dollars was paid out by charities in salaries and benefits—a huge sum.

Government funding of charities amounted to $49 billion in 1993, slightly more than half of all the charities' revenues. Hospitals and teaching institutions received 58 per cent of all

revenues, or about $50 billion. By contrast churches received only 6 per cent of revenues or about $5 billion.

Here is the problem. Anyone can find out how much a minister of a church is making for 6 per cent of the charity take. But it is usually impossible, right across this country, to find out the salary of a hospital or university president for 58 per cent of the charity take.

Why not? Hospitals and universities are all fully funded directly or indirectly by the taxpayer. Why does the taxpayer not have the right to know how much of his hard earned tax dollar is being spent on the salaries of their chief administrators? Why not?

The answer is, and I am sure that 90 per cent of Canadians will agree, that the taxpayer should know. We do have the right. If you are paying the bill you have a fundamental right to know how your money is being spent. That is a given. That is what Bill C–224 addresses.

It would require every not for profit organization to file a statutory declaration showing the total remuneration and benefits received by all directors and senior officers of charities and non–profit organizations. The minister of revenue would then make this information available to anyone who wanted it.

This I should add is no less than what is required now by publicly traded companies in Canada. If for profit companies are required to provide this kind of disclosure to shareholders, why should not charities and non–profit organizations do the same thing for their shareholders, the taxpayers of Canada?

It seems so reasonable, so obvious, so morally right. The fact is, however, that hospitals for instance have often ferociously defended the secrecy of their books and denied absolutely, even to members of their own governing boards, details on the salaries paid their top administrators. Indeed, trying to find out how most hospitals run themselves is akin to trying to assess the administrative practices of the government in Beijing from city hall in Thunder Bay. Most hospital board meetings are held in camera. The public and press are excluded.

This is all the more mystifying in that governments at all levels are told that hospitals are hurting, that beds must be cut back unless funding is sustained or even increased. Yet not even the politicians deliberating the problem of health care spending are entitled to know how much a hospital president is making. Why not?

(1340 )

Some might argue that the current charity information return already provides enough information about remuneration. It does not. It only requires totals and sadly, some charities filling out the form step around the spirit of openness.

For example, the charity return asks for the ''total remuneration paid to employees who are executive officers, directors or trustees of the charity''. Then it asks for the total number of people involved, which invites division of that number to get the average per individual.

Alas, often the trustees of charities are unpaid. Therefore the number you are dividing by is inflated and the average remuneration appears far lower than it actually is for key administrators.

Sadder still is the fact that many charities simply skip the remuneration lines altogether. The Canadian Cancer Society of Ontario reports paying over $8 million in salaries and then leaves the following lines on executive remuneration blank. Therefore we do not even get totals.

This practice is common. Any random sampling of annual charity returns will come up with many where the remuneration lines are not filled out. There is obviously an unwillingness by many charities to provide this elementary information. They get away with it because there is no penalty for their omissions short of revoking their charity status. There is no adequate screening of the filled out forms either. Errors abound and some must be deliberate.

Bill C–224 partially plugs this loophole. The legislation provides a penalty for the failure to disclose. A fine of up to 50 per cent of the funds received from government is a law that has teeth. Perhaps that sounds tough but in fact legislators in the United States have been tearing their hair and trying to bring to task not for profit organizations that have been giving executives excessive compensation.

The lifting of charitable status is too slow, the ways of concealing excessive compensation too intricate. I have to add that the United States is years ahead of Canada in trying to tackle this problem.

How bad is it? In the United States the information returns of both non–profit and charities are available to the public. There too, they have this phenomenon of organizations skipping the lines pertaining to executive remuneration. Prodding by the Internal Revenue Service has disclosed salaries exceeding one million dollars annually, $300,000 or $400,000 is not unusual.

This is undoubtedly happening in Canada as well. Our charity information returns are primitive in the detail they require in comparison to those of the Americans. The Canadian public, citizens, journalists or politicians cannot even see the returns of non–profit organizations. While these are available to every American on demand at the office of the non–profit organization, the equivalent information in Canada is denied to Canadians.

While my remarks have tended to focus on charities it is only because there is at least some public information on them. There is nothing on non–profit organizations. Nothing at all.

Revenue Canada is not even sure how many there are. The only figure I could obtain, 60,000, is nine years old and nobody—I mean nobody—knows how much money flows through them yearly. If it is even half that of charities, that is $40 billion. I suggest that that figure is conservative. I suggest that it could be considerably more. I suggest the combined figure that I have been using, $120 billion, is also conservative.

Last week I received a visitor at my constituency office in Hamilton—Wentworth riding. He was from Manitoba and while on business in Toronto he drove over to meet me because he had read in his local paper that I was investigating the not for profit industries.

He told me that he headed a for profit company in the business of recycling building materials. He said that he was being killed by a non–profit organization in the same business which enjoyed a competitive advantage because it did not pay taxes.

That same week, I received a call from the president of a Toronto union local representing jail workers. His problem was with a non–profit organization hired by the provincial government to manage group homes for youths convicted under the Young Offenders Act. The union wanted access to the company's financial statements for the purposes of negotiating a collective agreement. Denied. A non–profit organization does not have to disclose financial details to anyone. Secrecy is absolute, no matter how the taxpayer's dollar is being spent, and so it goes.

(1345)

The real problem is that we do not know the net negative effect non–profit organizations are having on the economy. That many exist purely to pay inflated salaries to their principal officers there is no doubt. In doing so, with the advantage of not having to pay taxes, are they forcing out of business legitimate for–profit enterprises which would pay taxes? How damaging to a free market economy is a plethora of businesses which only have to compete sufficiently to line the pockets of their executives rather than sufficiently to show a profit to pay shareholders? How much of Canada's deficit is rooted in non–profit companies doing barely enough and no more?

There is only one quick way to get at this issue: require non–profit organizations to declare the remuneration of their principal officers, as Bill C–224 proposes, and the benefits as well.

MPs are often accused of having a too rich pension plan. I agree that is so and that it should be brought into line with industry. Tax exempt charities and non–profit organizations are dependent upon the taxpayer too, no less so than MPs. What kind of pensions do their executive officers get? Chances are given that this information has never been available, many of their pension plans would make current MP pensions look starved and stingy.

Just as the public demands accountability of its politicians, so it should demand accountability of those organizations dependent upon public and governmental generosity. There is no excuse for secrecy when tax dollars are being spent, directly or indirectly.

Finally, it is clear that the entire $120 billion not for profit sector is urgently in need of review and oversight. However, a problem of such magnitude cannot be solved overnight.

Nevertheless, something must be done immediately because the loss to the economy is undoubtedly enormous. The floodlight of public scrutiny must be brought to bear as quickly as possible. That is the intention of Bill C–224. It cannot cure in a stroke an industry that has been allowed to function unsupervised for decades but it can bring into sharp relief the fundamental nature of the problem. By forcing into daylight those executive salaries and benefits which are obviously excessive, it can show the greed.

[*Translation*]

**Mr. Roger Pomerleau (Anjou—Rivière–des–Prairies, BQ):** Mr. Speaker, first of all, I would like to thank my hon. colleague for his speech, which I thought was rather well researched and skilfully crafted.

I wish to tell him that members of the Bloc Quebecois are not against this bill but would like to discuss it more thoroughly. I want to take this opportunity to add my two cents' worth to the discussion.

Today's debate is on Bill C–224, an act to require charitable and non–profit organizations that receive public funds to report the remuneration of their directors and senior officers, which was introduced by my hon. colleague, the hon. member for Hamilton—Wentworth.

This bill would require charitable and non–profit organizations that receive, directly or indirectly, any payment from the public funds of Canada to report the remuneration and benefits received by their directors and senior officers. My Bloc colleagues and I think that the objective of this bill deserves our support.

It would be appropriate, in the name of openness, to require organizations receiving funds from the federal government or the public to disclose the remuneration and benefits provided to their directors and senior officers. Canadians would thus be able to ensure that public funds used to support charitable organizations do not end up in the pockets of those who administer these organizations, as we have seen recently at all levels.

As a donor, the federal government would be entitled to require that the remuneration and benefits received by the directors and senior officers of non–profit organizations, at least those supported by the government, be made public.

We support the principle of this bill for another reason: it will always be difficult to assess with accuracy the voluntary

sector's contribution to Canadian society until we find out the number of paid employees and their salaries, as well as the size of the infrastructure in place to facilitate the work done by volunteers.

(1350)

In these difficult times, understandably, volunteer work and donations are more needed than ever. This is due to the fact that voluntary organizations face an ever–growing demand for programs and services, on the one hand, and a reduction in government assistance and stiffer competition for private funds, on the other hand.

We must recognize that volunteer work is an essential element of society as well as a way of life and social duty. It is a democratic gesture which plays a very important role in the life of the community and compensates, as I just explained, for the government's gradual withdrawal from a number of sectors.

However, the situation is more complex as regards non–profit volunteer organizations, since they include various national, provincial and municipal organizations which are active in sectors as diverse as health, social services, the environment, justice, education, international assistance to name but a few.

I have some concerns regarding this bill. First, as my hon. colleague mentioned, line 16 in clause 3 reads as follows: ''—receives, directly or indirectly''. That wording is very general and could include a vast number of non–profit organizations which think they have nothing to do with the federal government, or with direct funding from Canadian taxpayers.

For example, a university research fund receiving money from a provincial government would or could be affected by this bill, since money received could indirectly come from federal–provincial transfers. Consequently, that research fund would have to disclose the salaries of its managers or directors.

As well, would an organization like the Knights of Columbus in a small town be subject to this bill, since the vast majority of such small charitable and non–profit organizations rely on public donations and therefore on public money?

I am concerned that the objective of this bill might be altered by the means used to achieve it. I fear that this bill might be stalled because it is too ambitious and could generate a lot of red tape.

This bill put forward by my colleague is commendable, its purpose being to eliminate as much as possible frauds committed by administrators and directors of non–profit organizations who take money from the Canadian public and use it more for themselves than for the great causes they claim to defend.

In order to respect the spirit of this bill, I think that we need to look more closely at its scope. We cannot treat in the same fashion organizations that are responsible and those that some people use to their own financial advantage, as can be seen occasionally.

We must also make a distinction between most small non–profit or charitable organizations and those that have large budgets. What constitutes a large budget, $50,000, $100,000? We do not know exactly. We need to have statistics on this and discuss the issue.

We must also make a distinction between a person who works hard all year long for a cause he or she believes in and who receives, for example, $40,000 a year as executive director and another person who would receive the same amount of money to organize, for example, a fund–raising campaign lasting two months. A mere report to the minister cannot make the difference between these two cases.

There is also a problem of confidentiality, of course, when a person's employment revenues are disclosed without the job description or the length of employment being known. For all these reasons, I think that the scope of this bill has to be limited.

First of all, only the organizations receiving directly any payment from the federal government and major non–profit or charitable organizations would have, for example, to file along with their annual reports a statement of income and salaries specifying the major positions and the remuneration of their incumbents.

With this proposal, there will be no need to create more bureaucracy, since companies already have to produce an annual report to which the income and salaries annex could be added, as would be the case for some charitable or non–profit organizations that meet criteria which, I think, still have to be defined.

(1355)

Hence, the remuneration and benefits of the directors and managers of all major non–profit organizations would be disclosed, which is the purpose of this bill, and the financial institutions minister would be able to answer any legitimate inquiry.

Knowing full well that the hon. member for Hamilton—Wentworth is acting in the interest of the Canadian population, for which he must be commended, we would be prepared to support the principle of the bill if we could amend it to abolish some of the pointless conditions it prescribes for the vast majority of non–profit organizations whose staff receive little or no remuneration and to avoid creating another useless level of bureaucracy.

Finally, I would like to take this opportunity to thank all the volunteers in Canada as well as in Quebec, who work day in and day out to promote a cause they believe in.

[*English*]

**Mrs. Daphne Jennings (Mission—Coquitlam, Ref.):** Mr. Speaker, it gives me great pleasure to rise today to speak in

support of Bill C–224, a private member's bill presented by the hon. member for Hamilton—Wentworth.

I hope the journalists who cover the proceedings of the House of Commons note that we as members are not always at each other's throats. If the public only watches Question Period and if Question Period is the only parliamentary proceeding that hits the nightly news, a wrong impression of how this House operates can and I submit has developed in the minds of Canadians.

There have been numerous occasions in this Parliament setting it apart from the previous Parliament when members have agreed on the disposition of various subjects. When a good idea is presented it deserves support. This is the view of how the House of Commons should work which my party has tried to get across since all members convened here a little more than a year ago.

While we have not always been successful, politics by its very nature being partisan, I believe we have on many occasions raised the level of debate in the Chamber through mutual co–operation on a number of issues.

The private member's bill presented by my friend from Hamilton—Wentworth deals with an important issue in a way which deserves our support.

This bill proposes that charitable and non–profit organizations that receive public funds be required to declare the remuneration received by their directors and senior officers.

In supporting this bill I want to make it crystal clear that the Reform Party for the most part supports the work of charitable and non–profit organizations in Canada. The Reform Party supports the work of the voluntary sector in Canada. I would like to point out along with the previous speaker of the Bloc that I too thank all of the volunteers across Canada, many of whom give many hours and are not always thanked as they should be.

We recognize the need for volunteers in many organizations and we respect the right of these organizations to exist and to carry out their functions.

However, what we are against, and this is the reason we support this bill, is these organizations not being accountable. If these organizations receive taxpayers' dollars then every penny of every dollar received should be accounted for.

I do not think it will come as a great surprise to many that Reform policy goes further than this bill. It is the policy of my party that no funds should be given by the government to any charitable or non–profit organization. It should be the responsibility of the organization to fund itself. If there is a need or a perceived reason for the existence of an organization then it should be able to sustain itself without the need for government handouts.

I also want to point out here that in my riding over the last year I have been donating 10 per cent of my salary, not because I think MPs are not paid enough or are paid too much, but because I think it was an opportunity for me to show people within my riding that if we are interested in a particular community project or a service group or a food bank then we can show others that it is up to us in the community to support those things.

(1400 )

Reflecting back on the last 15 years it seems to me that with the advent of the charter of rights and freedoms Canada gradually has become a society dominated by special interest groups, each group advocating what it deems to be a worthwhile cause. We all know to each of us the things we are involved in seem more worthwhile than what someone else is doing and it is an understandable feeling.

More often than not these groups receive seed money from some level of government. Because the federal government historically has the most money to give out, most of these organizations end up receiving some handout from the federal treasury.

The problem with this procedure is that the dependence on government grants begins and carries on. It becomes difficult for the organization to function without federal money. For political reasons it becomes difficult for a government, any government, to eliminate that funding.

It is the opinion of my party and it is my personal opinion as well that we can no longer afford to fund these organizations either totally or partially. If there is a good reason for the existence of the organization there should be a good reason for people to support it financially. However as long as these grants continue it is the least we as legislators can do to ensure that there is accountability.

It is shocking to think that not for profit organizations are not required to disclose individual salaries. While I am not condemning any of these organizations, surely the public should know if the reason there is no profit is because a great deal of the money received was spent on salaries or spent on programs. There should be no ambiguity.

The only way to eliminate this ambiguity is for these organizations to report fully on their disposition of funds received. It should, as my friend opposite suggests, be broken down so that there can be no misinterpretation as to which of the organization's programs were funded and how much each particular individual in the organization received as a salary or a bonus.

Full and complete disclosure should also have a chilling effect on any organization that uses the bulk of the contributions it receives on salaries. Perhaps the mere fact that salaries have to be publicly declared may result in more money being put into the programs.

The amounts of money we are dealing with here are not insubstantial. This whole sector of the economy comprises about 70,000 charities, as was mentioned earlier, which spent $82 billion in 1993. There are also 40,000 plus non–profit organizations which probably spent an amount proportional to the amount spent by the charities.

The annual returns required by Revenue Canada are not made public with respect to not for profit organizations. It is important that salaries be disclosed in these organizations because the amount shown will indicate if excessive profits are spent or simply eliminated through the payment of high salaries.

While the public and financial information returns of charities have been available since 1977 they are not policed by Revenue Canada for accuracy or completeness and contain little financial detail. Public accountability requires us to do better than this. The public should be able to know who gets how much.

I believe this bill accomplishes this goal. I am pleased to note that by the wording of this bill all not for profit organizations are affected. Even those administered by the provinces are affected. Therefore, hospitals, universities, research organizations, training schools and other institutions which receive federal funds will be subject to disclosure.

This bill is a good first step in dealing with the issue, however it is only a first step. It is important for us, perhaps in a committee of this House, to review the conditions precedent for having an organization declared to be a charity or not for profit organization. In other words, we should review the conditions an organization has to meet to receive the tax exempt status and to give tax receipts for donations.

Perhaps we may conclude that only organizations which pay their own way should have this status. If they receive a government grant then they pay tax. Such a review could focus on the role and value of purely volunteer organizations in our society, organizations that use all of the money donated to them for programs rather than for salaries.

On the question of grants and contributions by the federal government to these groups, I stated the firm policy of my party earlier. These grants and contributions are to cease.

In my position as the Reform Party's critic for literacy, I have suggested this to my party and will be suggesting it to the minister responsible for literacy, the government leader in the Senate. Most if not all of the literacy budget is distributed in the form of grants or contributions to charitable or not for profit organizations which are involved in the literacy business. These are organizations which encourage literacy through adult training, raise awareness of the problems of illiteracy, or perhaps are involved in family counselling where illiteracy is an issue.

(1405 )

Those are all worthwhile goals. However, it is my contention that they can be achieved without dipping into the public purse. Let us face it ladies and gentlemen, today we have no more money in the public purse.

Private enterprise, the business community, which stands to benefit the most from a high level of literacy should assume the task of training. It should assume this burden because business will reap the benefits.

I have also suggested that in order to treat these literacy organizations in a humane fashion, funding will be phased out over three years. Yes, no government funding to any of these organizations is my ultimate goal, but I appreciate the work done by my colleague for Hamilton—Wentworth. His ideas on this matter of salary disclosure deserve our support and Bill C–224 deserves the support of this House.

**Mrs. Carolyn Parrish (Mississauga West, Lib.):** Mr. Speaker, I have the pleasure today to second and to speak in support of Bill C–224, an act to require charitable and non–profit groups receiving public funds to declare the remuneration of their directors and senior officers.

This bill is the first important step toward reforming Canada's not for profit sector. With the implementation of C–224 all organizations with charitable or non–profit status receiving public funding by direct grants, government transfers or by tax exemption will be required to publicly disclose the amount of the salaries and benefits paid to their principal officers.

This bill is about accountability. It is about allowing these collectively funded organizations and agencies to be scrutinized not only by government but also by the public. It sets the same standard of accountability for not for profit organizations as those set for individuals, businesses and government.

When government funds individuals and businesses, rules and regulations are in place to ensure accountability. Why should the rules be different for not for profit organizations? In difficult economic times all precautions must be taken to ensure sparse public funds are allocated according to real need.

The issue is of utmost importance given the absolute necessity to control government spending today. We are forced to re–evaluate the role of government in society generally. Now more than ever we must closely scrutinize recipients of all public funds.

There are two distinct advantages to achieving charitable status in Canada. Once an organization is registered it is exempt from paying income tax. Registration also allows the organization to issue official donation receipts which donors then claim as income tax credits. This results in a reduction of tax revenues to the government.

Currently, registered charities, including private and public foundations and charitable organizations are required to file a registered charity information return with the department of revenue. These returns are also available for public release as per section 149(1) of the Income Tax Act.

Section D of the return asks how much remuneration is paid to employees, executive officers, directors and trustees. The question of how many people are paid from the total regular employees remuneration is not asked. As long as the organization files a return, even though it be incomplete, it retains its charitable status. There is no penalty if required information is missing.

The member for Hamilton—Wentworth's November 1994 report concerning special interest group funding contains returns from selected charitable organizations. Of these, only 50 per cent specified the number of executives or their salaries. The other half implied they had no executive officers, directors or trustees and therefore did not have to specify how much money was allocated for their salaries.

One wonders how an organization such as the Canadian Council on Smoking and Health claiming receipts of almost $1 million and employee salaries of close to $400,000 can function without directors or executives.

By simply including all salaries in the figures paid out to regular employees, organizations avoid having to identify or reveal executive salaries. The current charity information return does not require detailed information about remuneration. Canadians who are hard pressed to donate a simple $25 to a charity may be appalled to find its executive director receives half a million dollars in salary.

While the Income Tax Act requires charities to use at least 80 per cent of individual donations on charitable activities, it does not mention what proportion of a government grant should be used in this way. Moreover, when a charity is 80 to 90 per cent government funded the current rules leave an enormous gap.

The situation is even worse for non–profit organizations. They are generally not taxable. While non–profit organizations cannot issue official tax receipts, they receive direct funding from the government by way of grants and transfers and indirect funding in the form of tax exemptions.

(1410)

Currently, non–profit organizations are required to file a non–profit organization information return with Revenue Canada detailing their financial information. Not every non–profit organization is required to file a return. Only those having revenue exceeding $10,000 per year or having assets of more than $200,000. Only 4,960 of an estimated $40,000 non–profit organizations filed a return in 1993. Under the Privacy Act and section 241 of the Income Tax Act all of this information remains confidential.

A non–profit organization has absolutely no public accountability. There is no way for any member of the public or the government to adequately assess the financial operations of these organizations. MPs are asked to approve grants for organizations in their own constituencies having little idea where that money is actually going. I have personally withheld cheques from organizations in my constituency that have failed to provide me with adequate financial information.

Bill C–224 requires a detailed public breakdown of all salaries for all charitable and non–profit organizations. This would eliminate a prime area of potential abuse in a largely unaccountable sector.

The Consumers' Association of Canada lists three sources of income on its information return with government grants totalling almost $900,000, more than 70 per cent of its total revenues. This organization pays one executive officer $96,000 a year. At least it reports this information. Most do not.

We can no longer allow any publicly funded organization to remain outside financial scrutiny. Given the state of the government's finances, the present situation is totally unacceptable.

There are more than 66,000 registered charities in Canada, a number which increases by 4,000 annually. We do not know exactly how many non–profit organizations truly exist.

The Canadian Centre for Philanthropy reports approximately $86 billion passed through registered charities in 1993, 13 per cent of Canada's gross domestic product and equal to the entire GDP of British Columbia. We can safely say that together charities and non–profit organizations account for more than $100 billion in cash flow. They pay out approximately $40 billion in salaries to 3.2 million people or 9 per cent of the Canadian labour force.

Registered charities alone receive approximately 56 per cent of their revenue directly from various levels of government, $49 billion annually; $5.5 billion comes from the federal government in direct grants and transfers and $600 million in forgone tax revenue, over $6 billion in total per year.

In our quest to control government spending, not for profit organizations cannot be ignored. Accountability in terms of salaries paid out by government funded agencies is the essential first step proposed in this bill.

Other important recommendations in the bill also need to be considered. The Income Tax Act must be amended to allow public access to the financial statements of non–profit organizations. Revenue Canada must scrutinize more closely the activities of registered charities.

Applicants for government funding should be required to waive certain protections offered by the Access to Information and Privacy Acts. Organizations should not receive significant government funding without having had their annual statements reviewed and approved by the granting authorities.

All of these recommendations establish accountability. Current financial conditions demand close scrutiny of all groups receiving government funding. This bill is only the tip of the iceberg, a small but necessary step in reforming the way we handle Canada's non–profit sector.

In the U.S., charitable and non–profit organizations must file returns with the IRS which are available for public inspection. Information must be filed by both charitable and non–profit organizations, unlike the Canadian policy which keeps the returns of non–profit organizations confidential.

The U.S. form is much more comprehensive and detailed. One section asks for the names, addresses, compensation, benefits and expense allowances of officers, directors and key employees. If any receive annual compensation of more than an aggregate $100,000 an additional schedule must be attached. The organizations are thus held directly accountable to the public.

We publicly fund charitable and non–profit organizations in Canada which engage in activities unrelated to their charitable status. Some participate in blatantly political activities by donating funds to political parties.

The Canadian Labour Congress was given a grant of over $3.6 million in 1993 for its labour education program. The CLC contributes none of its own revenues to this program yet was able to give over $1 million to the New Democratic Party in that same year.

(1415 )

The definitions of charitable activities are vague and open to abuse. Activities in the public interest and those of special interest are not clearly defined. As for non–profit organizations there are very few guidelines. Some of these organizations such as the Canadian Ethnocultural Council receive up to 80 per cent of their revenue from sustained government funding. Many could not survive without direct annual funding from the government. We are talking about $49 billion in government funding each year. We must get our act together.

I ask all hon. members to vote for the bill as a first step in addressing a situation that both the public and the legitimate not for profit sector should welcome. The taxpayer has a right to evaluate the spending priorities of recipients of government grants. Legitimate not for profit organizations have an interest in knowing that both government and private funding is allocated to those who need and deserve it most.

**Mr. Ian Murray (Lanark—Carleton, Lib.):** Mr. Speaker, I want to begin by congratulating my hon. colleague from Hamilton—Wentworth on the effort he has put into studying the subject of the accountability of non–profit organizations. This debate is about accountability. It should in no way be perceived as an attack on the numerous organizations that are making a real contribution to public policy.

At the same time it is appropriate to reconsider the necessity of government support for many not for profit organizations. I do not buy the argument that government funding is required to give a voice to people who would otherwise not be heard. Instead I believe the process has usurped the role of members of Parliament who are elected to speak for their constituents.

A look at the appointment diaries of MPs will demonstrate very quickly that it is not the rich and powerful who come to see us with their problems and concerns. Rather it is those who have come up against the giant bureaucracy that is modern government and have been stymied or frustrated by the experience. It is people who want a solution to their individual problems and would be unlikely to turn to another bureaucracy in the form of a not for profit organization to take up their case. That is a primary role of a member of Parliament: to act as an advocate for those who feel they do not have a voice.

On the broader question of consultation it is difficult to argue that governments do not consult. More often than not we are accused of consulting ad nauseam, to the detriment of action. Politicians are extremely conscious of the need to involve all stakeholders in any discussion of public policy. A look at the makeup of any advisory body on questions of wide interest will confirm this point. Membership is carefully structured to reflect linguistic, cultural, gender and consumer interests.

From time to time an issue will generate considerable public interest. Citizens will want to be involved in the policy process and will join with like–minded Canadians to galvanize public opinion and encourage governments to act. That kind of activity is perfectly legitimate and helpful.

The history of such grassroots activism suggests that politicians do respond. Sometimes whole new government departments are created, examples being environment and consumer affairs. However too often those departments begin to see their constituencies not as the people of Canada but as the interest groups that establish permanent organizations. Long after the public has decided that the original reasons their activism have been responded to, the not for profit organizations continue to exist as a mirror bureaucracy often supported by taxpayers. An

almost symbiotic relationship develops between the organization and the governmental body, and the natural inertia that exists in government organizations discourages change in that type of relationship.

It is only when fiscal pressures force a review of program spending that a reassessment takes place. We have reached or surpassed that point today. Government can no longer justify funding special interest groups that cannot demonstrate their legitimacy through self–sustaining financing. This is not only my view but also the view of many of my constituents who have spoken to me about what they expect to see in the budget.

For the first time in many years governments are being forced to make politically tough decisions about expenditures that have a real impact on people's lives. In the last budget we announced the closure of military bases that had contributed substantially to the welfare of whole communities. That was a tough decision but one that should have been made years ago. We are now about to ask Canadians to sacrifice even more, as we recognize that the deficit is the single overwhelming problem we face. As part of that exercise a number of government programs will be cut, resulting in significant job loss in the federal public service.

I mentioned earlier that many causes promoted by special interest groups have their own champions within government. I do not believe we should be cutting public service jobs if we are not prepared to reduce or eliminate funding to those extra governmental groups that mirror government programs and initiatives.

(1420)

Another problem associated with special interest funding relates to the lack of control elected officials have over the process. Although politicians bear the brunt of public criticism and are justifiably held accountable for the expenditure of public funds, the real control of patronage rests within the bureaucracy.

Ministers cannot possibly pay close attention to every grant and contribution dispensed by their departments. Once budgets and guidelines are set, it is also seen as inappropriate for politicians to become involved in the disbursement of public money.

Public servants are sensitive to political considerations and this can lead to funding only for those organizations that are deemed politically correct. It becomes impossible to criticize such expenditures without being labelled as inappropriately biased.

The problem for members of Parliament is that it is usually not worth risking the disapprobation of powerful voices among the media and special interest groups. Taxpayers' dollars continue to be directed to organizations that may enjoy the support of only a small minority of the public.

The amount of money involved is staggering. Approximately $4 billion is directed to not for profit organizations in the form of unconditional grants. Another $3 billion takes the form of contributions for which accountability is demanded.

It should offend taxpayers that organizations which depend in any measure on public financing, no matter how noble the cause, can escape the normal accountability expected of any other private or public enterprise. This situation only invites abuse.

It should also concern Canadians that their members of Parliament have no right or ability to review how that public money is spent. Canadians are very tolerant. We are proud that so many of our fellow citizens involve themselves freely in organizations that exist to better the lives of others.

However we also believe any organization that claims to have the support of a large percentage of the population should be able to demonstrate the support with corresponding levels of membership and financial support. That is how one demonstrates legitimacy.

Unfortunately the availability of public funding for special interest groups has spawned many institutions that cannot meet that test and could not continue to exist if they were forced to depend on their membership and public appeals for support.

Again the motivation and objectives behind these groups may sound compelling, but we are living in an era of hard choices that will continue for many years to come.

My colleague from Hamilton—Wentworth has brought to our attention a number of examples of how federal grants are allocated which would, I am sure, surprise and upset many of my constituents. I would like to single out one in particular because it raises a number of questions. My colleague from Mississauga has already referred to it. Over the past 10 years the Canadian Labour Congress has received $41,370,247 from the federal government. This funding results from a 1977 labour education agreement with the government.

The CLC educational services program includes three courses on occupational safety. The subjects taught in the other 32 courses include techniques of organized labour activism, collective bargaining, grievance procedure, shop steward responsibilities, something called facing management and labour law.

I am not arguing that those are inappropriate subjects for union education. I do contend the Canadian taxpayer should not be funding the program with an average of $83,672 per person in pay and benefits for the office and teaching staff involved when we are facing cuts in other programs that will mean real hardship for many individuals.

A more troubling aspect of public funding for the CLC relates to its involvement in federal election financing. In the 1993 federal election the CLC donated $1,509,810 to the New Democratic Party. That was by far the largest contribution from any single source to a political party.

The taxpayer paid again when Elections Canada matched that contribution as provided by law dollar for dollar. Whether or not the CLC can argue it administers separate funds for education and political action, it is inappropriate for any organization that receives direct government funding to make political contributions. I would apply that rule to private industry as well.

This debate is important for a number of reasons. First, it is unlikely that many Canadians are aware of how much public money is channelled to special interest groups. Second, they should be made aware of the need for accountability by those organizations. Finally at a time of real fiscal restraint, it is important that all non–essential spending be put under the spotlight and justified.

I am pleased to support Bill C–224 and I am confident that it will have the support of a great majority of Canadians.

**Mr. Alex Shepherd (Durham, Lib.):** Mr. Speaker, I am very happy to enter into debate on the very worthwhile bill being presented by my colleague from Hamilton—Wentworth.

People throughout the country are telling us that they do not want any more taxes. Taxes take various forms. They take the form of writing cheques on April 30 but they take other forms as well. Every time somebody receives a tax deduction for a charitable donation it is a form of taxation. It means that person did not have to pay tax on that transaction. He received an exemption for it. In a sense, between taxpayers there is a transfer of resources from one taxpayer to another.

(1425)

People are asking us for greater visibility and accountability in government programs. One of my own initiatives, to be presented in a private member's bill later this year, is to basically try to focus on how much government programs cost and taking them one step further to how much they are costing each individual taxpayer in this country.

Therefore, it is with great pleasure that I stand in support of Bill C–224.

The financial community has long regarded accountability as being very important. Public corporations in this country publicly trading shares are required to report the remuneration of their top executives. The hon. member is asking for nothing unusual. It is only something that should have been put in legislation years ago.

One of my hon. colleagues from the Bloc mentioned that it is possibly too wide in scope and possibly applies to organizations that do not receive federal government funding. I do not really think that is the purpose. If there is a non–profit organization or a registered charity people want visibility whether governments have funded it one way or the other. Therefore, I do not think the scope is too broad. I think this could be something useful for all government agencies and for the public in general to have access to information.

Non–profit and charitable organizations do not have a profit motive or the necessary overburden for efficiency. In a free market economy, a capitalist system, obviously companies have to make a profit or they die, they go into bankruptcy and become insolvent. The whole concept of those organizations is how they are going to meet the payroll.

When I was in private practice running my own businesses every day I wondered how I was going to make the payroll. That was a big feature of my daily life. If I did not meet the payroll I would suddenly be out of business.

These organizations obviously have to meet the payroll but they also do not have the incentive to have to make a profit. This by itself creates inefficiency if there is not a constant focus on the results of the organization. Most non–profit and charitable organizations have a different focus. They are not trying to make a buck. They have a specific and worthwhile function they are trying to achieve. However, without having the restraints required of turning a profit or being efficient they will have a tendency over their history to build in inefficiencies. The greatest inefficiency is in the area of wages.

If we allow these organizations to simply set their own wage structure there will always be non–profit organizations demanding more money just by the nature of the way they are established. There is no requirement to be efficient.

I think the member has brought forward a very worthwhile bill that will give these organizations an advantage to make them more efficient because people will have the visibility of how much people were remunerated. The question is whether it is reasonable remuneration.

In conclusion, I certainly congratulate the member for Hamilton—Wentworth for his very valuable contribution today and I certainly support it. I would respectfully request that all the parties of the House support this very worthwhile legislation.

**The Deputy Speaker:** May we call it 2.30 p.m.?

[*Translation*]

**The Deputy Speaker:** The time provided for the consideration of Private Members' Business has now expired.

[*English*]

Under Standing Order 93 the matter will come up for further debate in the fairly foreseeable future.

It being 2.30 p.m., the House stands adjourned until Monday at 11 a.m.

(The House adjourned at 2.30 p.m.)

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**Friday, February 10, 1995**

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