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OFFICIAL REPORT
(HANSARD)

Tuesday, November 28, 1995

Speaker: The Honourable Gilbert Parent

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HOUSE OF COMMONS

Tuesday, November 28, 1995

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

[*Translation*]

GOVERNMENT RESPONSE TO PETITIONS

Hon. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons, Lib.): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to 21 petitions.

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[*English*]

CANADA REMEMBERS

Hon. Lawrence MacAulay (Secretary of State (Veterans), Lib.): Mr. Speaker, on November 6, 1993 I had the privilege of announcing the Canada Remembers program. There have been literally hundreds of events commemorating events that led to the end of the second world war.

I had the privilege of leading a number of pilgrimages through Italy, France, Belgium and Holland. Indeed they were very touching events.

I remember standing outside Belgium with a number of Canadian veterans and marching into the city. In the city the people were singing ''O Canada'' and their greatest desire was to touch a Canadian veteran.

In Vlissingen, the Netherlands over 100,000 people came to say thank you to the allied veterans.

• (1005)

The most touching event for Canadian veterans was in Apledoorn where between 300,000 and 500,000 people came to say thank you to the Canadian veterans.

Now I have the privilege of leading a delegation to the far east, to Burma, Singapore, Hong Kong and Japan. In 1941 about 2,000 Canadians of the Winnipeg Grenadiers and the Royal Rifles left Vancouver for Hong Kong. More than one–quarter of these veterans died either on the battlefield or in prison camps.

About 10,000 Canadians served in the far east during the second world war, and over 1,000 paid the supreme sacrifice. We will be visiting a number of those graves in commemoration of these people. We will also be visiting memorials in Rangoon, Singapore and Yokohama. These memorials bear the name of the Canadian veteran who has no known grave.

In 1995 when we are looking ahead it is so important to look back to 1945 and really understand what price was paid for freedom and democracy. This pilgrimage is the last event for the Canada Remembers program. There have been so many events throughout this country from the largest provincial organization to the smallest community organization, all of which did nothing but add to the knowledge and the great respect we have for our Canadian veterans. These people can be justly proud and I thank them very much.

[*Translation*]

Mr. Jean–Marc Jacob (Charlesbourg, BQ): Mr. Speaker, I am pleased to speak this morning on behalf of the Bloc Quebecois concerning the pilgrimage to the far east, which will be undertaken later this week by the secretary of state, along with several parliamentarians and a group of veterans. The purpose of the trip will be to provide the veterans with the opportunity to honour the memory of their fallen comrades in Commonwealth cemeteries in Hong Kong, Burma, Singapore and Japan.

It is important for the vital role played by our veterans in the defence of freedom to be properly commemorated, particularly this year, which marks the fiftieth anniversary of V–E Day. We have already had a number of opportunities to recall to mind the selfless sacrifice of the men and women to whom we owe our heritage of freedom and democracy. This morning I would like to again express our gratitude to all of those who laid down their lives, and all those who were prepared to lay down their lives, in defence of that cause.

Such was the price of our allegiance to the values of democracy and peace and it is precisely because our young servicemen shared those values that they fought to uphold them throughout the world. More than 100,000 young Quebecers and Canadians lost their lives during the two world wars, and many hundreds more in Korea and various peacekeeping operations.

Today, we want to honour, more specifically, the war effort of our veterans in Hong Kong and other parts of the far east during the second world war. Ten thousand fighting men and women served there, and nearly a thousand did not return home. As the secretary of state rightly pointed out, the war effort in the far east was primarily an air war. The battles there were vital to the triumph of freedom and democracy.

Our soldiers were actively involved in reconnaissance, transportation, fighter and bomber squadrons. RCAF air crews and ground crews supported Commonwealth land forces in the war in the Pacific. We want to express our heartfelt gratitude to them.

This pilgrimage is one of a number that have been made to different parts of the world, particularly Europe, where Canadians and Quebecers helped liberate Belgium, France, Italy and the Netherlands. The celebrations for V–E Day were particularly emotional.

• (1010)

The significant loss of human life and the horror of the suffering of our veterans in the far east, including all the members of Canada's troops of Chinese or Japanese extraction, must not be left to fade with time.

This heritage must be passed on to the very young. We are therefore delighted to learn that four young people will take part in the pilgrimage. They are at the same age that the veterans were when they left to defend our freedom.

The Bloc Quebecois is pleased to support this initiative.

[*English*]

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Madam Speaker, I was 13 years old when the second world war ended; 9 when the Japanese bombed Pearl Harbour and the war in the Pacific commenced. Young as I was, with an aunt, an uncle and a cousin already in Canada's armed forces, Pearl Harbour impacted strongly on my family and on me.

For the men of the Winnipeg Grenadiers and the Royal Rifles the overwhelming numbers of Japanese attacking Hong Kong made the battle short but the ensuing years in prisoner of war camps long and arduous.

Overworked, underfed, exposed and vulnerable to tropical diseases and without adequate medical care, almost as many died in those camps as had been killed in the fight.

History tells us that the Japanese met their strongest resistance where men of the Royal Rifles and Winnipeg Grenadiers held the ground.

More than 500 of those who sailed for Hong Kong did not return. Those who did suffered abuse and deprivation which would affect them for the rest of their lives.

In the air, whether flying the hump in transport aircraft, in bombers carrying the fight to the enemy or in fighters defending our forces against enemy air attack, the Royal Canadian Air Force made a vital contribution to the successful resolution of that war.

I was delighted to see on the list of 40 veterans whom we will accompany on this pilgrimage the name of a pilot with whom I served during my career in the air force. Until I saw his name among the veterans I had no idea he had flown in that campaign. He is not one to trumpet his accomplishments. We have not seen each other for many years and I look forward with great anticipation to meeting him again. I look forward to meeting and coming to know all these veterans who gave so much for Canadians and the world during that difficult time.

The year 1994 marked the 75th anniversary of the end of the first world war and the 50th anniversary of events leading to the end of the second world war. The year 1995 has seen ceremonies commemorating events late in the war and finally victory in Europe.

This pilgrimage on which we embark tomorrow will visit cemeteries where Canadians lie in Burma, now Myanmar, Singapore, Hong Kong and Tokyo.

I will take great pride in joining our veterans of those campaigns as we pay tribute to their many comrades who made the ultimate sacrifice and did not return.

* * *

MEMBERS OF PARLIAMENT RETIRING ALLOWANCES ACT

Mr. Cliff Breitkreuz (Yellowhead, Ref.) moved for leave to introduce Bill C–360, an act to amend the Members of Parliament Retiring Allowances Act (deduction re other income).

He said: Madam Speaker, I thank my colleague, the hon. member for Prince George—Peace River, for seconding the bill.

It is a pleasure to introduce my private member's bill which calls for amending the Members of Parliament Retiring Allowances Act. Members opposite know how the Reform Party and indeed the overwhelming majority of Canadians feel about the rich MP gold plated pension scheme.

My private member's bill proposes to introduce an MP pension clawback which would apply to former parliamentarians. It would work on exactly the same principle as the old age security clawback applies to senior citizens. Former parliamentarians earning more than $53,215 in the private sector would have a portion of their MP pensions clawed back.

It is time for this kind of legislation. Canadians are calling for legislation which reflects fairness from their elected representatives.

● (1015)

I ask members from all parties to give serious consideration to this bill.

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

* * *

ACCESS TO INFORMATION ACT

Mr. Bill Gilmour (Comox—Alberni, Ref.) moved for leave to introduce Bill C–361, an act to amend the Access to Information Act (crown corporations).

He said: Madam Speaker, my bill will make all crown corporations subject to the Access to Information Act. These would be corporations like the post office and CMHC. At present, these corporations are exempt from access to information even though they are subsidized with tax dollars. This bill will open corporations to the public and make them more accountable to Canadians.

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

* * *

PARLIAMENT OF CANADA ACT

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.) moved for leave to introduce Bill C–362, an act to amend the Parliament of Canada Act and the Canada Elections Act (confidence votes).

He said: Madam Speaker, this bill if enacted would amend the Parliament of Canada Act and the Canada Elections Act.

It would end the uncertainty over when our general elections would be called. Provisions in this bill would call for the general elections to be held every four years. This would in no way contravene our Constitution. No constitutional amendments are required because the Governor General still has the authority to determine whether or not that election shall be called.

There are also amendments to the Canada Elections Act that would clarify when a byelection would be called. It would ensure that in constituencies where members no longer represent their constituents because they have either been appointed to the Senate, as we have seen in the past, or they have passed away, timely byelections would be called on fixed dates.

Provisions in this bill would come into play if there was a crisis thus giving the bill the flexibility to be very usable.

I ask that all members of the House give serious consideration to this bill. If the bill passes, we would know that the next general election would be held on October 20, 1997.

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

PETITIONS

INCOME TAX ACT

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

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

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

* * *

QUESTIONS ON THE ORDER PAPER

Hon. Jon Gerrard (Secretary of State (Science, Research and Development), Lib.): Madam Speaker, I ask that all questions be allowed to stand.

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

Some hon. members: Agreed.

● (1020)

The Acting Speaker (Mrs. Maheu): I wish to inform the House that pursuant to Standing Order 33(2)(b), because of the ministerial statement, government orders will be extended by nine minutes.

GOVERNMENT ORDERS

[*Translation*]

SMALL BUSINESS LOANS ACT

The House proceeded to the consideration of Bill C–99, an act to amend the Small Business Loans Act, as reported (with amendments) from a committee.

SPEAKER'S RULING

The Acting Speaker (Mrs. Maheu): I will now read the Speaker's ruling.

[*English*]

There are six motions in amendment standing on the Notice Paper for report stage of Bill C–99, an act to amend the Small Business Loans Act.

[*Translation*]

Motions Nos. 1 and 2 will be grouped for the purposes of debate. The vote on Motion No. 1 will apply to Motion No. 5.

[*English*]

Motions Nos. 2, 4 and 6 will be grouped for debate. A vote on Motion No. 2 applies to Motions Nos. 4 and 6.

[*Translation*]

Motion No. 3 will be debated and voted on separately. I shall now put Motions Nos. 1 and 5 to the House.

MOTIONS IN AMENDMENT

Mr. Yves Rocheleau (Trois–Rivières, BQ) moved:

Motion No. 1

That Bill C–99, in Clause 1, be amended:

(*a*) by replacing lines 24 and 25, on page 1, with the following:

''(*d*) ninety per cent, or such other percentage as is fixed by the committee of the House of Commons that normally considers matters relating to industry, of any loss sus–''; and

(*b*) by replacing line 1, on page 2, with the following:

''(*c*) or, where a percentage is fixed by the committee described in this paragraph,''.

Motion No. 5

That Bill C–99 be amended by adding after line 32, on page 4, the following new Clause:

''4.1 The Act is amended by adding the following after section 7:

7.1 The committee of the House of Commons that normally considers matters relating to industry may, for the purposes of paragraph 3(1)(*d*), fix the percentage of any loss that the Minister is liable to pay.''

—He said: Madam Speaker, thank you for your co–operation. Our set of amendments consists of three groups. There are six amendments, and I will now speak to Group No. 1, as agreed.

In this first group, there are two elements that reflect the spirit of our amendments. One concerns the change in coverage now provided under the act. The government currently guarantees 90 per cent of loans made under the Small Business Loans Act, but that same government now wants to cap coverage at 85 per cent.

The other aspect concerns our role as legislators, in Parliament and in committee. In clause 1(1)(*d*), and we will get back to this later on, the government's share will be prescribed, and we feel that is wrong. To get back to the loan guarantees provided under the Small Business Loans Act, which will be reduced from 90 per cent to 85 per cent, a difference of 5 per cent, this means the government is in a way backing out, is reducing its contribution to this legislation, and this increases the lender's liability by 5 per cent.

• (1025)

The implications of this measure, although not dramatic, are nevertheless very serious, because there is a message here for small lending institutions, especially in Quebec, where there is a credit union in every town. Since the risk to the lender increases, small lending institutions that do not provide more than 10, 15 or 20 loans per year may think twice. We fear that this may cause bank managers to be more cautious, to be psychologically inclined to direct loans to less risky businesses, because the lender will, in theory, still run a greater risk.

This, in our opinion, will cause banks to favour less risky businesses. This runs somewhat counter to the economic development needs of our society, which is increasingly focused on high–tech companies in preparing for the future. These companies represent a risk in themselves because, as we know, contrary to traditional businesses, high–tech companies often have nothing to reassure lending institutions because their operating strength is based on their owner–managers' knowledge and expertise, on intangible values, and not on the usual buildings or facilities.

Reducing government coverage indirectly penalizes high–tech companies, which represent an extra risk for the banks. This has already been clearly identified as a problem during the industry committee's proceedings, because we know that the banks are generally reluctant, perhaps with good reason, to finance these high–tech companies.

This, we also fear, will penalize new businesses without any experience or history that have not yet proven themselves. These businesses represent an extra risk for lenders. Reduced coverage will make it harder for them and for the banks to accurately assess the situation, since any banker knows that lending to a new, unproven business without annual statements for the previous years will make the matter even more difficult.

Perhaps I should have pointed out earlier that we should keep in mind that what this bill implies comes from the last speech of the finance minister, in which he suggested rather strongly that the Small Business Loans Act program should be self–financing.

This is an expression of the current political will. We members of the Bloc Quebecois realize that this is a legislation, a small business assistance program with a price. In 1993, bad debts that had to be absorbed by the federal government totalled $32 million and, with the envelope growing from $4 billion to $12 billion, losses could rise to $100 million.

There may be food for thought here, serious thought. That is what the official opposition has in mind in suggesting that, before amending this act to limit its scope and introducing concepts such as self–financing, a cost–benefit analysis should be conducted to identify the benefits arising from this legisla-

tion. We need to know at least how many jobs are created, what the government's tax return on its investment is—since the loss incurred as a result of the implementation of this act could be likened to an investment—and what indirect taxes are created by the implementation of the act, taxes that otherwise would not have to be paid.

So, before the scope of this act is restricted, we in the committee would have liked, and that was part of our recommendations, to see a cost–benefit analysis. Unfortunately, the government did not follow our advice and is now going ahead by reducing, as we can see, coverage by five per cent.

• (1030)

The other aspect of Group No. 1, which is also found in Group No. 2, relates to clause 1(*d*), and reads:

> Subsection 3(1) of the Small Business Loans Act is amended by striking out the word ''or'' at the end of the paragraph (*a*) and by replacing paragraph (*b*) with the following:
>
> (*d*) eighty–five per cent, or such other percentage as is prescribed—

It is that ''as is prescribed'' provision that we object to and that we oppose. As you may have noticed, the official opposition—we all do—feels that the role of parliamentarians, including that of Parliament as legislator and that of the committees, is neglected and belittled. This bill should be a good opportunity to enhance the role of parliamentarians and committees, and this is why we condemn the fact that the government intends to resort to regulations.

All the polls show that we must enhance the role of elected representatives. We were elected through a democratic process, we have things to say, and we all represent our constituents. We are here to express their views. Yet, the system relies less and less on the expertise and sensitivity of parliamentarians. If we are not the ones who can influence decisions, then who can? It is the bureaucracy, the lobbies and those who have money, as the current Quebec premier so accurately pointed out in his review of the referendum results.

Given how much money circulates in our economic system, it is easy to see the power of money. That is confirmed once again. Indeed, if the government does not work openly with the institutions that we represent, than it works on the sly and resorts to its authority. With that provision, we will only find out after the fact that the government decided to change its coverage. By resorting to regulations, if the government wants to ensure self–financing and realizes that implementing the act is too costly, it can simply decide that its coverage will no longer be 85 per cent but, rather, 80, 75 or 70 per cent, without any discussion. All of us here will simply be put before a fait accompli, and that is not good for any self–respecting democracy.

[*English*]

Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry, Lib.): Madam Speaker, I listened attentively to the member for Trois–Rivières. Quite frankly, there are some points the member makes that are quite valid. I would like to dwell on the first point for a couple of minutes, and that has to do with the reduction in the government's liability from 90 per cent on the small business loan guarantee to 85 per cent.

Last year the government liability for the Small Business Loans Act float was approximately $100 million. That is what it cost. Effectively, what we are doing with this amendment to the bill, which the Bloc does not support, is reducing the liability from $100 million to $95 million. In other words, by lowering the exposure of the government we are going to save $5 million.

The member for Trois–Rivières makes a very interesting point. Will that five per cent threshold cause banks to not look as hard or take as much of a chance with those smaller, more innovative, knowledge based firms? I am not sure that it will not.

• (1035)

Two weeks ago we heard in the industry committee that the small business float for all banks in Canada was $28 billion, a one per cent increase in the float over the year before. The banks of Canada that make loans under the Small Business Loans Act were guaranteed, prior to this legislation, 90 per cent of that loan by the crown. The float right now is around $4 billion to $5 billion. If we deduct that Government of Canada guarantee to the banks on those loans, then effectively we have not had a real increase in the small business loan activity in this country in the last two years.

We have to be very careful. I am not going to support the member's motion to reduce the crown's exposure. The member from Trois–Rivières wants the government to go on the hook for another $5 million. I am not going to support that. Because of the pressure from the Reform Party, our government is on a fiscal obsession with the deficit and the debt. I hope this path will head to a quicker economic recovery. I share the view of the Bloc member for Trois–Rivières that we are going to have to be vigilant, because if we lower the government guarantee to the banks we may see a lot of good opportunities go by the wayside. The banks might not come to the party. We need small business going full throttle in the country.

I think the member's motion gives us an interesting concern, which we register. However we must at the same time balance our responsibility with reducing the cost of managing the program to the taxpayer. We will try it, and if we see that the activity on the Small Business Loans Act does not continue at the same rate or if there is not the same action on the Small Business Loans Act, then as a committee and as a government

we can ask the minister to reopen the file. However we must give it a chance in the interest of fiscal restraint and make sure the bill is focused on cost recovery.

I must say that the member for Trois–Rivières has done a fabulous job in the industry committee in the last two years. Instead of his party being called the Bloc Quebecois, I wish they were called the Bloc Canadien. If they were called the Bloc Canadien, then imagine the thrust we could get going in the House and the stimulation to the economy.

• (1040)

Who knows, once the current leader of the Bloc Quebecois moves to Quebec City perhaps we will get a conversion going and the Bloc can become the Bloc Canadien. I sense there are a lot of members in the Bloc who really do by and large share some of the values and some of the things we all aspire to in the House for all of Canada.

The second part of the member's point is about giving the industry committee the authority to amend this bill. That would be equivalent to changing the whole system of government. We all know our system of government gives the Prime Minister and his cabinet the executive responsibility to put legislation forward. We members of Parliament have the ability and the opportunity to provide input and to amend, as we are doing here today.

The reason we do not have any motions being put forward today by the Reform Party is because the motions and ideas of the Reform critic for industry were accepted in committee and have become part of the bill. It is not as if members of Parliament do not have the—

Mr. Penson: It was the first time.

Mr. Mills (Broadview—Greenwood): No, it was not the first time. We have accepted many of the good ideas of the member from Okanagan.

The point I am trying to make is the government would not abrogate to committees of the House its executive responsibility. The member for Trois–Rivières is asking the executive of the Government of Canada to just give its executive responsibility to the industry committee. We could not support such an idea, because ultimately the Prime Minister and the cabinet, the government, are responsible.

Mr. Hermanson: They call the shots.

Mr. Mills (Broadview—Greenwood): That is right. We can have input, but that is the way we are governed in this country and that is the way it will have to stay.

Mr. Werner Schmidt (Okanagan Centre, Ref.): Madam Speaker, it is a pleasure to rise in the debate on this very interesting motion. In some ways it sounds very good in principle. In another sense, I have great difficulty with it.

I would like to review some of the provisions of the Small Business Loans Act itself and what it is doing. I noticed the hon. parliamentary secretary to the Minister of Industry alluded to the exposure of the government and the liability that is incurred on behalf of the government for the people of Canada under the Small Business Loans Act. It is rather substantial. Last spring the $4 billion ceiling was increased to $12 billion, which is a threefold increase. It is very interesting that at that time the government's liability was 90 per cent of that $4 billion, which works out to about $3.6 billion. That costs roughly $100 million a year in terms of the non–payment or the defaults on various loans.

The current amendment proposes to reduce the liability for the $12 billion ceiling to 85 per cent, which still means a liability for the government of approximately $11.2 billion or $11.3 billion. If that proportion of $100 million goes with a $4 billion ceiling, this could now go to $300 million with this new ceiling, which is pretty substantial. We have to be very careful about this.

We have to recognize that Professors Haines and Riding did a very interesting study about small business loans and what happens. The cap of the individual borrower under the Small Business Loans Act is now $250,000; it was $125,000. The ceiling or the size of the business has increased. It was limited to any business that had $2 million or less of sales on an annual basis. The new ceiling goes up to $5 million.

• (1045)

It is very interesting what this study of Haines–Riding showed. It showed that businesses below the $2 million ceiling had a default rate of somewhere between 7 per cent and 8 per cent. Those with sales between $2 million and $5 million had a default rate of 14.7 per cent, which is much greater.

We can see the exposure under the new provisions, under the new ceilings, are rather interesting because they increase the risk to which the government has exposed itself.

To combat that the bill comes forward and says that there will be an administration fee. As we all know there is a 2 per cent registration fee right off the top which is added to the principal. Then there is a 1.75 per cent fee in terms of cost to make the costs of defaults and various other administrative items recoverable. It was not good enough that it resulted in a $100 million loss. That has been increased by another 1.25 per cent which means a total of 3 per cent. The 1.25 per cent can be recovered in only one way and that is through interest rates.

The earlier situation was that the Small Business Loans Act used the prime rate that could be increased by 1.75 per cent. It went up to 6.75 per cent. Now it is 3 per cent above prime, which means that we will probably run the new small business loans under that provision.

To give us the context of what is happening, the liability of the government is increased under the Small Business Loans Act by about 300 per cent over what it was before. It is our responsibility as elected representatives of our constituents to protect their interests. If we are exposing their risk from $4 billion to $12 billion, it should not be delegated to the executive council of the government. It should be the responsibility of parliamentarians in the House of Commons.

The bill had the provision that it should be delegated to the executive council. We proposed an amendment. The hon. parliamentary secretary referred to the amendment in his presentation a few moments ago. It was accepted by the committee. It has now been taken out of the bill so that parliamentarians have control over fixing whether it will be 90 per cent or any other percentage. It is a real positive move for democracy.

When I look at the amendment before us I notice that it has been adulterated because it is neither fish nor fowl at this point. It is being proposed that parliamentarians in the House of Commons should not have control but the committee should have control. Admittedly the committee is made up of parliamentarians elected from all parties represented in the House. They are elected representatives of the constituents.

However when we are talking about $12 billion it is a lot of money. I do not think a committee should have the authority to make those kinds of decisions on behalf of Parliament. If we thought the executive council should not have that kind of power, it is much less that a committee of the House should have the authority.

While the direction of giving authority to the people is a good one and while the intent is noble, the way it is being proposed will not achieve what we really need. We need to recognize that as representatives who have been elected by the people we represent them in a threefold way. First, we represent them because of the party we are a member of that presented the candidates to the people. They knew we were to present certain things. I appreciate the parliamentary secretary's statement that gave us credit for the fact that the Reform Party is here to bring about an awareness of the fiscal responsibility and the need to get our house in order financially. That is absolutely superb. We need to do that.

• (1050)

The difference I have with the hon. member opposite is that it is not an obsession. That is a reality. That is something we have to come to grips with. It is high time that we do it just as soon as we can. If truth is an obsession it is time we were all obsessed because truth is what we need. That is the first point.

As we represent our people we have another responsibility to detect very clearly what they feel about certain kinds of issues. They want a voice and they have told us clearly that we have to get our financial house in order. That was not a mandate that we in the Reform Party said we would have, but the people told us quite independent of it being a Reform platform that it was what they wanted us to do.

Second, as representatives we actually go out and represent the people in what they think. Finally, we apply our best judgment to ordinary everyday housekeeping items where we do the things that have to be looked after.

This is a very critical and important issue. To put this into the context of only a one–industry committee is not enough. The whole House of Commons is involved in financial issues of major import affecting small business, the engine that generates about 85 per cent of new employment in Canada. It is the issue.

Also that group, especially the high tech group, is bringing about innovations to make our economy grow. There is no question that today we will move faster and faster not because we are so smart but because we bring about new innovations, new applications of new knowledge. That is what we need to do. The small business component is the absolute number one component in the economy that will help Canada grow to where it becomes a truly competitive industrial nation in the world. That is where we need to move.

I appreciate the opportunity the motion has given me to express some ideas although I oppose the motion not because we do not need to deal with small business and not because we do not need representatives of the people but because the method is wrong.

Mr. Alex Shepherd (Durham, Lib.): Madam Speaker, it gives me great pleasure to enter the debate at report stage of Bill C–99, specifically Motions Nos. 1 and 5 brought forward by the member for Trois–Rivières.

I was interested in the member's speech. He discussed the need to defend lenders. It seems unusual to me. Sometimes when I look at the Small Business Loans Act the question that comes readily to mind is why the Government of Canada has to encourage and guarantee lending to small business, which is the obligation of our financial community.

I was very surprised to hear the member defending moving the guarantee from 90 per cent to 85 per cent. He defended the potential liability for another 5 per cent on these loans to lenders. The banks of the country have reported something in the neighbourhood of $1 billion worth of profits. It is apropos that as legislators and parliamentarians we are concerned about the small and medium size business communities and where they fit.

The question could well be why the guarantee is at 85 per cent. The intent of the legislation is to recognize a liability exists for the Government of Canada in terms of these loans. As far as I can understand, the guarantee has been amended to 85 per cent basically to allow more lending to occur. The growth in the SBLA program has been remarkable. In that sense it has been very successful in channelling investment loans to small and

medium size businesses. By leaving the guarantee at the 90 per cent level, loan losses could well exceed $100 million a year.

• (1055)

As we have heard from the hon. member from Okanagan the government is committed to reducing our expenditures and our risk to loss. He spoke about a maximum liability of something in the neighbourhood of $12 billion. That is erroneous. That kind of risk would be like giving somebody an $85,000 mortgage on a $100,000 house and expecting to lose the entire $85,000. Most of the small business community could look at that situation and realize it is an unrealistic assumption.

Most of the loan loss provisions that have resulted in losses to the government are somewhere in the neighbourhood of 2.5 per cent. That is not unreasonable in the lending business, which gets me back to my original question of why we cannot encourage our financial institutions to be more aggressive in lending to small and medium size businesses rather than require the federal government to guarantee the loans.

The hon. member mentioned a number of other issues, not the least of which was investment in new and emerging technologies. Certainly that is a good point. The history of the loans has been that they are used for capital additions to small and medium size businesses, basically equipment, real estate and so on. The aspect of new technology still befuddles the investment community generally. We need to look for new and different types of sources of capital for small and medium size businesses. I suspect small and medium size businesses and the SBLA program do not look to this source of capital to finance emerging technologies.

About a year ago I had the opportunity to tour the Royal Bank. I talked to some of the portfolio managers and listened to their concerns about emerging technologies. I still believe that the financial community has not come to grips with how to deal with emerging technology. It is still very much focused on the concept of security, based on what it was doing 10 or 20 years ago, looking for hard assets as security for the loans.

The most prevalent asset was real estate. I do not have to tell my colleagues what has happened in the real estate industry in the last five years. The banks, in an effort not to be burned twice, are getting back to using real estate as a security item, which has compounded the problems of small and medium size businesses. The banks are refusing to enter even traditional markets because they do not know from where they will get security.

Through the Small Business Loans Act the government has attempted to inspire financial institutions to come forward and lend to small and medium size businesses. Most businesses will be smaller, based on some of the changes to the act. When we are talking about sales of $5 million and so forth a lot of people in the riding of Durham do not think that is small business; they think it is big business.

The changes to the SBLA will allow it to be more focused on genuine small businesses. The question is how big businesses occur. They occur from the emergence of small businesses that are allowed to grow within the system. The Small Business Loans Act has really been a hand up for some small businesses. As the hon. member for Broadview—Greenwood suggested, it may well be the only hand up that exists between the financial sector and small and medium size businesses.

• (1100)

The second part of the motion deals with the possibility of having the industry committee approve changes in the guarantee aspect of these provisions. One thing that small business needs is flexibility and rapidity in decision making.

I question whether it is in the purview of the committee system to undertake this sort of review process knowing the heavy workload the committee constantly has in this place. I also question whether it is within the competence of the committee to make those kinds of decisions.

In order for the committee to change these kinds of guarantees it would need rapid and up to date information about the experience of loan losses. It would have to be able to understand emerging tendencies within the lending business.

I really question whether it would be a service to small and medium size businesses which would find a great lag in being able to have a flexible relationship with the government. I think the government is attempting to be very flexible in allowing this plan to emerge and foster support of small business.

In conclusion, I am opposed to both of these motions for the reasons I have mentioned.

[*Translation*]

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

Some hon. members: Question.

The Acting Speaker (Mrs. Maheu): The vote 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 Acting Speaker (Mrs. Maheu): All those in favour will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the nays have it.

Some hon. members: On division.

The Acting Speaker (Mrs. Maheu): I declare Motion No. 1 lost. Therefore, Motion No. 5 is lost as well.

(Motion No. 1 negatived.)

The Acting Speaker (Mrs. Maheu): We will now proceed to Group No. 2.

Mr. Yves Rocheleau (Trois–Rivières, BQ) moved:

Motion No. 2

That Bill C–99, in Clause 1, be amended by replacing line 25, on page 2, with the following:

''Minister the annual administration fee fixed by the committee of the House of Commons that normally considers matters relating to industry,''.

Motion No. 4

That Bill C–99, in Clause 4, be amended by replacing lines 25 and 28, on page 4, with the following:

''paragraphe 3(4)(c)(i), the time when the annual administration fee fixed by the committee referred to in section 7.1, is payable;''.

Motion No. 6

That Bill C–99 be amended by adding after line 32, on page 4, the following new Clause:

''4.1 The Act is amended by adding the following after section 7:

7.1 The committee of the House of Commons that normally considers matters relating to industry may, for the purposes of sub–paragraph 3(4)(*c*)(*i*), fix the annual administration fee or the method of calculating the annual administration fee.''

• (1105)

He said: Madam Speaker, I realize these amendments are rather technical and dry but they are nevertheless important, and they take the same approach as the amendment we introduced earlier when we condemned the use of the word prescribe and the whole regulatory process and mechanism it entails.

However, before I continue, I would like to thank the parliamentary secretary for his kind words, which I appreciated. I want to return the compliment, because I think we should realize the parliamentary secretary to the Minister of Industry is not only a very good parliamentarian but also an outstanding asset to our work in committee.

I would also like to comment on what he said about establishing a bloc canadien. In fact, in the forties there was a ''bloc populaire'' to defend the interests of Quebecers. In the nineties, and English Canada is not about to forget it, we saw the birth of a bloc québécois. To continue the musings of the parliamentary secretary, we might see the birth of a bloc canadien very shortly in Canada, after Quebec becomes sovereign, a bloc that would be foster the best possible relations with a sovereign Quebec, including an economic and political partnership, which we support because it is sensible, it is the way to mutual respect between good neighbours and recognition of the equality of the two peoples here in America, different from the United States, different from Europe, who represent certain cultures, since Canada is also a distinct society on this planet. If there is enough good will on both sides in the months and years to come—and our contribution to the industry committee is a good example of that—we will be able to work together for the well–being and prosperity of our respective peoples.

I would like to comment on the remarks of my colleague opposite, who expresses surprise at the spirit of our amendment on the reduction of government coverage, in which we wanted to protect lenders rather than borrowers. I think we have to face the fact lenders are reluctant when it comes to small business. That is the reason for a small business loan act. We know there is a reluctance and that the government wants to keep the legislation but distance itself from it by reducing its coverage. I think this will be to the detriment of what is increasingly the motor of economic development: the small and medium business, the SMBs. This is why we are being very careful in this. We want to ensure the continuation of the coverage currently offered to the more vulnerable small borrowers, the ones threatening to lenders.

So, getting back to the spirit of this second bloc, it is to reinforce, as mentioned earlier, the roles of parliamentarians. In any civilized society, as ours claims to be, where there is representation by election, I believe there has long been a certain malaise over the role of those elected to Parliament. The role of parliamentarians is becoming more increasingly insignificant. And I think this is one of those times when we are reminded that things could be done differently. Over the course of several decades, the public service has progressively become heavy, especially at the top. As was mentioned earlier, the executive branch assumed a great deal of power, and while Parliament is certainly a place for debate, it has very little power, and that is what we are condemning and want to change. There is also continuity.

I think that anyone who has seen the Bloc Quebecois at work in the various committees can appreciate the logic underlying our remarks and contribution, in ensuring, rather like I am doing this morning, that parliamentarians have greater power to influence the decision making process so that the public interest remains first and foremost, at the expense, if need be, of other interests, which, as you know full well, have other ways of making themselves heard.

• (1110)

Earlier, I heard the parliamentary secretary criticize our amendment proposal, saying that, should coverage be reduced, as we in the official opposition are concerned it will, the industry committee will make appropriate representations to the Minister of Industry to have this issue reviewed. That is not much, in terms of power.

This means that, when a problem is reported, the industry committee will come to agreement and quietly make representations to the minister, asking him: ''Would you please stop doing this, Sir; you are hurting our constituents''. Parliamentarians certainly do not have much power, in such instances.

This is what we deplore and want to change by introducing an amendment which, as we can see, has unfortunately not garnered unanimous support in this House. Even the Reform Party is not very keen on our proposal. This is unfortunate because it discredits our role once again, given what that role should be. This is not only the case in the Parliament of Canada, but in all British legislatures where, over the decades, elected representatives were gradually stripped of certain powers because of the size of the bureaucracy, to the benefit of technocrats, who want to work behind closed doors. It goes without saying that it is easier to resort to regulations and orders in council.

I remember the debate on Bill C–88 dealing with internal trade. It provides that the federal government can, through orders in council, take action against the party deemed at fault. Using orders in council means that there is no public debate. It means that we cannot even discuss the issue on behalf of the province deemed to be unco–operative or at fault. The elected representatives of that province would not even be allowed to make public representations, because the issue would have been settled through an order in council. This, in my view, is rather ominous. This is why we moved these three amendments, which essentially seek to eliminate the use of regulations and replace it with a committee decision. More specifically, Motion No. 6 seeks to add a new clause 7.1, which reads:

> 7.1 The committee of the House of Commons that normally considers matters relating to industry may, for the purposes of sub–paragraph 3(4)(*c*)(i), fix the annual administration fee or the method of calculating the annual administration fee.

As things now stand, the minister is keeping this power for himself without too much consultation and is being very discreet about it. So much the better for those who will be aware of that, and too bad for the others.

Instead of that, it is possible to rely on the existing political structure, and to proceed in a manner which is more transparent and more public. This is what we hope to achieve with these amendments.

[*English*]

Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry, Lib.): Madam Speaker, I have always been an advocate that members of Parliament can play a meaningful role in amending or designing legislation in the House of Commons. Therefore, I do not share the view of the Bloc member for Trois–Rivières. It is important that we explain to Canadians how as individual MPs we can have an impact on the system.

If I have a particular view of how the Small Business Loans Act should be amended, then I should sit down with colleagues on both sides of the House and develop a consensus. Quite often when we can get a consensus it has always been my experience that unless it is something that really upsets the fiscal framework of the country most ministers accept good ideas from their parliamentary committees.

• (1115)

I have never experienced a situation in which a minister who had constantly ignored the advice of his political confreres on a constant basis whether in the House, in committee or in caucus still succeeded as a minister. I have never known ministers to succeed if genuine requests from MPs to their departments are ignored. If they are ignored it is the MPs' fault.

Mr. Strahl: Ask the Minister of Justice if he listens.

Mr. Mills (Broadview—Greenwood): I presume the hon. member is talking about gun control. The Minister of Justice did listen. This was a balancing act he had to perform. He had to make a very tough decision. Do we think for a minute the Minister of Justice did not balance in his decision making process the difficulties rural members were having versus the concerns urban members had?

An hon. member: He ignored them completely.

Mr. Mills (Broadview—Greenwood): The judge is out on whether he ignored rural MPs or whether this situation will succeed in gun control. That is a fair example. It was a tough decision.

By and large on ideas not as controversial, when we get a consensus ministers tend to listen.

It is very important that we take notice of the Bloc's point on the control the bureaucracy has in this community. I have been working around this town since 1979. I came here as a young political assistant, not a bureaucrat. I was amazed at the way the bureaucrats, the public servants, operated and managed departments within government. We call it the machinery of government.

I had a terrific experience working in the Prime Minister's office for almost four years. I was amazed even in that office when we wanted things done the public service had this capacity to actually control the tempo of implementation. I coined an expression back in 1981 called the MAD treatment, maximum administrative delay. They were good public servants. It was

just part of the culture. It was part of the thought process that even though the political will wants a particular policy implemented, before we actually put it into the factory and implement it we must do further analysis. We must check this and we must check that. The delay was enough to drive one nuts.

The member for Trois–Rivieres has given us a very important point on which we must be ever vigilant. Those of us who are elected and accountable have to make sure the things approved in the House are implemented and not steered off and done in a way the bureaucracy thinks should be done.

I do not share the member's view when he says we do not have an opportunity for input. I think we do. If we are passionate about our ideas and we get support from other colleagues usually they can be implemented.

• (1120)

It is not always easy. I could give a personal example and pass it on to the members opposite on the whole issue of tax reform. I have been working on the issue of tax reform for six years, the single tax system.

I was hoping that with 50–odd members from the Reform Party who apparently believed in tax reform we would have much more energy in support of the notion of comprehensive tax reform, but that has fizzled. Obviously I have not done a good enough job on that issue in convincing other colleagues we need comprehensive tax reform. We are not talking about it enough, debating it enough or selling it to the rest of the decision makers in the Chamber.

An hon. member: Convince the Minister of Finance.

Mr. Mills (Broadview—Greenwood): We cannot simply convince the Minister of Finance. This is where we go to the member for Trois–Rivières' point about the technocrats, the bureaucrats. What we really should be doing is lobbying as elected men and women. We should lobby the finance department.

How many members have taken the time to go to the finance department, sit down with a senior bureaucrat and talk to him or her about their ideas for tax reform? Those public servants cannot refuse to see elected members of Parliament.

Mr. Strahl: They do it to me all the time.

Mr. Mills (Broadview—Greenwood): If they are refusing to see the member, he should go to the minister. They do not refuse to see the lobbyists so I cannot imagine a public servant refusing to meet with a member of Parliament. I find that crazy.

If a member tells me of any public servant who refuses to meet with an elected person I will stand up in the House and we will talk about it. Even before I will, the Prime Minister will go berserk. As someone who has been in nine different government departments, the Prime Minister understands the public service is there to implement the political will of the approved legislation in the House. If there is resistance to it, it is our fault to allow the resistance.

I appreciate the comment from my colleague from Trois–Rivières that we should be ever vigilant as we deal with the public service in the way it manages some of these pieces of legislation we approve in the House. However, I do not share his view that members of Parliament cannot have a substantial role in amending and designing legislation. For that reason we will not be supporting this motion.

Mr. John Williams (St. Albert, Ref.): Madam Speaker, I am pleased to debate the motions placed by the Bloc. I listened to the eloquent defence of Parliament by the previous speaker. I wondered why in his eloquent defence he would be opposed to the idea that Parliament make the decisions regarding the levels of the fees and so on charged within Bill C–99.

The member also told us about how difficult it is to get through the civil service, how difficult the bureaucracy is to move and the challenges we as members of Parliament face in achieving these things. Yet he gave no indication whatsoever that he was prepared to recognize these decisions should be made right here on the floor of the House rather than some back room by some unelected, unknown bureaucrat we cannot even find much less influence as far as making these decisions.

Mr. Mills (Broadview—Greenwood): Madam Speaker, I rise on a point of order. I would like to humbly correct the member because I did not in any way, shape or form say the elected people in the House do not have an influence on the way bills are designed and approved.

• (1125)

Mr. Williams: Madam Speaker, I advise the member that decisions regarding the level of fees should be made right here on the floor of the House. We should not be delegating the authority to some bureaucrat who is nameless, unelected and unknown, who advises his minister that he thinks they should vary or increase the fee and the minister does it. This is how the bill reads.

The Bloc is trying to change the motion so that a committee of the House would make that decision in lieu of the minister by order in council.

Unfortunately we cannot support the motion by the Bloc even though we feel the decision should be made right here on the floor of the House because unfortunately the Bloc does not understand the rules of the House. Committees do not make decisions. All committees can do is report back to the House. Committees do not have the authority to make legislative decisions.

Any motion approved on the floor of the House is not legislation by itself. It is only an expression of the House. We only approve legislation. We cannot initiate legislation through a committee. That is where the Bloc is totally misinformed and cannot understand the rules of the House, which leads me to the question of separation. When Bloc members want to separate from the rest of the country they have no understanding of the process. The referendum they had in Quebec last month was ruled illegal by a court in their own province, and yet they proceeded with the referendum anyway.

We now find they do not understand the rules of the House, where they expect committees to make legislation. It is little wonder we have a party that cannot understand how to enjoy life within the confederation and would rather head off on its own. I am concerned for the people of Quebec if they are to be led by a group with no concept of how to live within a set of rules.

Getting back to the legislation and getting back to more relevance, we want to see decisions made by members of Parliament. We do not want to delegate the authority to the minister who acts on the advice of some bureaucrat. We want to see the minister make up his mind and bring a proposal to the House in the form of legislation. We look at it, debate it and vote on it. If it is approved that is fine, but we do not want to give him a carte blanche to vary the rules at his whim without debate, without the public at large realizing what is going on. That is why we have to oppose the motions proposed.

Mr. Alex Shepherd (Durham, Lib.): Madam Speaker, it gives me great pleasure to once again enter the debate on Motion No. 6.

I listened to the hon. member for Trois–Rivières talking about how different Quebec and its people are from the rest of the country. The Small Business Loans Act shows us very realistically how we are all similar. The problems of small and medium size businesses whether in Montreal or Chicoutimi, Oshawa or Vancouver are very much the same. Small and medium size businesses have difficulty obtaining access to capital.

Clearly it is important for us as a country to look at as big a market, as big a capital access as we possibly can and to assist small and medium size businesses. What are we talking about here? Ultimately, we are talking about jobs and the ability to create jobs.

● (1130)

I was very interested recently to read a summary by the Quebec Manufacturers Association that stated that Quebec is the least attractive jurisdiction in Canada in which to do business. This is not something that has been created by the federal system; it is something that has been created within the province of Quebec. I addressed some manufacturers from Ontario this week and asked them how we could assist our fellow business people within that province to overcome some of the problems of high wage structures, high interest rates and so forth that the manufacturers of Quebec are having which means an inability to create jobs in that province.

This motion deals with the ability of making the administrative changes to acts within the purview of the committee system. What we have to do is ask ourselves what our role is as parliamentarians. Psychologically, it sounds very good to say that we should be involved with every decision of government, possibly every change in the Income Tax Act, possibly every idiosyncracy or change in the Environmental Protection Act, fee structures that are administered by Canada Post. There are all kinds of administrative actions that occur on a daily basis.

When I practised as a chartered accountant I had a list of complaints, and I agree that the system is too complex. I had a stack of information that came in every week of changes within the system, a stack of about four or five inches. If that is to be the purview of the committees, I do not think they will get much work done.

The other aspect of this is that we need to empower somebody with responsibility, somebody who is answerable, somebody who can appear before the committee and answer for decisions that are being made. I question whether on a daily basis we can have members of Parliament involved in all of these individual decisions. On paper it sounds very good but the reality will be that we are going to delay the decision making.

For instance, on administration fees the object of that exercise was to basically make the administration of those loans break even for the government, for the government to have no costs involved, covering our loan losses, et cetera. For the committee to make rational decisions on an ongoing basis it would have to know almost on a weekly basis the administration of those loans, the numbers that have gone into default, the industries that are being pressured and so forth to know whether to increase or decrease fees in certain areas.

I would like to draw the attention of the House to the fact that committees do not meet that often. The reality is that Parliament is only in session less than half of the year. How could it possibly react on a daily or weekly basis to these kinds of changes? That is not the purpose of Parliament or even the purpose of the committee system.

Once again, I am opposed to this group of motions. If we want to improve the committee system we should ask whether the reviews the committees enter into are efficient and adequate, whether the powers of investigation are adequate and whether they exercise them adequately. Those are really properly the issues that would face parliamentarians on how to make this place more efficient and more democratic.

There is room for possibly strengthening the committee system, and I thank the member for Trois–Rivières for making that point. A lot of people in this country would like to see the committee system strengthened to use the talents of members of Parliament to their optimum benefit. Quite frankly, approving administration fees I do not think is one of them.

There is another important aspect we overlook about the administration fee. It has been the complaint of the SBLA program that it was essentially the prime borrowers, well heeled companies, that were getting the loans. In other words, these people could possibly get loans on their own without that guarantee but chose to get the guarantee because it was a cheap source of capital for them with a government guarantee attached to it. By increasing this fee that will no longer be an advantage to them.

• (1135)

As a consequence, what we have done is opened up a significant amount of capital for small and medium size businesses. What this means is that those companies that can afford to pay regular rates of interest will be unattracted because of this fee structure and will go off and borrow through the normal financial channels without the SBLA guarantee. The companies that will be left will in fact be those emerging companies, the ones that find difficulty in getting access to loans.

Time and time again on the industry committee and through our report, *Taking Care of Small Business*, we have been told by small business that the most important thing is access to capital and not necessarily the cost. Of course there is a point at which the cost of capital becomes prohibitive but those small emerging companies, the ones we are looking toward as creating new jobs and new industries, are going to have better access to funds under this system. This sounds ironic because the fees are slightly higher but it will open up an area for small and medium size business that does not currently exist.

Getting back to the original motion, I think it will be a detriment to those industries if for some reason the administration fee is somehow logged into a committee that is cumbersome and takes a long time to react. It is wise that the government leave that decision making possibly with a bureaucrat. That bureaucrat from time to time and at the discretion of the committee can appear before the committee and explain his actions. If for whatever reasons we find him negligent, we can get rid of him and hire somebody who is better. I believe that is more appropriately the administration of the committee system.

In conclusion, very simply, I am opposed to Motion No. 6 because I do not believe it is in the best interests of small and medium size businesses.

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Madam Speaker, it is a pleasure today to speak on Bill C–99 and related amendments 2, 4, and 6 put forth by our colleagues from the Bloc Quebecois.

The backbone of our economy is made up of the small and medium size businesses in this country. They are the ones who truly create longlasting jobs within Canada. They are the ones who create real employment in our country. They form an essential part of our tax base in areas of innovation, science, technology, finance and many other areas. They are something we Canadians should be proud of.

The small to medium size businesses are finding it increasingly difficult in Canada to function because of the high tax loads, the red tape they are forced to struggle under and the difficulty they have in securing loans. Lending institutions within Canada are historically very conservative. Therefore, individuals in this country who bring forth many good ideas find it difficult if not impossible to have their efforts actually go to fruition. This is an enormous loss for Canada.

One just needs to look in the areas of medicine, science, technology and the pharmaceutical industry to see good ideas going nowhere or in fact being sold to companies in other parts of the world. I recently read some very interesting information on this. I read about incredible ideas being born within our own country and being sent to other countries where they become productive, profitable and contribute to the society by providing long term, high tech, high paying jobs for people in other countries. This is indeed a sad thing.

Bill C–99, an act to amend the Small Business Loans Act, comprises efforts to put this program on the road to cost recovery. Everyone in this House approves of this. However, we are also addressing the amendments put forth by the Bloc Quebecois. We oppose these amendments because they bring the power of determining liability directly to the committee instead of bringing it down to the area in this government that is closest to the public, and that is the House of Commons.

• (1140)

I would like to congratulate my colleague from Okanagan Centre, who put forth amendments that were adopted by the committee that would bring the decision making process closer to the people, and that is the House of Commons.

I find it quite strange that members of the Bloc Quebecois are putting forth amendments but are not addressing some of the large issues that are affecting their province. Sadly, Quebec in recent times has seen economic destitution and social problems unrivalled in its history. It is easy for the Bloc Quebecois and other separatist forces to blame history and Ottawa for these problems. I ask my honourable friends in the Bloc Quebecois, does not responsibility for some of these problems rest on their own shoulders? Is it not the intent of the separatist forces to

carve Quebec out of Canada? Are they not at least partly, if not largely, responsible for the terrible economic and social destitution we see in many areas of Quebec? One just has to visit the eastern part of Montreal to see this in real life.

I hope the hon. members of the Bloc Quebecois will look toward building a united Canada and addressing the economic and social problems that affect all of us within the context of this country. I find it extremely strange that they say that if they did not have to give their tax base to Ottawa they would be a lot better off. I ask them to wake up and look at the fact that net transfer payments go to Quebec and not to Ottawa. I ask them to remember that before they continue to pursue their course.

I would also like to address some of the problems that are affecting small and medium size businesses and put forth some constructive solutions. As I said before, small and medium size businesses are having increasingly difficult times because of the high tax loads they are forced to work under. This is indicative of the government's huge tax loads. With these huge tax loads, the high debt and deficit we have incurred, we are forced to pay off increasingly larger amounts of interest on these debts. As a result, interest rates in the country are higher than they ought to be and tax rates are also higher than they should be. It makes it very difficult for these companies to compete in other countries.

The industry committee supported the fact that federal, provincial and municipal governments should get their fiscal houses in order so that interest rates may be brought down and more money made available to companies, making a stronger, healthier dollar. It would provide an element of stability that is essential if small and medium size businesses are to be effective competitors in the future.

In talking to business we have found that one of the greatest obstacles they face is red tape. It is extraordinarily strange that the great ideas put forth in this country have to pass through so many loopholes to get to where they can be effective that many do not achieve their ultimate end. Red tape that is supposed to work for businesses is in effect choking them. We need to take a very close and hard look at this. We need to work with the finance and revenue departments to determine ways in which we can decrease the red tape and make businesses more effective and virile competitors in this country.

I would also like to raise the issue of using tax incentives to make more capital available to businesses. Indeed, the industry committee looked at this and suggested that decreasing capital gains tax rates for long term investment in Canadian small and medium size businesses would be an effective way to provide these companies with money to invest to build their businesses. Maintaining the $500,000 capital gains exemption is also a useful technique. If that were applied to small and medium size businesses it would provide more capital for them.

• (1145)

Relaxing the use of RRSPs in investing in one's own business is another measure which would put the responsibility back on those brave men and women who like to go it alone and try to make a private business work. They could use their own funds to invest in their business.

We also need to find ways in which the public can invest in Canadian companies. We need to define new financial relationships for the government, the banks and the private sector.

We can look at many examples. Germany and Japan are two giants which have managed to capture large segments of markets throughout the world. In part that is due to the unique relationship which the private sector has with the lending institutions in their respective countries. We do not have to reinvent the wheel. There are many examples in the world of these ideas being put into effect to support business.

In summary, small and medium size businesses are the backbone of the Canadian economy. They are an invaluable source of taxes for the federal and provincial governments. They are the primary employers. Without these institutions the employment rate would be much higher. They provide long term, long lasting, high paying jobs for Canadians. It is the responsibility of the government and opposition members to support measures which would maximize the effectiveness of small and medium size businesses. Let us look at other parts of the world and find ways in which we can support the backbone of Canada's economy.

[*Translation*]

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 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.

Some hon. members: On division.

The Deputy Speaker: I declare Motion No. 2 lost on division. Therefore, Motions Nos. 4 and 6 are also lost.

(Motion No. 2 negatived.)

Mr. Yves Rocheleau (Trois–Rivières, BQ) moved:

Motion No. 3

That Bill C–99, in Clause 4, be amended by replacing line 6, on page 4, with the following:

''ty taken''.

He said: Mr. Speaker, we welcome this opportunity to discuss the third and last group, which deals with the above amendment and for which some background may be useful.

Clause 4(1) of the bill reads as follows:

4(1) Subsection 7(1) of the Act is amended by adding the following after paragraph (e):

(*e*.1) prescribing the terms and conditions on which a lender may release any security, including a personal guarantee, taken for the repayment of a business improvement loan;

● (1150)

That is a sore point with us, and that is what we want to change through this amendment. In fact, the proposed amendment is entirely in line with the message we got during the last federal election campaign, when the Liberal Party of Canada had already said in its famous red book that if it were elected, it would ensure that no personal guarantees were required for loans under the Small Business Loans Act.

However, whether it was divine or some other kind of intervention, whether it was a lack of political will or loss of memory—Alzheimer's not being restricted to humans, even institutions will forget, and I think this is very disturbing in the present case—I think the government forgot a promise that must have been welcomed by the business community, especially small business entrepreneurs who are directly affected by the Small Business Loans Act. The promise was that from now on, the Small Business Loans Act would no longer require personal guarantees.

The Liberals forgot, and it is our job to remind them of one of the few promises in the red book that made sense. Asking the borrower for a personal guarantee under the Small Business Loans Act is, like the hon. member for Champlain said earlier, like having a belt—the government guarantee—and asking for suspenders because you are afraid the belt will break and the loan will otherwise be a write–off.

With the 90 per cent guarantee the lender used to have and which will now be 85 per cent, the lender could still expect to avoid severe losses after agreeing to lend money to a small business. However, if the lender can also ask for a personal guarantee, in most cases a home, a bank account, a car or part of the assets of the entrepreur and business owner, we are seeing a kind of security that may be unnecessary and provides what may be excessive guarantees for the lender.

As the hon. member for Durham mentioned earlier, there is always an element of risk involved, and the lender should be prepared to share the risk. In this area, 15 per cent may be riskier than 10 per cent, especially in the case of new or high tech businesses, as we pointed out, but to ask for personal guarantees as well is something to which we object, and we hope the government considers and endorses this amendment.

Another direct advantage is that, if personal guarantees such as a house were not required as security under the Small Business Loans Act, because the government provides a guarantee to the bankers—these assets in the possession of the borrower, in the possession of the manager of the small business, particularly in the case of high tech or exporting companies, which make lenders feel insecure—if those assets were freed up and not used as security, they could be presented to lenders to facilitate obtaining a loan, as security in any negotiations or transactions other than those under the SBLA, the Small Business Loans Act.

The borrower could therefore use these personal assets not required as security to plan future business development, particularly in the case of small high tech or export businesses, where lenders might justifiably feel insecure about the operation or the very nature of the business' activities. Often lenders are not familiar with high tech and export businesses, whose accounts receivable are outside the country and not always easily checked.

The Export Development Corporation is involved as well, but here again with additional administrative costs and delays.

● (1155)

Thus, by eliminating the personal guarantees now required under the SBLA, they could be placed in another context for use by the borrower as security with a lender. This is what we hope the government will accept, and that is why we have presented this amendment.

[*English*]

Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry, Lib.): Mr. Speaker, it is important for people to understand that to be eligible for a small business loan under the current system the loan has to be applied toward certain conditions. For example, it is not to be used for working capital; it is to be used for the purchase of equipment, leaseholds, things that have true and sustained value.

If a loan is in default under the Small Business Loans Act, that equipment has a value. It can be sold. When the value of that equipment or leaseholds that have been sold has been realized, the amount that is left over is subject to a 25 per cent personal guarantee.

For example, if one has a loan of $100,000 for equipment, under the Small Business Loans Act one has to have a minimum of approximately 15 per cent to 20 per cent. The amount of exposure right off the bat is $80,000. Of course, one is in the process of paying it down almost immediately because it is always part of a programmed return. If the business goes bad and it at least realizes half of the value of the equipment, then the owner's exposure on that $100,000 is approximately $30,000. Then, from a personal guarantee the owner is only exposed to 25 per cent of that.

Because of the way banks have been dealing in Canada traditionally, there is this mindset right now that when someone applies for a loan they want his or her home, RRSPs and life insurance as security. They want four and five times security for the loan. That is not what we are talking about here.

We are saying under the Small Business Loans Act the personal guarantee is limited to 25 per cent of the amount that is left over after everything has been liquidated. From a normal commercial business point of view I do not see that as a bad thing. It is a big improvement over the traditional type of security that banks would want on most other small business loans.

We are not going to support this motion. The bill is designed in a way that gives much greater flexibility. Once the loan repayment reaches a certain level, where there is security in the assets to cover the exposure, under the current act the personal guarantee, the 25 per cent, can be released. Once their exposure was reduced most banks would release the personal guarantee. I believe that is fair and that we should not change that aspect of the bill.

• (1200)

The member for Trois–Rivières has put forward good ideas and thought provoking points. However, on balance the design of the bill is quite solid and will probably do the job we intend it to do.

As this is the last motion, I should like to say that the industry committee is very good. It has had a very tight focus on the issue of access to capital by small business. This is the third time in less than three years the bill has been through the House of Commons. It was amended three years ago by the then Conservative government. By the way, it went through all three readings in the House in one day. We supported the Conservative government in amending the bill three years ago because we believed in the importance of the issue of access to capital and some kind of instrument that would act as a catalyst to sensitize the banks and to push the banks forward.

As much as I support the bill, I am becoming a little concerned that we are creating too much of a crutch for the banking institution. I listened to the critic from the Reform Party this morning. He mentioned that the float capacity in the last two years under the legislation had gone up from $3.5 billion to $12 billion. The total small business float last year for all financial institutions and small businesses in Canada was $28 billion. Now we are suddenly letting the small business float go up to $12 billion, and this is the one the crown guarantees.

In my judgment we are doing the work the banks should be doing. We are taking all the risks of decision making away from banks.

Mr. Hermanson: Why?

Mr. Mills (Broadview—Greenwood): The member asks why we are doing it. It is because we realize that small business represents our greatest hope for taking people off unemployment insurance, taking them off welfare and getting them back into a productive state in life where they have dignity and are paying taxes. When we get this fiscal framework together small business represents our greatest hope. The greatest difficulty of small business is getting access to capital.

We are urging, hoping and coaxing banks to get into the small business game but it is not easy. We have to be a catalyst along the way. I am being very candid in my belief that we must have a heads up on the issue because we are essentially making the work of banks a lot easier by increasing the float to such a large amount and giving that guarantee. We had to do it to spark small business loans activity. It was not happening. What else are we to do? Are we to bring back the Bank Act and dictate to the banks to whom they should lend money? We cannot do that.

Mr. Strahl: We need more banks, more competition.

Mr. Mills (Broadview—Greenwood): Mr. Speaker, I hear from the Reform Party that we need more banks. I could not agree more. We need more competition in the banks. The problem is how we do that. If they know of a way or have a formula to create more competition for major financial institutions without putting the treasury of Canada at any greater risk we would be the first to listen. The minister responsible for financial institutions is in the House. He would love to hear how to create more competition for financial institutions within the framework of ensuring the financial exposure of the treasury is not put at greater risk.

• (1205)

The minister responsible for financial institutions is from the banking community but he is not from the establishment. He has always been a reformer—

Some hon. members: Oh, oh.

Mr. Mills (Broadview—Greenwood): —and a challenger of the status quo of banks. He has always been there for small business. Speaking of the word reform, a number of us over here are quite proud to be called Liberal reformers.

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, we may have to stray again from the narrowness of the debate on the motion to amend the clause regarding security. Getting back to the motion before us, we must recognize that we need some rules or guidelines by which security may be varied as the loan is reduced. As the hon. member mentioned, it is only prudent after a loan has been reduced by a reasonable amount that we may want to release some of the security taken to grant the loan such as the person's house, car, equipment, office building and everything else.

These types of comments are appropriate to ensure that the financing of small businesses, if they want to raise additional capital at a later date, can be accommodated without being ground down by inappropriate rules and regulations when the loans have been reduced in an orderly fashion.

Speaking in a wider context on the bill, I mention again that I still do not think the point got across to hon. members opposite. They talk about the treasury's involvement as a catalyst for small business lending; about not wanting to put the treasury at too much risk but nonetheless having a role to play; and about the banks perhaps getting off too easy because of the Small Business Loans Act.

I reiterate that the bill will turn the Small Business Loans Act into a no cost service by the government. That strikes me as being strange. I cannot really understand the logic of it. The amendments to the act will require that borrowers carry the cost. Borrowers will have to pay a fee to the banks. The banks will take the fee and pass it on to the government. The government will take the money it has collected and reimburse the banks for what they have lost. That is the end of the line.

Who is left with the tab? The borrowers, the guys who are trying to create jobs, will be left holding the bill to subsidize those that tried but failed, to subsidize the banks that made a wrong decision and to let the government off the hook so that it can say what a wonderful service it is providing in that $12 billion of loans to small business have been guaranteed. Who is paying? It is not the government. It is a tax on successful small business borrowers who have had to pay an administrative fee in addition to interest to subsidize banks and let the government off the hook.

• (1210)

As I said before, and I will say it again, a dollar in the hands of an investor, a businessman or a consumer is far better spent than a dollar channelled through a bureaucrat. I cannot think of any greater illustration of the bill. It has been designed to fulfil the process we are absolutely opposed to. It will channel the money through a bureaucrat and back to the private sector at no cost to the government. Who ends up paying the bill? It is the private sector. The small businessman is being asked to carry an additional loan in the name of allowing the government to take credit for providing something it is not providing.

I am fully in favour of helping small business. I had an accounting business before I became a politician. I served small business people in my community. I was a fan and still am a fan of small businesses. They are the generators of employment. They are the innovators, the creators and the people who see a niche, develop it and make money. They are the ones who are the driving force of the economy, the ones we depend upon to employ people so that taxes can be paid. They are the people who have given us our standard of living and our prosperity.

Again they are being loaded down with another tax so the government can take credit for helping small business. Small businesses certainly need a hand. They need to be motivated as much as possible. We have to encourage lower taxation and encourage them to meet the new challenges because they are the ones who ultimately accept the risk. They are the ones who lose their life savings, their houses, their businesses and their investments; they lose everything. They are the ones who are prepared to put their financial lives on the line. Many do and unfortunately many fail.

As I have also said before and will say again, the cost of eliminating failure is equal to the price of success. We cannot have a success story without having some failures. Our challenge is to try to reduce the failures but we will never eliminate them.

If the government thinks by churning money through its books the system will be made better, I suggest we have a new method of rethinking how we are to motivate society, to live up to the challenges of the 21st century, to live up to the global economy, to market Canadian expertise and talent around the world and to generate an increased gross domestic product which will allow us to come to terms with our debt and our deficit.

These are the challenges we should be addressing, not the idea of smoke and mirrors through the SBLA.

[*Translation*]

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

Some hon. members: Question.

The Deputy Speaker: The 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 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(8), the recorded division on the motion stands deferred.

• (1215)

[*English*]

The House will now proceed to the taking of the deferred divisions at the report stage of the bill now before the House.

Call in the members.

And the bells having rung:

Ms. Catterall: Mr. Speaker, I think you would find unanimous consent among the parties to defer the vote just requested.

The Deputy Speaker: Under this section it is required that the whips of all parties agree. It is acceptable to all of the whips?

Some hon. members: Agreed.

The Deputy Speaker: Pursuant to Standing Order 45(7), the chief government whip with the agreement of the whips of all recognized parties has requested that the division on the question now before the House stand deferred until the end of Government Orders today, at which time the bells to call in the members will be sounded for not more than 15 minutes.

* * *

[*Translation*]

BRITISH COLUMBIA TREATY COMMISSION ACT

The House proceeded to the consideration of Bill C–107, an act respecting the establishment of the British Columbia Treaty Commission, as reported (without amendment) from the committee.

Hon. Jon Gerrard (for the Minister of Indian Affairs and Northern Development) moved that the Bill C–107 be concurred in.

(Motion agreed to.)

The Deputy Speaker: When shall the bill be read the third time? By leave, now?

Some hon. members: Agreed.

Mr. Gerrard (for the Minister of Indian Affairs and Northern Development) moved that the bill be read the third time and passed.

• (1220)

[*English*]

Mrs. Marlene Cowling (Dauphin—Swan River, Lib.): Mr. Speaker, I am proud today to initiate the final stage in the House of passing Bill C–107 into law. It is a day which I am pleased has come at last.

I am grateful for the non–partisan approach taken by parties opposite on this bill. The history of the British Columbia Treaty Commission has been one of partnership among people of diverse political stripes, and I am glad that spirit has continued in the House.

The tone set in this debate reflects and reinforces all of those who across the years and across party lines have joined hands in a common cause. That cause is simple: to bring justice to aboriginal peoples and certainty to British Columbia.

During the course of debate on the bill we have heard the historical incidents which have made the legislation necessary. We have seen that only a handful of First Nations in British Columbia ever signed treaties with the crown. As a result, 124 years after becoming a province, the key questions of aboriginal title over land and resources remain unresolved, and the majority of British Columbia remains subject to outstanding aboriginal land claims. With those claims come uncertainty and confusion.

We have also seen the historic step taken by the Government of British Columbia in 1990 to agree to the negotiation of treaties and the subsequent establishment of a task force to make recommendations on the process and mandate for treaty negotiations. We have heard of the key recommendation of that task force: the creation of an arm's length B.C. Treaty Commission.

Since its creation in 1992 the commission has received statements of intent to negotiate from 47 First Nations, representing over 70 per cent of First Nations in British Columbia. Clearly there was a need for this type of process, a need now being met.

Today we honour the commitment made by our predecessors to establish the commission in legislation. However, the bill is about more than just creating a certain status for the commission. It is about creating opportunity for all British Columbians.

Because the failure to deal with these issues has greatly limited opportunity in B.C., the uncertainty over ownership of land and resources has exacted a high cost. Uncertainty has meant lost investment.

The Price Waterhouse study, referenced in second reading debate, prepared in 1990 estimated that $1 billion in investment

in the forestry and mining sectors had not occurred because of unresolved land claims. Three hundred jobs had not been created and $125 million in capital investments had not been made. Since the time of that study the price has continued to be paid year in and year out. It is a price we can no longer afford and it is a price we will no longer have to pay.

Settling land and resource issues will create an environment for investment and increased local economic activity. Therefore I commend members from all sides of the House for their support of the legislation. Certainty will be good news for the forest worker and the miner. Certainty will mean an expanded tax base, as the infusion of settlement funds stimulates economic activity and creates jobs. Certainty will mean lower social costs associated with poverty and unemployment in aboriginal communities. It will mean an end of conflict and litigation and the beginning of co–operation and negotiation.

● (1225)

The mandate of the B.C. Treaty Commission is straightforward. It is to facilitate, not negotiate, modern day treaties. Its main functions are to assess the readiness of parties to negotiate, allocate negotiation funding to aboriginal groups, assist parties to obtain dispute resolution services and monitor and report on the status of negotiations.

Because these negotiations will affect all British Columbians, we have established a province–wide consultation process so that all interests will still be heard.

This consultation process, as I indicated at an earlier stage of debate, operates at two levels. The first is a 31–member treaty negotiation advisory commission, which brings together the perspectives of municipalities, business, labour, fishing, wildlife, forestry and environmental groups to the treaty making process.

The second level brings the diverse interests of the various regions of B.C. to bear on the land claims process. Regional advisory committees are being struck in each treaty negotiation area so that local voices may be heard. These committees work directly with federal and provincial negotiating teams.

As land claims issues are resolved, the land base and access to resources they provide will establish a foundation on which aboriginal peoples can build self–sufficient communities. The growth of strong, self–reliant, economically vibrant aboriginal communities strengthens us all because it will bring positive economic spillover into non–aboriginal communities.

For too long the aboriginal peoples of British Columbia have been denied both their rights from the past and their hopes for the future. For too long we have denied ourselves the contributions they can make. With the rights and obligations clearly defined by treaties, all British Columbians, aboriginal and non–aboriginal, will be able to get on with realizing the potential of their province and expanding their opportunities for advancement.

On August 10 our government released its approach on the inherent right of aboriginal self–government and presented the principles which will guide the negotiations. In the case of British Columbia, the policy provides that negotiations on self–government will take place at the same table as discussions on land and resources. In other words, the process and structures already in place for treaty negotiations will also be used to negotiate self–government issues.

These two sets of discussions, self–government on one hand and land and resources use on the other, complement each other perfectly. Treaties will clarify and define the issues and self–government will establish the authority to manage them.

What this means is that for the first time the parties will be able to have all of their issues dealt with at one table, under one set of negotiations. This will be more cost effective, as it eliminates overlap and duplication and permits a much more comprehensive approach.

I spoke earlier of the high cost associated with leaving these issues in British Columbia unresolved. If the price is high for the general population, for aboriginal peoples it has been yet higher. For aboriginal peoples it has meant great hardship and grinding poverty. It has meant generations of frustration, of dreams deferred and promises unkept. It has meant a quality of life few of us can imagine and none of us should accept.

Some of those conditions are appalling. Diseases such as hepatitis and tuberculosis, virtually eradicated in the non–aboriginal population, persist in aboriginal communities. Death by fire is three and a half times the non–aboriginal level because of unsafe housing and the lack of proper sanitation. Aboriginal peoples are more than three times as likely to die a violent death and about twice as likely to die before the age of 65. The suicide rate among aboriginal peoples is 50 per cent higher than non–aboriginal peoples. That difference is even more pronounced in the 15 to 25 age group.

● (1230)

This country simply cannot afford to lose another generation of aboriginal peoples able and willing to make their contributions. We cannot afford to continue to condemn aboriginal peoples to lesser lives in a lesser land.

I do not mean to suggest that all of this will be magically solved with the passing of this legislation, but it will constitute a true beginning. It will take us off the rutted road of confrontation and litigation. It will send a signal to all parties that this is how we resolve problems in this country.

This legislation does several things. It ends uncertainty. It honours our obligations. It creates hope for tomorrow. It also does something else, something even more important. It confirms negotiation over confrontation, consultation over litigation. It stands as a vivid reminder of what can be achieved by men and women of understanding. It is an eloquent reminder that progress is possible, that persistence prevails. It is a

testament to the simple fact that more can be achieved by joining hands than by shaking fists.

This must always be our approach but it is an approach which is by no means automatic. It is one we must work to adopt. That is why legislation such as this is so important. It creates a process and a forum for negotiation.

If we fail to demonstrate our resolve to negotiate, we leave the field and the resolution to those with little regard for the law to those who seek solutions through less democratic and less peaceful means.

We should not underestimate the historic qualities as well as the substantive importance of this bill. To all of those who have fought so hard for so long to see it through, I offer my admiration and appreciation. I again want to thank this House for its wisdom and its support.

[*Translation*]

Mr. Claude Bachand (Saint–Jean, BQ): Mr. Speaker, it is with great pleasure that I rise today to speak to Bill C–107 at third reading.

When this bill was at second reading, I talked about my very extraordinary trip to western Canada this year. I visited several First Nations in western Canada, including the Nisga'a, the Chilcotin and the Carrier–Sekani.

I will not go over this trip again, but I think it is important to address the situation of the Nisga'a because the current debate on the proposed legislation to recognize the British Columbia Treaty Commission has some precedents.

I think it is worth mentioning that the Nisga'a have succeeded in negotiating agreements, probably because of their perseverance and determination. They may be the precursors of what is before us today, which follows an act of the legislature of British Columbia and a resolution of a summit of official representatives of the First Nations.

All this was achieved, and we must, I think, recognize the Nisga'a's commitment to try to negotiate agreements.

• (1235)

When I visited the Nisga'a last summer, negotiations were unfortunately at a standstill and people were somewhat discouraged because these negotiations had been going on for 19 years; people were working very hard to get things moving again.

I am happy to see that things are starting to move again. Only 20 minutes ago, I talked with the chief negotiator, Nelson Leeson, who is chairman of the Nisga'a education committee and their negotiator in this matter. They have a negotiation meeting today and I will be happy to give the House a progress report on these talks.

But why spend so much time on the Nisga'a? Of course, they are precursors to the process we are reviewing today. But, moreover, the Nisga'a hold the key to negotiations in British Columbia. Most of the First Nations I met with last summer told me, ''You know, Mr. Bachand, if the Nisga'a negotiations do not resume, the other nations will be wasting their time. It is useless; we will have no faith in the proposed process if we see that 19 years of negotiations have failed''.

That is why it is important to always start our speeches on the British Columbia Treaty Commission by supporting the cause of the Nisga'a and what has been done so far.

Only 20 minutes ago, I was given a brief update on the negotiations. I can report that there does not seem to be a problem with self–government for instance. Ninety–eight per cent of the objectives relating to self–government were achieved.

A final agreement on self–government is imminent. One stumbling block seems to be fisheries, and commercial fisheries in particular, because of licensing requirements and, unfortunately, as we known, fish stocks are dwindling. Fishing licences have been issued and licensing authorities are looking into the possibility of transferring a number of them to first nations. As we speak, there is a bit of a problem there.

This matter has not yet been settled for good. Another major problem is the apparent lack of firm offers concerning land claims. Many difficulties emerged regarding land claims. I will explain in a moment. At times, B.C. columnists even suggested that it made no sense, as first nations ended up claiming 125 per cent of the territory because of overlap. So, there is a great deal of qualifying to do there.

I think that both provincial and federal authorities might be afraid of giving up too much land. All of this needs to be put in perspective. That is how negotiations go; it is better to start by asking for a little more rather than a little less.

The Nisga'a are one case where, as I will explain in a moment also, the Supreme Court of Canada recognized that they indeed had title to all the lands they claimed. As we will see in a moment, the Nisga'as are claiming self–government and title over only 8 per cent of their claim site and certain things already granted by the Supreme Court of Canada.

I felt it was important to open the debate on the Nisga'a case. In British Columbia, there are some 200 reserves. There is a very rich aboriginal culture in that province, with 200 native reserves or communities and eight language groups. In addition, aboriginal people who share common interests often get together in groups known as regional councils or band councils. There are nearly 30 such aboriginal councils.

This goes to show that aboriginal culture is pervasive and very strong in British Columbia. It came as a surprise to me. We are not used to seeing every second store on main street a native one, as is the case in Vancouver for instance.

• (1240)

This shows how predominant the aboriginal culture is in that part of the country. It is important to do a bit of history here. At one time, that region was one of the most populated on the American continent. Europeans settled there 140 years ago. Yet, and unlike in other parts of the country, only 15 agreements were signed during that period in western Canada.

Fourteen of these treaties relate to Vancouver Island. They were signed by the Hudson's Bay Company. These are pre–Confederation treaties, dating back to before 1867. The only post–Confederation treaty is Treaty No. 8, signed in 1899. In central Canada, treaties were numbered from one to ten. Only one of these treaties, namely Treaty No. 8, relates to British Columbia and part of Alberta.

Treaties were also signed elsewhere in Canada, including some in Quebec, such as the Murray treaty, as well as other important ones. However, it seems that, during those 140 years, people tried to avoid negotiating anything in western Canada. They did not wish to recognize the contribution of aboriginal peoples to the European culture. They did not want to negotiate,so they just ignored the issue. Ultimately, that approach brought about more serious problems. Indeed, problems do not go away if you bury your head in the sand or ignore them.

It is important to keep that historical context in mind. Over time, some changes were made.

As I said earlier, the Nisga'a helped clear the road to negotiation. The Calder case was probably instrumental in the negotiation of territorial claims. At the time, in 1973, the decision was hailed as a victory for aboriginals, since the Supreme Court confirmed their claim on aboriginal titles.

Following that decision, the federal government came to the conclusion that, since the Supreme Court had ruled that the claims on aboriginal titles were valid, it might as well start negotiating. Negotiations slowly got underway and the Nisga'a were the first ones to participate in the process.

There were other historic advances in terms of aboriginal values and culture and negotiations with aboriginal peoples, including the patriation of the Constitution in 1982, and I am referring to the often quoted section 35, which contains some recognition and affirmation of the existence of aboriginal, Inuit and Metis rights and treaties.

Of course there were other decisions that point out that a treaty is not necessarily a contract as we know it. It is not necessarily a document bearing the signatures of Europeans and aboriginal peoples. In many cases the oral aspect of treaties is recognized. This is not to say that aboriginal peoples were illiterate, because that is not the case. They had their own language, their own linguistic roots, but the language of the white man was not like theirs, and so when they had to sign a treaty, they would say: ''We agree; let us have a verbal agreement, since we cannot sign in your language, the way you sign''.

For me it would be like signing a contract with the Inuit. I do not know whether you ever saw Inuktitut, but I would not know what I was signing, and I think that is what happened at the time. The courts in their wisdom judged that treaties have a certain oral value; it is not only the signature that counts.

So in 1982 this was recognized by section 35 of the Constitution. In 1989, political action was stepped up, especially in British Columbia. It was decided to create a Department of Indian Affairs. This was quite a step. The government had no one who was responsible for conducting negotiations with the aboriginal people, although the problem had been around for 100 or 120 years.

In 1989, they really started to tackle the problem in British Columbia by establishing the Department of Indian Affairs.

• (1245)

Furthermore, the Premier of the province appointed a Premier's council for aboriginal affairs. So there was a new awareness following all the legal discussions and the problems generated by a failure to negotiate, problems that were becoming increasingly obvious. A decision was finally made to sit down and deal with the matter once and for all.

The cabinet urged the provincial government to change its past policies. In 1989, the Premier's council told the government: ''Listen, we have to change our attitude and our perception of negotiating, which is 120 years old and which has meant we simply ignored the problems''. So they sat down and started to settle land claims. At that point they set up a task force, which I see as the predecessor of the commission we are discussing today. They set up a task force whose members identified the need to conclude creative and far–sighted treaties with the First Nations, the provincial government and the federal government.

The treaties had to include three parties: the First Nations, the federal government with its fiduciary responsibility for the First Nations, and the provincial government, because it was often on provincial land that the federal government exercised powers in areas that were the responsibility of the province. The report

called for a new partnership to recognize the importance of Canada's natives and First Nations, based on voluntary, properly conducted talks in which the natives, the province and the federal governments would negotiate as equals.

The agreement in principle between the three parties I referred to earlier—the federal government, the province and the First Nations—was signed in September 1992. The legal entity empowered to sign for the First Nations is called the summit. This agreement implements the 19 recommendations made by the task force, including Recommendation No. 3. That is why I referred to it as a precedent earlier.

Recommendation No. 3 of the task force was to form a British Columbia treaty commission, which was done. The agreement also outlined the commission's role, mandate and operation. The purpose of Bill C–107 is to establish this commission on a legal basis. On May 26, 1993, the province followed up by tabling a proposal to create the commission. It has already passed an act to that effect. As for the First Nations Summit, it has already ratified the proposal through a recommendation signed by summit participants.

The parties were willing to go ahead. The only thing missing was the federal legislation before us today, which, I hope, will be passed as soon as possible, although some of the work has already started. I think it is important for the House to adopt this legislation once and for all, to prove that the third signatory to these agreements, the federal government, is acting properly, and that is the purpose of the bill before us today.

So why should we negotiate treaties? I think that we should put things in their historical context. Commissioners have pointed out that, if the role of treaties and their historical context were explained clearly to B.C. residents, they would be much more open to the land claim settlement process. In my introduction, I talked about overlapping land claims covering 125 per cent of the territory.

Just the same, there are individuals who are, in my opinion, adding fuel to the fire in B.C. right now by saying: ''Look, we cannot give the natives the whole thing''. I must stress the fact that this is an initial bargaining position. I believe the provincial government promised to reply: ''Look, we cannot give you more than 5 per cent of the land. We shall see''.

In other words, the federal government's opening position is five per cent, as opposed to 125 per cent for the First Nations. As usual in any negotiation they will settle somewhere in the middle. For the time being, I think that what matters is that the government sit across the First Nations at the negotiation table, listen to what they are asking for and see what we can offer. That is when negotiations are most valuable.

It is also very important that treaties be negotiated to prevent challenge strategies. Events like those that took place at Gustafsen Lake or, in Quebec, at Oka and Kanesatake, must not be allowed to happen again if it can at all be helped.

• (1250)

It is therefore important that people see soon that the legal dispute and tangle can soon be resolved once and for all, not by force, endless legal controversy or roadblocks, but rather through negotiation.

At present, in B.C., there are even non–native groups that are quite familiar with the negotiation process and are siding with the natives to force the appropriate authorities to reach agreements once and for all, in the hope of avoiding unfortunate incidents such as roadblocks and illegal land occupation, which often lead to disaster and crystallization in relations between natives and non–natives.

Why negotiate treaties? To avoid confrontation and promote a peaceful settlement around negotiation tables.

In that context, the role of the commission is to facilitate the negotiation of treaties. It does not participate directly in negotiations, but, if they stall, it must step in, try to sort out the problem and basically serve as a mediator by bringing parties together.

The commission is made up of five commissioners. This is important. Two of these commissioners are appointed by the First Nations Summit. This is almost a majority, since one commissioner is appointed by the federal government and one by the provincial government, while the chief commissioner is selected by these four commissioners. The chief commissioner will be selected because of his expertise and may often be an aboriginal who has a great deal of knowledge regarding treaty negotiations. Consequently, aboriginals will have a strong representation.

The commission approves the participation of first nations and organizes an initial meeting between the parties. I will explain this six–stage process and discuss it at length later. It is interesting to note that, when the parties meet for the first time, traditional ceremonies often take place. This helps government officials become acquainted with aboriginal culture. It is also a way for aboriginals to show that there is no animosity. Their culture includes certain traditions, which are quite fascinating. Often, inviting someone to a traditional ceremony is a gift, as well as an indication of the open–mindedness of aboriginal people. Such ceremonies are common procedure during initial meetings.

The commission then puts in place the structures that will ensure smooth negotiations. Obviously, the commission has certain tools available to it. It can provide loans and contributions to first nations. The program is funded by both levels of government. The commission also provides expertise to solve disputes and ensure progress in the negotiations. This is more or less the role of mediator to which I alluded earlier. Finally, the commission acts as keeper of the process.

It goes without saying that it does not participate in treaty negotiations. None of the commissioners sits at the negotiating table with a nation which has opted to use the BC Treaty Commission process.

The Commission is also required to produce annual reports. According to the first report, apparently, 42 first nations, groups or tribal councils have indicated a desire to establish negotiations. It should be pointed out that the Nisga'a will not fall under the commission's jurisdiction, because both levels of government have agreed that the negotiations had been long underway. Because they were so far advanced, there was no question of their being started over again or integrated at the stage they had reached. The decision was made to move ahead.

I have already told you what stage the negotiations had reached. The aboriginal nations of British Columbia breathed a great sigh of relief to see that the negotiations with the Nisga'a are moving forward.

Before I begin to talk about the six distinct steps in the process, I must also point out the optional nature of the process. In other words, a BC nation can decide not to make use of this negotiating mechanism but to explore other paths. To date, however, it seems that the first nations are greeting the process with a great deal of approval and are readily integrating themselves into the process.

• (1255)

The first step of the process is to file a statement of intent to negotiate. The First Nation concerned identifies itself, the people it will represent, its geographic area, and the territory it claims as its ancestral land. It appoints a resource person with whom the two levels of government will get in touch. Often, the important thing in negotiations is to know who to contact in case there is a hitch or if further details are required. In the first step of the process, it is clearly specified that the First Nations must meet these conditions.

The second step consists in preparing for negotiations. A first meeting must be held within 45 days of the first contact. As I pointed out earlier, this first meeting is usually held on the ancestral land. It starts with a traditional ceremony to which the negotiators and the various observers involved are invited.

At this stage, the First Nation is asked to appoint a negotiator with a full and specific mandate. It must get resources from the commission, adopt a ratification process, and identify the substantive and procedural issues to be negotiated.

Another very important point is that it must identify and file its claims on its ancestral lands. Reference was made earlier to overlapping aboriginal land claims. Negotiating first nations are required to consult neighbouring nations to make sure that their land claim does not encroach on other nations' claims. It is important that this be done early on, and negotiations cannot resume as long as this requirement is not met.

Governments must also consult non–natives and ensure that appropriate information is gathered. This too is important in my view because all the people living on a first nation's ancestral lands are not necessarily native people. There may also be non–natives, European families who, in many cases, settled there many decades ago, perhaps 120 years ago, sometimes at the very beginning of the colony.

There people feel rather insecure. That is why this is so important. At this stage of the game, commissioners should be consulting non–natives and gathering information to be prepared to answer any question that may come their way.

Once the commission is satisfied that the three parties to the negotiations meet the requirements, negotiations on the master agreement begin. Stage 3 is the negotiation of a master agreement. At this stage negotiation goals and objectives are set and a time frame suggested, but of all the negotiations under way none have gone further than stage 3.

In fact, none of the 42 first nations I mentioned earlier, which are taking part in the process, have gone past stage 3. The closest one is the Nisga'a. Earlier today, I spoke to Chief Leeson, who told me that they hope to sign an agreement in principle before Christmas. Although such an agreement would not be binding, they hope to have it. Even though this is an unusual process, some form of negotiations existed before. The Nisga'a are now at the agreement in principle stage, and they hope to have such an agreement before Christmas. We all hope that they do.

Negotiating an agreement in principle means negotiating substantive issues. For example, it means finalizing the agreements on self–government and territorial claims, defining the real basis of the treaty that will follow, and discussing what is to be included in that treaty. This all takes place at stage 4.

Stage 5 involves the negotiations to finalize a treaty. This is the stage at which a treaty officializes the content of the agreement in principle. All that was agreed to is finally put together and confirmed in a treaty. Following that stage, the treaty is signed and officially ratified.

Stage 6 is, of course, the implementation of the final treaty.

• (1300)

I must mention here a criticism that was made. Some aboriginal nations told me that, indeed, negotiation, and not confrontation, was the way of the future. However, given this series of stages and the fact that it took 19 years for the Nisga'a to reach stage four, some think that setting up the British Columbia Treaty Commission is a delaying tactic.

That criticism must be pointed out. I share that concern, to some extent. However, it seems to me that the investment made in establishing the commission is worth it, in terms of both time and ideas put forward. I think this is better than letting each community in British Columbia, and there are 200, progress at its own pace, which would hardly be conducive to orderly negotiations. Some people might use this as an excuse to say: Listen, next door they are getting nowhere fast and the same here, so we do not want to negotiate any more.

In this way the process is more uniform. Perhaps it will take a little longer, but I think it is worth it, and time will tell us we were right. Treaties will be signed on a peaceful basis, and I think the confrontation that has existed in British Columbia for 120 years will finally disappear. Time will tell us we were right and that negotiating is more important than protests.

Of the 43 First Nations participating in the process today, 14 have finished stage one. Seven have finished stage two and are now negotiating a framework agreement, 11 have basically finished stage two; according to the commissioners, these 18 First Nations are expected to reach stage four by 1995–96.

The process is picking up speed, and it is a process that is supported by the First Nations and will become fully operational in the months to come.

No group has yet finished stage four. I also want to say that the First Nations have my full support. If they ever reach an impasse, in a democracy, in the House of Commons, there is an official opposition, and I want to take this opportunity to tell people, and I admit it has happened before, that when negotiations reach an impasse, the First Nations of British Columbia can count on my full support. I could intervene within the limits set in a democracy, by going to the minister or the provincial authorities to ensure negotiations are successful.

Incidentally, I also looked up some recommendations the commission made in its annual report, which I feel are important.

The first recommendation made by the commissioners is that federal legislation should be passed and federal and provincial laws ratified as soon as possible to give the British Columbia Treaty Commission the status of a corporate entity. That is what we are doing today. The commission will be recognized as a corporate entity once we have passed Bill C–107.

The second recommendation is also very important. The commissioners recommend that the parties to the agreement and the negotiating parties continue to make every effort to ensure that the public is better informed and that the parties to the agreement are more involved in educating the public. Any initiative in this respect is to take place at the provincial, regional and local levels.

This is one thing the Nisga'a pointed out to me the last time I was there. They told me it was important to get a lot more information out to the public, because there are people whose interests do not coincide with those of the First Nations and who, as I said earlier, were fanning the flames of controversy. They claim that land claims cover 125 per cent of the province, that aboriginal people want all the land, and so forth.

The Nisga'a saw to it that their part of the contract was fulfilled, that is to say they informed non aboriginals and the population in general of the appropriate nature of their claims, of the appropriateness of dealing with them on the same footing. I think they did just that. But from what I know about the process to date, the federal and provincial governments have not made much progress in raising public awareness of the relevancy of the process I explained just now.

• (1305)

If the process is properly explained and the people of British Columbia can be confident that the aboriginal people do not pose a threat, this should speed up the process, preparing the ground for negotiation.

It is important to acknowledge that, if the climate for negotiations is propitious, the process progresses a lot better than if it is tense and government officials are told, ''Now listen, we cannot go too fast because our people are not all that much in favour''.

It is very important for this public awareness to be, not just maintained, but stepped up, particularly by governments.

Another recommendation which struck me, and I feel I must raise it here, is that the Government of Canada and the Government of British Columbia use all methods of consultation available to them to let the community as a whole know that it has been understood and its concerns taken into account.

My colleague has just spoken of a degree of uncertainty. There are all kinds of companies out there, and what struck me on my last trip was the speed with which natural resources are being taken out of the area. It is as if the companies on these ancestral lands said: ''We are in a race, because once these lands are transferred to the native people, we will not be able to continue our present operations''.

I saw up to 500 logging trucks a day coming off Chilcotin, Nisga'a and Carrier–Sekani land. That really impressed me. It really disappointed me as well, and I even mentioned it to the Premier of British Columbia and to the Minister of Indian Affairs. To my mind, those forests were being clear cut and would have a hard time recovering. Moreover, for the trees coming out of B.C. of late, no money is going to the first nations.

It seems to me, that the whole question of natural resource use could be included in the upcoming treaty discussions. In fact, we are looking into the possibility of joint management in the House standing committee. We will therefore conclude our work, but, in the meantime, I think it important to point out to the principal groups using natural resources, particularly, that there is no danger, in our opinion.

The taxes they currently pay to use these resources could be paid to the native peoples rather than to the provincial or federal governments. This is the sort of discussion being held, and I think it important that these financial groups be part of the process and not consider negotiations on these ancestral lands as a threat to their business. The entire community must know this as must the special interest groups.

In conclusion—I see my time is just about up—our objective is to put an end to 140 years of injustice. We are very lucky that the first nations have this mentality of sharing. You know that, when the Europeans appeared, regardless of where in Canada they appeared, the native peoples always said: ''Look, the land belongs to everyone, so let us share it together''.

We have been lucky up to now to have the use of this land, but I think an injustice has been done to the native peoples in their being confined to small reserves with few natural resources and not enough of a land base to enable them to take control of their lives.

The extent of their dependency is rather outrageous, in my opinion, because they are always depending on government grants. This means they are unable to really fly on their own and to take control of their lives. I think the process before us today will enable them to take off. We are lucky, as I said earlier, that they have agreed to share this land with us without violent challenges. We have had some of late, but they have to stop. We cannot have them.

• (1310)

The most logical and sure way to avoid any reoccurrences of such unfortunate situations is the process of negotiation before us.

So let us avoid roadblocks and events such as at Gustafsen Lake and Oka. Let us exchange aggression and argument for discussion and negotiation.

I wish the first nations of British Columbia good luck. The Bloc Quebecois will support Bill C–107.

[*English*]

Mr. John Duncan (North Island—Powell River, Ref.): Mr. Speaker, I would like to speak on Bill C–107, an act respecting the establishment of the B.C. Treaty Commission.

I noticed at the beginning of the previous speaker's speech he talked quite a bit about the Nisga'a negotiations. I would like to point out that the Nisga'a negotiations are not part of the B.C. treaty process under the B.C. Treaty Commission as they predate it and are not subject to the same terms of reference.

There has been a high degree of increased public awareness of the ramifications of the B.C. treaty negotiations in the last two years in British Columbia. It has now risen to be the number one issue in the public mind in British Columbia.

The opposition political parties at the provincial level are adopting treaty policies very different from what has gone on up until now and very different from the federal government. There are concerns about the costs and the length of time the negotiations are going to be taking. There are concerns regarding the negotiating mandate of the two senior levels of government. There are also concerns regarding the consultation and ratification process for any negotiated treaties.

As we talked about the Nisga'a agreement earlier, this is a precedent setting agreement outside of the B.C. treaty process and at this point it will not necessarily be adopted by an incoming B.C. government. We are in the circumstance of having a government that is currently in the last year of its mandate and the other two major parties vying for government have made that statement.

Against this backdrop of a precedent setting negotiation which has largely been cloaked in secrecy and mystery, that is the Nisga'a negotiations, we do have this B.C. treaty process. The terms of reference for the Nisga'a negotiations certainly allow for a much greater degree of openness than has been demonstrated to date. In an overall context, this is not a good start.

Some of the history of the B.C. Treaty Commission is that in December 1991 British Columbia accepted all the recommendations of a task force. Those recommendations led to Canada and B.C. beginning formal negotiations on the roles and responsibilities of the two governments within treaty negotiations, including cost sharing. This was culminated in March 1992.

In September 1992, Canada, B.C. and the First Nations Summit leadership formally supported the establishment of a B.C. treaty commission and signed a B.C. treaty commission agreement. In April 1993 commissioners were appointed on an interim basis by provincial and federal orders in council and by First Nations Summit resolution.

In May 1993 the provincial legislation received royal assent which was pending federal legislation. The Governments of Canada and British Columbia then successfully concluded cost sharing negotiations in June 1993. This allowed for the treaty commission to open its doors in December 1993.

• (1315)

Virtually all of these actions, save the very last, occurred prior to the last federal election in October 1993.

Currently an estimated 77 per cent of the British Columbia bands are involved and signed up in this process. There are 196 bands in British Columbia. As I mentioned earlier, the Nishga negotiations are completely outside of the B.C. treaty process. All the remaining bands in British Columbia that are not a part of the B.C. treaty process have no option: they either go with the B.C. treaty process or there is no other negotiating option for them. Those are the terms of reference. This is problematic for those 23 per cent of B.C. bands that have concerns and do not want to enter into the process.

There is one major omission, which is not mandated by Bill C–107, which we are discussing today, and that is the consultation process. There has been a separate set of agreements. In July 1993 the federal and provincial governments announced the establishment of a 31–member treaty negotiation advisory committee to advise ministers in the treaty negotiations. That committee is not referred to in any way, shape, or form in Bill C–107. It has no recognition. In addition, regional advisory committees are being struck in each treaty negotiation area to represent local interests. There is much unhappiness about the consultation process and about the ratification process at this time.

I would like to point out that in the term of this 35th Parliament we have had previous legislation dealing with aboriginal issues. We have had the Yukon self–government and land claims agreements. We have had the Sahtu agreement in the western Arctic. We have had the Pictou Landing compensation agreement in Nova Scotia for environmental damage at the reserve level. We have had the Split Lake compensation agreement in Manitoba. Now we have this enabling legislation which has been very late in following the provincial legislation and the agreement.

The reason I mentioned all of that is because each of these bills, every piece of aboriginal legislation that has come before the House in this 35th Parliament, predates the last federal election in terms of when the agreements were reached. There has not been one piece of legislation from this department in this Parliament.

In preparing to look at Bill C–107, one of the necessary steps is to talk to legislative counsel. Legislative counsel advises that no legislative changes are possible to Bill C–107 because neither the federal nor provincial governments can make unilateral changes, and the B.C. Treaty Commission agreement, the tripartite agreement between the federal, provincial and First Nations Summit, which was signed in September 1992, and also the provincial enabling legislation override the ability to make changes. The only way a change could be made is if those agreements were also changed. This is really a reverse onus on this Parliament in many respects.

I have some concerns about this bill many of which are quite basic. Who would enter into an agreement in which there is no satisfactory amending clause? Who would enter into an agreement in which there is no satisfactory cancellation clause? In both cases this bill comes up lacking. The agreement leads one to assume a lot.

• (1320)

If a band enters into the process it receives funding that is 80 per cent repayable upon completion of negotiations. In effect they are being given a loan to set off against the eventual settlement package. The agreement is silent in terms of what happens to these moneys should the band or the tribal council not complete negotiations. The act is also silent about those bands that do not enter into the process and may not want to enter into the process. There is no alternative open to them.

The First Nations Summit organization and their appointment of representatives is open to any band whether they are participating or not. I find this a little strange. It is a very fluid thing. They are not elected. It is very difficult to pin down. The compensation packages for the summit commissioners have no transparency whatsoever in terms of the arrangements for these appointments or the compensation for these appointments.

Clause 22 of the proposed act states that nothing in the act prevents the three parties from amending the agreement of September 1992. I mentioned this earlier. This is very problematic because this very agreement has been shown to compromise Parliament's ability to amend the very act we are being asked to pass at third reading. Therefore this is an unacceptable reverse onus, in my view.

I have other concerns. The municipal level of government is not recognized in the act. They are simply a sidebar arrangement through the provincial negotiators. Also, funding of recognized interests beyond the bands is not addressed in the act. There is $15.3 million a year going into funding of the aboriginal negotiating parties. Right now, through the provincial government the municipalities are receiving $250,000 per year. They have many concerns about that.

From their meeting last month, the Union of B.C. Municipalities is certainly expressing great displeasure about what this process has done. They have a responsibility to take part to represent their interests. They have no choice but to get involved because they are very much impacted. The 10 regional groups that now represent municipal interests in the treaty talks are capped at a $250,000 funding level. According to the Union of B.C. Municipalities, the municipalities are having to fund this thing out of local taxpayer funds to make up the difference.

The federal and provincial governments have spent more than $30 million on the negotiations since they began in 1993. Some of the municipalities in the lower mainland have competing aboriginal claims. Rather than having to deal with one set of claims, they have to deal with multiple claims over the same piece of ground. This is becoming very expensive for the municipalities. It is an unfair burden and one that should be addressed in this bill. The bill is silent on the municipal role.

There is no reference in the bill to readiness guidelines for the regional advisory committees. They are not in the terms of reference of the B.C. Treaty Commission. This has proven to be very problematic as well.

• (1325)

We have readiness guidelines for the other parties but not for the advisory groups at the local level. Because the readiness guidelines are not there, there is a tendency for senior governments and the negotiating parties to set a few people in place at the local level and then carry on with negotiations. As the keeper of the process, the B.C. Treaty Commission should have terms of reference that also include readiness guidelines for the consultation groups. That is not addressed. It is not there. And because it is not there this is not happening.

It was identified in the 1993 and 1994 B.C. Treaty Commission annual reports that there was no federal enabling legislation for the B.C. Treaty Commission. As as result, the B.C. Treaty Commission had major concerns. I asked what the reason was for the lengthy delay in bringing forth the federal legislation. Apparently it is related to summit concerns over the wording of one clause in the bill. I have to ask: How can one party's concern over one clause hang up or protract this legislation for more than two years?

The province has negotiated interim agreements which have compromised the B.C. Treaty Commission process. The B.C. Treaty Commission made that statement in its 1993 annual report. The bill does not empower the B.C. Treaty Commission to deal with that kind of concern.

In summary, Canada and British Columbia have budgeted $77.6 million over the period from 1994–95 to 1997–98 to the process. Given the weaknesses inherent in the bill, I will not be able to support the legislation.

Hon. Jon Gerrard (Secretary of State (Science, Research and Development), Lib.): Madam Speaker, it is a pleasure to rise to join in the third reading debate on Bill C–107, an act respecting the establishment of the B.C. Treaty Commission. It is helpful to have the co–operation of the opposition members in support of the bill.

The events of the last few months, whether in B.C. or elsewhere, are convincing that issues of aboriginal rights and land claims can only be resolved through negotiation. It is very important to get on with the process. The sooner we can get the land claims settled the faster we can get on with economic development and other government issues.

I want to talk about the process upon which we have embarked in British Columbia and also about the importance of the economic development aspects, which need to coincide with this process, and the role in particular, in view of my position as Secretary of State for Science, Research and Development, of science and technology, in promoting economic development for First Nations people.

The Minister of Indian Affairs and Northern Development has recently visited British Columbia several times, the latest being November 24. During the summer he met with the First Nations Summit to report on the inherent right of self–government policy and he formally signed two of the four framework agreements. The signing of framework agreements with the Champagne and Aishihik, the Sechelt and the Gitksan–Wet'suwet'en First Nations are visible examples of the benefits and results of resolving these issues through negotiation.

• (1330)

Many other First Nations are working on framework agreement negotiations or completing the readiness stage. The government is committed to moving negotiations to conclusion rather than pursuing endless negotiations. That is evident from these recently signed agreements.

About 140 of the almost 200 B.C. First Nations want to sit at the table with federal and provincial governments to solve these issues. That represents over 70 per cent of the First Nations of British Columbia. Of the 47 nations in the process 25 have completed the readiness requirements. In 12 of those the 2 governments have also met our readiness requirements and 9 have completed or are working on framework agreements.

Clearly this process deserves the support of the House so that it can continue toward its goal of reaching acceptable, affordable and fair settlements.

It is important to note that we need fair settlements for all British Columbians and for all Canadians. That is the basis on which we must work.

It is important that third party interests be well taken care of in this process and indeed they are being taken care of. The British Columbia Treaty Commission process is the product of extensive consultations. In 1990 the federal and provincial governments established a task force to come up with a made in British Columbia approach to map out a negotiation process that could accommodate the many First Nations in British Columbia that wanted to negotiate settlements.

The recommendations of the task force were accepted by both governments and the representatives of the First Nations. One of the key recommendations was the establishment of the British Columbia Treaty Commission as an independent keeper of the process.

The task force also made several recommendations on public information and education as well as on consultation. The members recognize that treaty negotiations will succeed if both aboriginal and non–aboriginal communities understand why we need treaties and what those treaties mean.

As the negotiations for framework agreements proceed, governments must obtain background information on the communities, people and interests likely to be affected by the negotiations and establish mechanisms for consultation with non–aboriginal interests. These are among the criteria the treaty commission considers when it assesses the readiness of the parties to begin working toward a framework agreement.

In other words the commission will not give the green light to negotiate unless proper consultation mechanisms are in place. There is already a province–wide treaty negotiation advisory committee which my colleague spoke of but for each claim regional and even local committees are established, and these committees are becoming more and more active as parties move into the framework negotiations.

To date there are advisory committees up and running in Bulkley–Skeena, in Lillooet–Pemberton, Westbank–Kelowna, the Lower Mainland, on Southeast Vancouver island, the west coast of Vancouver Island and the Sunshine Coast.

Regional advisory committees are also being formed in Central Cariboo, Kitimat–Skeena, Central Coast, the Desolation Sound area and in the Prince George and Nechako Valley. Clearly third party interests are a central part of the treaty making process in British Columbia.

It seems the demands of some to halt the negotiation process seem aimed at avoiding the issue rather than finding workable and honourable agreements.

The government remains firmly committed to negotiating treaties with First Nations across Canada where needed. We will stay focused on that objective because it is the only way uncertainty can be ended and all British Columbians can benefit.

I will speak for a few minutes on the importance of this process in going forward in economic development and in particular in the potential in the area of science and technology and telecommunications for economic development for First Nations people in British Columbia and elsewhere.

It is important we get through this process, that we sort out the settlements and finalize the situation. It is also important that we start building the economic framework and in particular the telecommunications. The telecommunications, the information highway infrastructure which the government has promoted from the moment we were elected is vitally important for communities in rural and remote regions of Canada and particularly for First Nations communities.

• (1335)

As we outlined early on in our mandate, this information highway infrastructure is essential for jobs and learning in rural areas. It is essential we move quickly in areas of access and it is fundamentally important that we move quickly in developing Canadian content. We need aboriginal First Nation content so First Nations people are not only receivers but providers of content in an increasingly important way.

One major effort we have made is in the SchoolNet process. This process is one to which we are committed to ensure that schools in all First Nations communities are linked to SchoolNet and to the Internet and can join the information highway as one important step not only in learning but in community development as we have moved into the community access program.

In British Columbia there are some important advantages in technology becoming available with ATM networks giving broad band, multimedia access on the information highway.

As recently as last week I was in British Columbia to announce the establishment of the telelearning network centre of excellence, linking communities across Canada and centred at Simon Fraser University. The development of teaching materials on the information highway using the worldwide web and other multimedia tools will enable delivery of learning and jobs at a distance.

In this context it is important to realize a big change is occurring. Universities like Simon Fraser are already putting courses on to the worldwide web so they can be taken from anywhere around the world. In a few years a number of courses will be dramatically increased and therefore the possibility of taking courses and learning materials from anywhere in Canada, from any First Nations community in Canada, will be there and realized.

The people at Simon Fraser are already working on the possibility of having all courses on the worldwide web by the year 2000. If that happens, what a remarkable achievement and what important new access to learning and post–secondary education it would give to people across Canada.

There is another side to the question. Even as the learning material becomes more available it is now more possible and more important to develop learning materials based in and coming from the First Nations people of Canada. This is also an important objective of the SchoolNet program and an important objective of economic development, to enable teaching materials to be shared from one First Nations community to another to develop content and learning materials which can be very

important as cultural expression for First Nations people into the next century.

As we proceed in settling land claims, providing the framework, it is also important we proceed with economic development, with the information highway so that it will allow people across the country and particularly First Nations people access to the information they need when they need it and where they need it.

This will allow better management of natural resources and a remarkable new array of economic development opportunities and jobs, particularly in remote locations, as is already starting to happen in small communities in northern British Columbia and remote communities in Newfoundland, setting up businesses on the information highway and worldwide web and to operate around the world.

It is a very different world from what we have lived in, one fundamental reason it is important to move quickly to settle land claims so we can move forward in development, learning and in new possibilities.

• (1340)

I urge my hon. colleagues to show support for this process, which will bring certainty to the province of British Columbia and renewed hope and prosperity to the people of British Columbia and particularly First Nations' people.

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, I listened very carefully to my hon. colleague's comments. He said the whole business of the Indian question and what to do about land claims, self–government and these types of issues will be resolved only through negotiation.

That is true. That is something we can all agree on. However, if that is true, why have so many of the Indian bands in British Columbia either backed away from this process or not participated to begin with?

One of the reasons we are opposed to this treaty process is that the only examples we can see are the ones history has taught us. Treaties enshrine special rights. They enshrine racism because certain rights are attributed to one group of Canadians based solely on their race.

The Reform Party believes the ultimate goal of any negotiations, as the hon. member said and I agree, is we must get to the point at which we can negotiate an end to these issues and put them to rest. The end goal must be the equality of all Canadian citizens, not further inequality, not enshrining inequality in agreements.

Another point is the finality. We believe on this side of the House these must be final agreements. They must bring about extinguishment of special rights and they must be final.

Once again when we look at history and at what happened with the settlements in the northern territories, we do not see that finality. Rather there are clauses in those agreements whereby any future negotiations that bring about benefits south of 60 could also accrue to those bands that have already completed negotiations in the territories. We do not have finality. Canadians do not know what the final bill will be.

One of the reasons the Charlottetown accord was defeated was the ambiguity of the Indian questions. In other words, what did native self–government really mean? How would it come about?

I heard my hon. colleague putting forward the Reform perspective that what we need is a very clear definition of whether self–government will be based on a municipal model or some third level of government. These are the types of questions Canadians want answered.

Where is the involvement of the third party during these negotiations, private landowners? There are a whole bunch of questions not answered and not adequately addressed by this treaty negotiation process presently under way and which this bill would enshrine.

In a constituent survey in my spring householder I asked a number of questions on native land claims because I wanted feedback from the citizens of Prince George—Peace River. The first question was: Does government have an obligation to negotiate modern day treaties with natives?

This is exactly what we are talking about today with this bill. It is interesting that although the returns were low, the sample size was low, of the more than 500 people who returned the questionnaire two to one voted no. They said we are not obligated to negotiate treaties.

For that reason and the others I outlined I will be joining with my Reform colleagues in opposition to this bill.

• (1345)

Mr. Gerrard: Mr. Speaker, let me rise to reply to the questions raised by the hon. member.

It is fundamental that we have a process of negotiation. It is also important that we have a framework so that there are not 200 separate processes going on simultaneously in British Columbia. We need a framework in which we can negotiate with British Columbia First Nations in order to move this process forward as rapidly as possible.

More than 70 per cent of the First Nations in British Columbia are involved in the process. Therefore, the concern that huge numbers will be left out will likely be mitigated. We will see what happens as we proceed further.

On the question of finality, in the end the process on which we are embarked will have an outcome which gives much greater certainty than we have at the moment. As a result of this process, we will be able to give important consideration to the situation in British Columbia for a stable and good future for both First Nations people and non–First Nations people and that will be a building block on which all British Columbians will benefit in the long run.

Mr. Hill (Prince George—Peace River): Mr. Speaker, I seem to be the only one who would like to participate in this debate with the hon. member.

I take exception to the point the member made that he believes this process will bring greater stability and certainty for British Columbia. That is certainly not what I have seen. I am not opposed to negotiations if they lead to the type of agreements that all of us and the vast majority of Canadians can ultimately support. My great concern and the concerns expressed to me all of the time from my constituents is that these processes are not doing that. They are driving a further wedge between the Indian people and Canadians at large.

A great concern of mine is that we are not bringing about finality or extinguishment of special rights. We are just further enshrining them.

Sometimes I question and am questioned as to whether we are really addressing the concerns of the average Indian in this country who in many cases is living in poverty on reserves. Or, are we really addressing the concerns of the Indian leadership which in many cases is vastly different from the primary concerns of the individual Indian?

It is estimated that combined provincial and federal spending is between $7 billion and $9 billion a year on Indian programs. When I travel to the reserves in my constituency, which, I am assured by colleagues in the House, are not that much unlike other constituencies, I see very few examples of where that money is being spent on the reserves.

I really question whether this process is the best way to address the concerns of the average native in this country.

Mr. Gerrard: Mr. Speaker, I have two quick comments in reply.

First, if the member is trying to suggest that we should go back and start all over again, I think we have made a lot of progress. We have a process which has been agreed to by the federal government, the provincial government and more than 70 per cent of the First Nations in British Columbia. It is a reasonable basis for proceeding and I believe we should proceed.

Second, when I spoke I deliberately talked about economic development, the information highway and the changing things that are coming. These are also very important in making sure that individuals and communities have the benefit of the changing times in order to move forward and progress to a better 21st century.

• (1350)

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, it is a pleasure today to speak on Bill C–107, an act respecting the B.C. Treaty Commission.

The aboriginal people tragically form some of the lowest socioeconomic groups within Canada, a first world nation. Indeed the incidence of violence, sexual abuse, crime, infant mortality, suicide, substance abuse and unemployment are among the highest of any sector within our country. It is not something our country should be proud of, and indeed we are not. That is why we are here today, to try to develop some sensible solutions to address these tragic problems within our midst.

I have seen with tragic frequency these individuals shot, stabbed, dying and sometimes dead from other people's hands and tragically too often from their own. It is a situation that needs to be addressed. It needed to be addressed yesterday but now we have an opportunity to do something about it today.

The cultural and social genocide which is taking place among the aboriginal people has been taking place for decades and continues to this day. In part this is due to successive governments that have continued in a paternalistic fashion toward the aboriginal people. They have had unequal treatment for the aboriginal people. Because this treatment is unequal, it is by its very nature racist in that we are treating the aboriginal people in a different way. We do not treat any other segment of our society that way.

The mindset has been to pour successive amounts of money into the department of Indian affairs for the aboriginal people. We continue to pour money down a black hole. If we look at the results of where this money has gone and wonder whether it has really gone to help the aboriginal people, if we go to the aboriginal people on and off reserve we will see that sadly it has not.

By pouring money down this black sinkhole, successive governments have created an institutionalized welfare state. If we continue to give money to people without them working for it, we erode the very soul within the individual. This does not matter if the person is an aboriginal or a non–aboriginal. It is a basic human characteristic. We cannot keep giving money to people and expect them to have pride and self–respect. It is incredibly destructive to the soul of a human being. It would

happen to anybody, aboriginal or non–aboriginal, who is subjected to this.

It is often said that the aboriginal communities have lost their pride and self–respect. Part of the responsibility lies in the fact that we have created this institutionalized welfare state, that we have continued to support people in this manner. It has done them a great disservice. Therefore we see the sad destruction of a beautiful culture and beautiful people. A person cannot get pride and self–respect by having someone give it to him. That person must earn it himself.

Essential to this is having the ability to earn the funds to support ourselves, our family and people. If we can do this, then from that we will develop the pride and self–respect in ourselves and therefore the community around us. That is absolutely fundamentally important in my opinion.

I spoke with an individual who is responsible for the B.C. treaty process in my area. This man was in charge of it. After listening to him for one hour on what they were going to do, I asked a very simple question: Will the negotiation of these treaties help the aboriginal on or off reserve who is part of that lowest socioeconomic group I spoke about earlier? He answered that he did not know.

It is not good enough to pursue a course of trying to help people who are suffering from those tragic things I mentioned earlier when it is not known that it is going to help anybody. Why are we pursuing this course?

• (1355)

Perhaps we are doing this to assuage a guilt complex we have from what has gone on historically. If that is the case, I think we should end it. It is not respectful to the aboriginal people and it is not respectful to us. We have to look forward to a new day, a new era, a new age when aboriginal and non–aboriginal people can have respect for themselves and each other, when we can all live under circumstances that we do not need to be embarrassed about.

I have many concerns about the B.C. treaty negotiation process. First is the cost. It is going to cost hundreds of millions of dollars to establish these treaties. Where is the money coming from? All levels of government do not have the funds to pay for this. It is a simple question for which I would like a simple answer. Where is the accountability coming from? These moneys are going to be given to groups of people with no accountability whatsoever. Accountability must be built into the system.

One of the complaints I have is not politically correct to speak of. I have spoken to a number of aboriginal people who have come to my office complaining that large sums of money given to bands by the federal government have disappeared. The money has disappeared into the hands of band elders and band leaders. Nobody speaks for those aboriginal people who are not in that leadership. They need that money and they need it to work for them effectively and positively for the future. In too many cases that is not occurring.

Second, there are a lot of questions surrounding the issue of giving the resource management to the aboriginal people. What happens to the rights of the non–aboriginal people who also have interests in these areas? They talk about crown lands and the fact that these areas are going to be given over to aboriginal people. The fact remains there are a lot of non–aboriginal people who lease these areas from the federal government. What is going to happen to them?

Also, look at the mismanagement which has taken place in some areas where aboriginal people have managed the resources. Look at the Stoney Creek reserve where large tracts of land were given out for timber rights and huge tracts of land were decimated.

Look at the aboriginal fishing strategy on the west coast. The AFS has proven to be an unmitigated disaster. An individual's racial grouping cannot be used as a licence to trash and destroy a resource. Unfortunately part of the responsibility of the decimation in the west coast fishery lies at the feet of the aboriginal people. There is no question that non–aboriginals have been poaching too. However, a significant number of people within the aboriginal community have been using the AFS to destroy a precious resource.

Who speaks for the aboriginal people who are law–abiding, who respect the resource and who are interested in preserving that resource for future generations? Absolutely nobody speaks about them. A number of aboriginal people have approached me and said: ''These aboriginal people are using the AFS for their own gain at the expense of us who are trying to manage and use the resource in a sustainable fashion''. This has to be said. Where are the environmental safeguards that are going to take place when whole resources are being taken over and given to a group of people?

Third, what are the rights of the non–aboriginal people who live near lands that are being given to the aboriginal people? I have significant concerns in my own area. Many municipalities have mentioned that they have their own municipal plans that deal with the future of their area. There are a number of areas that—

The Speaker: My dear colleague, you will have the floor right after question period when we resume debate. You still have plenty of time remaining.

It being 2 p.m. we will proceed to Statements by Members.

STATEMENTS BY MEMBERS

[*English*]

CARDIOPULMONARY RESUSCITATION

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, November has been proclaimed awareness month for cardiopulmonary resuscitation, better known as CPR.

Cardiovascular disease is the leading cause of death in Canada and the leading cause of death among older women. More than 60,000 Canadians die every year from heart attacks and strokes.

The basic skills of CPR can be learned in as little as four hours, yet fewer than 3 per cent of all Canadians can perform it. Therefore Health Canada and the Heart and Stroke Foundation, together with the Red Cross Society, St. John Ambulance, the Canadian Ski Patrol, the Royal Lifesaving Society of Canada and the Advanced Coronary Treatment Foundation encourage all Canadians to take the time to learn CPR.

On behalf of the members of the House, I would like to support the initiatives of CPR awareness month and urge all Canadians to familiarize themselves with CPR. We should all know that a few hours of training could save the life of someone we love.

* * *

COWBOYS

Mr. Cliff Breitkreuz (Yellowhead, Ref.): Mr. Speaker, the great riding of Yellowhead is home to Canada's royal family of rodeo, the Hay family from Mayerthorpe.

This family has a long and distinguished career in professional rodeo. Fred, the dad of the family, busted broncs until 1983, and his son Rod is a four–time Canadian finals rodeo champion. Now his brother Denny is continuing the Hay family winning tradition by capturing the first ever CFR saddle bronc title in Edmonton recently. It was a lifelong dream for Denny to win the national title. He began busting broncs when he was just eight years old. Now Denny and his brother Rod are off to compete in the national finals rodeo in Las Vegas, the only pair of brothers from Canada ever to compete in this world class event.

I am sure all members will join me in wishing Denny and Rod lots of luck when they take on the world's best. Good luck, Denny and Rod.

* * *

[*Translation*]

RENEWAL OF CANADIAN FEDERALISM

Mr. Richard Bélisle (La Prairie, BQ): Mr. Speaker, in view of the proposals made yesterday by the Prime Minister, Quebecers can now see for themselves that the federal government has no intention of responding to the legitimate aspirations of the people of Quebec.

It has become obvious that Ottawa never intended to renew federalism, as the proposals which have been put on the table amply show. Quebecers will never accept to have the wool pulled over their eyes in such a manner, and they will reject these empty proposals outright.

Quebecers who voted no at the last referendum, but who wanted real changes, will be even more disappointed and will feel betrayed once again by a prime minister who could not care less about their aspirations. As for those who voted yes, these proposals only confirm what they already knew. Ottawa's proposals will never meet Quebec's expectations, Quebecers bar none know it full well.

* * *

[*English*]

NATIONAL UNITY

Mr. Bill Blaikie (Winnipeg Transcona, NDP): Mr. Speaker, the NDP federal caucus calls on the Liberal government to realize that it cannot save Canada if it is busy undermining its foundations at the same time.

Recognizing Quebec's distinct society when the socioeconomic and institutional realities that make Canada distinct from the U.S. are being harmonized or rationalized out of existence is a tragic irony. Talking about vetoes and sovereignty is a cruel joke when we have abandoned real control of our lives to the global marketplace and the money speculators, not to mention that the veto proposal completely misunderstands western Canada and should have recognized B.C. as a region. Finally devolution of training as a facade for federal offloading and the privatization of labour market strategies is further cause for cynicism.

The Prime Minister should give Canadians something to believe in other than the bottom line mentality and they will be in a better frame of mind to deal with what Quebec and the rest of Canada need to do to keep Canada united.

* * *

CHILD POVERTY

Mr. Rey D. Pagtakhan (Winnipeg North, Lib.): Mr. Speaker, last week's Campaign 2000 report of a drop in the number of poor children in Canada is good news, but there remain nearly 1.4 million children who do not have the adequate food, shelter, clothing and social environment their peers enjoy.

Poverty is a serious threat to the growth development, and social well–being of children and therefore merits the continuing attention of all levels of government. Therefore I have introduced a private member's motion to encourage the government to create a special Canada children's future fund. This is to ensure that the elimination of child poverty remains at the forefront of our national agenda even during tough economic times.

I look forward to the full support of the House. All children deserve a secure and stable tomorrow, for they hold in their hands the future of our nation.

HUMAN RIGHTS

Mr. Tony Ianno (Trinity—Spadina, Lib.): Mr. Speaker, at the recent Commonwealth conference the Prime Minister reacted to the execution of Ogoni playwright Ken Saro–Wiwa by calling on the assembled heads of government to speak out with one voice in the face of flagrant violations of democratic principles and basic tenets of justice.

• (1405)

Following up actions with words, the Prime Minister pushed for an unprecedented suspension of Nigeria from the Commonwealth in the face of its flagrant violation of human rights and yet another example of the utter contempt held by General Abacha's regime for world opinion.

In light of this, I urge my colleagues in the Government of Canada to take this condemnation one step further by sending a stern message to the Government of Nigeria by cancelling all of its oil imports and imposing economic sanctions.

In light of these events, the citizens of the world must also send a message to multinational companies such as Royal Dutch Shell that they are responsible for more than simply maintaining the bottom line of their balance sheets. These companies must adopt environmental standards for their operations, especially in societies where opposition to their operations is repressed.

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ATLANTIC CANADA

Mr. Ron MacDonald (Dartmouth, Lib.): Mr. Speaker, on November 17 a group of maritimers met in Truro to discuss the concept of economic and political union of the maritime or Atlantic provinces.

Business people, academics, labour leaders and even a few politicians agreed that union is an old idea, going back to 1807, whose time has finally come. We must join together to eliminate wasteful duplication and provide lean government with cohesive policies for all Atlantic Canadians. We must join together to create new economic opportunities for our region and renew a sense of pride in our people. We must join together so that our voice is truly heard at the national level and our concerns are understood and respected.

The Truro meeting is only a beginning. An Atlantic union must be driven by the people of Atlantic Canada not the politicians. The Prime Minister has shown that Confederation is not static. Changes can and must be made to improve the operation of our institutions and the quality of life for our people.

Opinion polls over the last number of years show that the people of Atlantic Canada consistently support union. They are ahead of the politicians on this issue now, as they have been in the past. We would serve them poorly if we did not make every effort—

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[*Translation*]

RENEWAL OF CANADIAN FEDERALISM

Mr. Maurice Bernier (Mégantic—Compton—Stanstead, BQ): Mr. Speaker, in 1982, as a result of the unilateral patriation of the Constitution, Quebec lost its veto, a right it had as one of the founding nations of Canada. Since them, every Quebec government has demanded that the federal government rectify the situation.

What is the Prime Minister offering us today? Crumbs. A mere bill, which could be struck down by the next government, creating a regional veto, which completely dilutes Quebec's claims. And there is more. It will be possible to amend the Constitution through a national referendum and sidestep Quebec's National Assembly. This is a far cry from the pre–1982 situation when the National Assembly had a constitutional veto.

Come on now. Does the Prime Minister really believe that Quebecers will be satisfied with mere symbols which bring about no change whatsoever?

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[*English*]

NAFTA

Mr. Charlie Penson (Peace River, Ref.): Mr. Speaker, Americans subsidize their dairy farmers to the tune of $3.6 billion, yet they are challenging our high tariffs on dairy and other supply managed products. They have asked for a NAFTA panel to rule in their favour.

If the Americans win, our supply managed farmers will face open competition overnight and Canadian dairy and poultry producers may be devastated. Two billion dollars' worth of dairy quotas will become worthless, thousands of farmers could be forced out of business and many rural communities would be severely affected.

I ask the Minister of International Trade to be proactive rather than reactive and initiate a negotiated settlement, point out the sky high American subsidies and offer to reduce some of our tariffs in return for subsidy reduction in the United States.

I ask the government to negotiate because too much is at stake to play at winner take all. It is entirely possible that the NAFTA panel may say ''Canada, you lose''.

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PORNOGRAPHY

Mrs. Georgette Sheridan (Saskatoon—Humboldt, Lib.): Mr. Speaker, I rise today to bring to your attention the deep concerns of many of my constituents, especially in the districts of Cudworth, Wakaw and Humboldt, regarding pornography.

I have received many little white ribbons in recognition of WRAP week, ''White Ribbons Against Pornography''. The letter I received from Lana Reding explains it best. Lana wrote: ''We feel that not enough is being done to protect families against abuse and pornography, especially our children, who are our future. In our church, St. Michael's Parish, we pinned white ribbons on our parishioners and they returned them the following week. Also our town of Cudworth declared that October 22 to 29 be recognized as WRAP week. There is far too much pornography on TV, in magazines and books exposing our children to sex, violence and crimes. They need to be protected from much of this. We hope you will pass these ribbons along to our Prime Minister and express our concern regarding WRAP week''.

• (1410)

It is only when people like Lana Reding get involved in the process that meaningful change can occur. I commend my constituents for their efforts.

* * *

NATIONAL UNITY

Mr. Ted McWhinney (Vancouver Quadra, Lib.): Mr. Speaker, the Prime Minister's announcement yesterday on change in the federal system honours the referendum commitments and also provides a lead up to the mandatory constitutional conference of 1997.

The initiative on distinct society reflects already existing law of the Constitution; that on regional veto commitments the federal government creates no additional constitutional barriers for provincial governments; that on manpower training signals the new co–operative federalism, with its emphasis on functional power sharing and flexible decision making on common social problems.

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[*Translation*]

RENEWAL OF CANADIAN FEDERALISM

Mrs. Eleni Bakopanos (Saint–Denis, Lib.): Mr. Speaker, yesterday, as he had promised during the recent referendum campaign in Quebec, the Prime Minister of Canada outlined the first elements of the strategy to renew Canadian federalism.

Through this proposal, we are tackling head on the notions of distinct society, regional veto and job training. It shows that this government responds to the legitimate demands expressed by all Canadians.

Yesterday, Quebecers found out that, more than ever before, they can count on the Prime Minister of Canada and his government to address the issues they care about.

Yesterday, all Canadians learned that, when their Prime Minister promises something, he delivers.

[*English*]

Yesterday Quebecers received yet another confirmation that the Prime Minister of Canada is listening to their concerns and that they can count on the government to address the issues that are important to Quebec.

Quebecers once again see proof that when their Prime Minister promises something, he delivers.

The Speaker: I remind colleagues to use the titles of members rather than their names.

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[*Translation*]

THE LATE ODETTE PINARD

Mr. Michel Daviault (Ahuntsic, BQ): Mr. Speaker, today, we mourn the senseless death of Odette Pinard, an officer in the Montreal Urban Community police department.

A mother of three young children, Mrs. Pinard had worked as a police officer for nearly 10 years. She could have looked forward to a successful career in the Montreal Urban Community police department.

I would like to offer our sincere condolences to her family, her friends and all her colleagues in Montreal. Her death reminds us of both the fragility of life and the difficult work done every day by police officers, particularly those in our major centres.

When we ask the police to help us and protect our communities, our homes and our lives, we are in fact asking policemen and women to do a job, sometimes at the cost of their lives. Odette Pinard's death reminds us of their courage and dedication, for which we are all grateful.

* * *

[*English*]

FISHERIES

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, this is a simple message and even the fisheries minister's blowhard rhetoric and double talk cannot stifle it. Fishermen across Atlantic Canada are protesting the government's broken promise of ''no tax increases''.

From St. John's to Saint John, from Glace Bay to Yarmouth, the cry ''Axe the fish tax'' is being heard. Since that cry is falling on deaf ears, Reform, along with local citizens, have unveiled a billboard in Yarmouth protesting this unfair tax, one of many billboards in Atlantic Canada that will remind thousands and thousands of passers–by that the so–called fee is in

fact a tax. This tax will rob Yarmouth of $3 million, southwest Nova Scotia of $18 million and rob Atlantic Canada of $50 million.

There is no excuse for broken promises. There is no excuse for a new tax. There is no excuse the government can offer fishermen whose pockets are being picked.

Leave the money at home. Mr. Minister, axe the Tobin tax.

* * *

[*Translation*]

RENEWAL OF CANADIAN FEDERALISM

Mr. Bernard Patry (Pierrefonds—Dollard, Lib.): Mr. Speaker, by announcing the details of his three main initiatives for change yesterday, the Prime Minister of Canada kept his referendum promises.

Yesterday, the Government of Canada tabled a motion to ensure that the Quebec's distinct society be recognized in the Canadian federation. Legislation establishing a regional right of veto will be introduced to give Canadians from all four major regions of the country the assurance that no constitutional change will be made without their consent. The Government of Canada will withdraw from manpower training; the provinces will then be quite free to develop their own policies and programs in that area.

These first three initiatives clearly show that we are committed to helping build a Canada that better meets to the needs and aspirations of its people and is more sensitive to them.

* * *

● (1415)

RENEWAL OF CANADIAN FEDERALISM

Mr. Robert Bertrand (Pontiac—Gatineau—Labelle, Lib.): Mr. Speaker, the Prime Minister of Canada's press conference was barely over when positive feedback started pouring from Quebec.

Reacting to our Prime Minister's proposals, the leader of the Quebec Liberal Party said: ''First of all, we have to salute the Prime Minister of Canada's willingness to act. It is a first step in a process that should start now''.

This initial reaction of the Leader of the Official Opposition in Quebec tends to prove that our government has correctly heard and understood the desire for change expressed by the people in the referendum.

Let us hope that, as the official opposition in the National Assembly, the Quebec Liberal Party will be able to convince the PQ government to set aside its separatist obsession and help renew the Canadian federation, as requested by the people of Quebec.

ORAL QUESTION PERIOD

[*Translation*]

RENEWAL OF CANADIAN FEDERALISM

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, yesterday the Prime Minister hastily announced measures with which he intends to meet his referendum commitments. In fact, he is trying to fool the public, but Quebecers will not be fooled by these cunningly worded resolutions on the distinct identity of Quebec, any more than they will be by the sham veto he proposes.

My question is directed to the Prime Minister. Considering that the cabinet committee on constitutional change only recently started its work and that the timeframe for unemployment insurance reform has again been changed as a result of his statement yesterday, will he acknowledge that his improvised announcement is intended to counter increasingly overt criticism of his leadership and his failure to deliver the goods?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we acted quickly. I had a text when I spoke to Canadians on the Tuesday and Wednesday of the last week before the referendum. What I did today was keep the promises I made to the Canadian people and especially to the people of Quebec, that is take steps to recognize Quebec as a distinct society and ensure that, in future, there will be no changes in the Constitution without the consent of Quebecers.

During the past four weeks the committee has had time to review everything I mentioned at the time, and that is what I delivered.

As for unemployment insurance reform, it will come. The bill will be tabled Friday, and the Leader of the Opposition will have all the details. However, as we have said on many occasions in this House, we decided that we would respect jurisdictions and that there was no longer any need for the federal government to be directly involved in manpower training programs. We intend to make the money available to clients who are our responsibility so they can receive these services from their provincial government.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, perhaps it would be useful to recall that the man who just spoke is the main artisan of the forced patriation of the 1982 Constitution and of the demise of Meech Lake.

We know that nearly half of Quebecers supported sovereignty in the referendum and that many others voted for a thorough overhaul of the federal system. That being the case, what makes the Prime Minister think that Quebecers will be satisfied with a mere resolution that is meaningless as far as Quebec's distinct identity is concerned?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, if the Leader of the Opposition feels that a resolution of the House of Commons is not enough, he should tell the House that as soon as he is premier of Quebec, he will support a constitutional amendment recognizing Quebec as a distinct society. If he does, I will assume my responsibilities as Prime Minister and discuss it with the provincial governments.

I am sure that if the Leader of the Opposition wants to entrench the concept of distinct society in the Constitution, the provincial Premiers will recognize his request. I think we could have a constitutional amendment very quickly. It could be done in a matter of months.

• (1420)

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, if I ever take on the duties referred to by the Prime Minister, I would consider it an insult to my position and to Quebecers to accept a solution that is unacceptable. Even his ally, Mr. Johnson, would refuse.

How can the Prime Minister expect Quebec to take seriously a resolution that falls far short of the proposal in the Charlottetown Accord which was rejected in no uncertain terms by Quebecers in the 1992 referendum?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I and my party are in favour of recognizing Quebec as a society that is distinct because of the French language, the culture that is specific to Quebec and the fact that in Quebec we have always had a civil code based on the Napoleonic Code. So everyone knows this is a fact that can be easily recognized in the Constitution.

However, today it seems quite clear that the Leader of the Opposition is not interested in having Canada recognize Quebec as a distinct society.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, in his last minute improvised announcement, the Prime Minister remained true to himself in proposing to recognize Quebec as a distinct society, purely symbolically, through a simple parliamentary motion, which will give Quebec neither special status nor additional power.

How can the Prime Minister seriously think he is satisfying Quebecers, nearly 50 per cent of whom voted for sovereignty in the last referendum, with a simple resolution of the House of Commons symbolically recognizing the distinct nature of Quebec but without any additional power? Is this not an insult to their intelligence?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I think the insult will come when the Bloc Quebecois votes in this House, based on what we see today, against the notion of distinct society for Quebec. If the Bloc Quebecois really wants it to become a constitutional proposal, they should pressure the future head of the Government of Quebec to pass a resolution in the Parliament of Quebec, and then we will see it is passed, and convince the provinces to pass it.

However, if the current Government of Quebec—or the January government—does not want Quebec to be a distinct society under the Constitution, there is nothing I can do.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, with all due respect for the Prime Minister, I have strong doubts that the future Premier of Quebec will agree to something Mr. Bourassa turned down at the time.

After hastily tabling his proposal, without awaiting the report of the phoney committee headed by the Minister of Intergovernmental Affairs and without consulting his partners in English Canada, how does the Prime Minister think he will convince Quebecers of the seriousness of his actions? Will he admit to badly playing his last card, which looks oddly like a two of spades?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I can hardly wait for the member for Roberval to rise in this House and vote against the distinct society. For the first time we have an opportunity to speak clearly, not in the context of a thousand things, but on a very clear issue—

Mr. Bouchard: It is a sham.

Mr. Chrétien (Saint–Maurice): —a very clear issue: Is Quebec a distinct society because of its language, its culture and its Civil Code?

Mr. Bouchard: The Napoleonic Code.

Mr. Chrétien (Saint–Maurice): I am not ashamed to admit I know that Quebec's Civil Code dates back to the Napoleonic Code. If it offends the Leader of the Opposition, too bad for him. It is a fact of history. I can hardly wait to rise in this House and vote for Quebec's recognition as a distinct society, and I will watch the Leader of the Opposition vote against it, with a smile on my face.

[*English*]

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, I too have reviewed the Prime Minister's November 27 statement on unity measures and find the lack of content almost unbelievable.

• (1425)

Canadians inside and outside Quebec want fresh thinking. They want realism, not symbolism. They want a fundamental change in the way the federation operates. Instead the Prime Minister has offered them the tired old thinking and formulas for failure that doomed the Meech Lake and Charlottetown accords and almost lost the referendum on October 30.

My question is for the Prime Minister. Is this all there is, recycled amending formulas, hollow symbolism from failed accords and lip service to decentralization? Is this really the best that the Prime Minister of Canada can offer on the subject of national unity?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I made a speech in Montreal that was very clear. It was in written form and I am pleased the leader of the third party read it. It is exactly what I promised.

I said that the Quebec people because of their language, culture and the civil code are different from the rest of Canada. I have no problem with that.

I am offering a possibility for the rest of Canada to have something to say in the evolution of Canada as proposed by the leader of the third party who talked about regions in his document called ''New Confederation'' and said that all regions were entitled to equal status in constitutional negotiations. That is exactly what we offered the four regions of Canada.

Mr. Preston Manning (Calgary Southwest, Ref.): We will have a lot more to say on that tomorrow, Mr. Speaker.

The contents of the Meech Lake and Charlottetown accords were flawed because the process for developing the contents were flawed. Meech Lake and Charlottetown were top down, closed door, politician driven approaches to change which failed to carry the judgment of Canadians because Canadians were not involved.

Yet in coming up with this package the Prime Minister has not only ignored the lessons of Meech Lake and Charlottetown. He has taken a huge step backward. He involved fewer Canadians in developing this Quebec package than the Meech Lake and Charlottetown gang did in theirs.

Is the Prime Minister following any recognized process at all, or is he just making this stuff up as he goes along? If there is a process, why is there no meaningful role in the process for the provinces or the people of Canada?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I made some commitments in Montreal on behalf of the people of Canada.

Perhaps the leader of the third party does not agree with what I said. Of course it was at a time when he was offering subsidies for Quebecers to move out of Quebec. That was his solution to national unity.

We want to fulfil our commitments and get back very quickly to dealing with the real problems of the country: jobs and growth. However, because the leader of the third party cannot attack the government on the substance of the operation of the nation, he would like to discuss the Constitution around the country. That is not our intention. It is to deal with the economy and job creation and dispose of these commitments within weeks.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, the Prime Minister ignores questions about the lack of content in his package. He ignores questions about the flawed process. Maybe he will answer a question about the strategy behind the package, which is bizarre to say the least.

The Prime Minister has apparently decided to build a case for national unity on the concept of distinct society and a constitutional veto, two areas where there is little public or provincial support. He has chosen to ignore the one area where there is a real desire for change both inside and outside Quebec, namely the realignment of federal and provincial powers.

Is the symbolic tinkering with manpower training the government's only response to Canadians' demand for a major realignment of federal–provincial powers? Is that all there is?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, in the announcement I made on manpower training yesterday there was a very big move of clarification. It is a complaint that was mentioned by all the premiers over the last two years. However, we had to wait for the Minister of Human Resources Development, who will soon be tabling his bill on the reforms to the unemployment insurance program, before suggesting any reforms in that field.

• (1430)

I have discussed the strategy with the premiers and with this caucus. I know the Reform Party's position on this strategy is exactly the same as that of the Bloc Quebecois.

[*Translation*]

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, in an attempt to enlist the support of the premiers in English Canada, the Prime Minister was forced to render Quebec's recognition as a distinct society meaningless, so as not to violate the principle of equality for the provinces.

This is so true that the so–called right of veto was offered to all regions of Canada, while responsibility over manpower training, which has yet to be defined, will be offered to every province.

Will the Prime Minister recognize that he was forced to render Quebec's recognition as a distinct society both meaningless and useless, so as to make it acceptable to the rest of Canada, which is so attached to the principle of equality for the provinces?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I want to make it clear to the hon. member that the Prime Minister represents all Canadians, not just English–speaking Canadians.

I also want to tell him that Quebecers rejected the very ambiguous separatist proposal. Now his party must comply with the will of the people, which means it must work within Canada.

As for the regional veto proposal, it was accepted by all Canadian premiers a long time ago. It makes perfect sense to me that Ontario, with 40 per cent of the country's population, should get such a veto, as well as two provinces representing a majority in western Canada, and likewise in eastern Canada. Such a proposal does not belittle anyone.

I think that, in Canada, we must all co–operate, and this is what we are proposing to do with this offer. I can see the despondency of Bloc Quebecois members who are about to vote against a distinct society status for the province of Quebec.

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, how can the Prime Minister put the whole burden of the proof on the back of the Quebec government, considering that the premiers of British Columbia, Alberta and Manitoba have serious reservations about his proposal?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the member just criticized me for trying to propose a regional veto, because some provinces would like a veto for each and every province.

What we have done is to impose on the federal government a technique to use its own veto right. If Quebec no longer has a veto right as it thought it had once, it is because the PQ government of the time opted for a formula different from the Victoria proposal and, in doing so, eliminated the veto right that Quebec was seeking.

I can understand the despair of Bloc Quebecois members, who can see that we are solving two problems at once, in that we are recognizing Quebec as a distinct society, while also taking action to prevent any constitutional change without Quebec's consent. This is a commitment that all members of this House will soon be making. It will quite something to see the Bloc member oppose a motion seeking to make it possible for Quebec to have a veto right.

[*English*]

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, in 1992 both the Liberal Party and the Reform Party fought for national referendums on constitutional change. The current Prime Minister was successful in having the Liberal Party pass a resolution that stated: ''The Liberal Party of Canada stands for the principle that the Constitution belongs first to the people and that the people must have a say in how the Constitution is changed''.

Why then has the Prime Minister, instead of giving the people of Canada a say through a national referendum, decided the legislative assemblies, the direct notice of government and provincial governments can have a veto over federal constitutional change?

• (1435)

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we are not at the stage of changing the Constitution. We are saying we are changing the way we, the federal government, will use our veto powers.

The House of Commons has a veto power. We say which way we will use it. The Constitution remains the same. The amending formula is the same and there is no proposition at this time to change the Constitution.

If the Government of Quebec were to say it is willing to change the Constitution to have a distinct society, as it is written in the Constitution at this time, we must have the consent of seven provinces, representing 50 per cent of the population.

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, the question was not answered. Why has the federal government not given the people of Canada a say in these kinds of changes through a national referendum on its own ratification?

I point out to the Prime Minister that we asked him this question about his Verdun speech on November 1. The Prime Minister said to the leader of the Reform Party: ''The hon. leader of the third party should take time to read my speech. I said it would be a veto for the people of Quebec''.

Since the people of Quebec voted against separation, why has the Prime Minister turned around and instead of giving the people a veto, given a veto to the future premier of Quebec, the separatist Leader of the Opposition?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, for the Reform Party there is a reality. Is the Government of Quebec a legitimate government? Like the government of any other province it as been elected and I have to respect that reality.

I would rather have another government, which would be possible the day the Reform Party supports this party rather than supporting the Bloc Quebecois in the House all the time.

[*Translation*]

Mrs. Pierrette Venne (Saint–Hubert, BQ): Mr. Speaker, immediately following the Prime Minister of Canada's announcement, the provinces of Canada voiced reservations on both the so–called right of veto and the scope of resolution on the distinct character of Quebec. It was obvious that the premiers of English Canada had not been forewarned of this initiative by the federal government.

How can the Prime Minister have the gall to present his initiatives of yesterday as the end result of his referendum promises when, immediately following his announcement, a number of provinces in English Canada, including British Columbia and Alberta, voiced serious reservations about the federal plan?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the fact that they have reservations does not mean I spoke to them. I am simply saying that I made commitments in my capacity as Prime Minister during the referendum campaign, saying that I would deliver the goods. I have said that, in the past, I and my party have recognized Quebec as a distinct society and that we would recognize it as such in the future. That is what we shall do in the very near future.

We are taking steps, and that is the commitment I have made, not to change the Canadian Constitution without the consent of Quebec. There will be legislation on this, in Parliament. I am most anxious to see how the critic will vote, whether she will vote against the decision of this Parliament not to change the Constitution without the consent of Quebec.

Mrs. Pierrette Venne (Saint–Hubert, BQ): Mr. Speaker, are we to understand that the Prime Minister, as he did in 1980 following the referendum, is in the process of acting unilaterally, attempting to present not only Quebec but the other provinces as well with a done deal?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I am working within the federal jurisdiction. I am the Prime Minister of Canada. I invite the members of this Parliament to make a decision on the distinct society and on the right of veto for the four regions of Canada, within the capacities of this Parliament. There is nothing mysterious in that.

We, the members, are the ones who will all have to make up our minds a few days from now. When everyone has voted, then it will be a done deal, yes. The members of this Parliament, the large majority, thanks to the Liberal Party of which I am the leader, will have voted in favour of a distinct society and to ensure that the veto will be shared with the four regions of Canada.

[*English*]

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, the Prime Minister is creating a cloud of confusion on the issue of a constitutional veto. Could he clarify for the benefit of his own members, as well as ours, exactly what he means when he talks about giving a veto to Quebec? Is he talking about giving a veto to the Government of Quebec or is he talking about giving a veto to the people of Quebec through a constitutional referendum? Will he make it crystal clear what he means?

• (1440)

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I mean that the people of Quebec have a parliament and an assembly where they have people elected. They will vote, just like the people of Alberta will vote, through the members of their legislature.

We say it is a desire of the House that we not proceed without the approval of the four regions of Canada, as the hon. member is asking in his program to recognize the four regions of Canada. Quebec will vote on that. There might be a referendum, there might not be a referendum, but under the Constitution when we amend the Constitution it is always by a resolution of a legislative assembly and the Parliament of Canada.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, let us get this straight. When the Prime Minister talks about giving a veto to Quebec he has just said that what he means is giving a veto to the Government of Quebec. Will he confirm that in other words he is proposing to give the separatist government of Quebec a constitutional veto over the Constitution of Canada?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I have never seen so little respect for democracy in my life.

We are giving a veto. The veto is ours. We say we will not impose on the people of Quebec or the people of Canada an amendment to the Constitution that does not have the consensus of Quebec, Ontario, the west and the east. This Parliament will decide and we will establish the conditions.

However, we have this notion that suddenly a great friend of the leader of the third party is the leader of the Bloc Quebecois. They used to have breakfast together; now we see them in the same bed. Now to see him disappear is a bit disappointing. The reality is there is a legitimate government in Quebec and it exists according to the Constitution of Canada.

[*Translation*]

Mr. Gilles Duceppe (Laurier—Sainte–Marie, BQ): Mr. Speaker, through his initiative announced yesterday, the Prime Minister is offering Quebec a mere resolution of this House, in which the recognition of Quebec as a distinct society is simply a symbolic recognition of an actual situation. They are telling Quebec that it is distinct but, in fact, this changes nothing in terms of power.

Will the Prime Minister admit that his proposed distinct society resolution will give Quebec no special status or additional powers?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the recognition of Quebec as a distinct society should eventually be enshrined in the Canadian Constitution, and the courts will interpret it as they see fit. We in the government cannot make decisions that are up to the courts. For the moment we have instructed the Canadian Parliament, the executive branch of Canada's government, to take this reality into account. This is indeed a reality that we hope this Parliament will recognize, and we will soon vote on it.

If the Bloc Quebecois and the Parti Quebecois want this to be recognized in the Constitution, we will start talking. We have already spoken with the provinces and, as I said yesterday, I am sure that, if the Bloc Quebecois and the Parti Quebecois want recognition as a distinct society to be enshrined in the Constitution, the provinces will be happy to oblige, because, like me, they want Quebec to remain a part of Canada.

Mr. Gilles Duceppe (Laurier—Sainte–Marie, BQ): Mr. Speaker, this, however, is different from the Meech Lake accord, which required the courts to interpret the Constitution in light of Quebec's distinctiveness. We are nowhere near there. We are still dealing with the deflated Meech Lake balloon as seen by the Prime Minister in 1990, when he killed the proposed reform. And he knows it.

• (1445)

Does the Prime Minister share the opinion of his minister—

Some hon. members: Oh, oh.

Mr. Duceppe: Mr. Speaker, could the Deputy Prime Minister stop shouting?

Some hon. members: Oh, oh.

Mr. Duceppe: Again—

The Speaker: I would ask the hon. member to put his question.

Mr. Duceppe: I was getting to it, Mr. Speaker.

Does the Prime Minister share the opinion of his Minister of Intergovernmental Affairs and chairman of his phoney committee to save Canada, to the effect that the proposed recognition as a distinct society does not in itself involve new powers for Quebec?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, what has always surprised me is that all PQ members in the National Assembly voted against Meech. Every last one of them.

It happened when the Leader of the Opposition decided to turn his back on his friend, the then Prime Minister, to oppose the Meech Lake agreement. I myself was not even a member of this House at the time, so I do not know why I am being blamed for so many things. Of course, it is easy to make accusations. The hon. member should ask Mr. Parizeau and the other PQ members then sitting in the National Assembly why they voted against Meech.

Today, I want to correct this whole situation and give Bloc members an opportunity to vote for the recognition of Quebec as a distinct society. We will see in a few days what they will do.

[*English*]

TAXATION

Mrs. Jane Stewart (Brant, Lib.): Mr. Speaker, my question is for the Minister of National Revenue.

Last weekend I met with constituents in my riding of Brant to begin our prebudget consultations. Among many topics of interest my electors registered their continuing concern about the underground economy and its impact on our ability to manage the deficit.

What has the minister done to date to control the leakage of millions of dollars in revenue into the underground economy?

Hon. David Anderson (Minister of National Revenue, Lib.): Mr. Speaker, I thank the hon. member for her question and also for the consistent support she has given to making the tax system more efficient and fair over the last two years.

In fact, it is two years ago this week that I announced a series of major initiatives to attack the underground economy. They are specifically: more co–operation with the provinces, including agreements on exchange of information; more co–operation with industry associations, again with respect to information and also assistance in our efforts; more service for ordinary Canadian taxpayers; more publicity for people who unfortunately break the law. I am happy to say these have resulted in substantial improvements on the revenue side. Over those two years these specific measures have totalled $1.1 billion of revenue that would otherwise not have been collected.

* * *

QUEBEC

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, when Canadians buried the Charlottetown accord six feet under, I thought I had seen the last of the elitist backroom boys, but I was wrong. The Liberals have even one upped the Tories.

The sum total of this Prime Minister's consultation process was this: an interim report from the national unity dream team; a couple of heart to hearts with the dynamic duo of Pelletier and Goldenberg; a few quick phone calls to the premiers; and a last minute briefing of his very own caucus.

My question is for the Prime Minister. Why were the Canadian people, the people and not the governments, left out of the process again? Will the people have a direct say on his government's Quebec package?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the people of Canada were very happy that we participated in the referendum and helped to win it. At that time we were being attacked daily by the Reform Party rather than receiving its help.

● (1450)

The people of Canada want us to get back to job creation and growth. The people of Canada want the Prime Minister of Canada who speaks for all Canadians to deliver on the goods he promised in Montreal the week before the referendum.

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, the people of Canada will be begging the question, why in the world did he bring this up yesterday afternoon? Why do we not get on with job creation? Let us do it.

The Prime Minister's style is often likened to that of Louis St. Laurent but I think Louis XIV maybe is more like it. The Prime Minister did not consult with Canadians. He did not consult with the premiers. He did not even properly consult with his own caucus who are watching this show today before announcing the Quebec package. They know it and we know it. They have been talking to us. What is worse is that the government does not trust the Canadian people to give them the final word on these measures.

Will the government commit today to a free vote in the House of Commons on its proposals? Will it then give the Canadian people a direct and final say on the Quebec package?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we made this proposition because we made a commitment on behalf of all Canadians one week before the referendum to do something. This is extremely important after what the Canadian people said at that time. Thousands of Canadians came from across the land to say to the people of Quebec that they want Quebec to remain in Confederation. They want to keep this country together.

The people of Canada want the Prime Minister to deliver the goods. He will do that and quickly.

* * *

[*Translation*]

MANPOWER TRAINING

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, my question also is for the Prime Minister. The very day that the Prime Minister claims to recognize Quebec's distinct society status, he refuses to follow up on the Quebec consensus to the effect that the federal government must transfer to the province the powers and resources related to manpower training. There is quite a contradiction between these meaningless statements and the facts.

Will the Prime Minister admit that his proposal to give the money allocated for training directly to the unemployed and bypass the Quebec government and its manpower development commission, which includes officials representing management, the unions, the government and various other institutions, prevents Quebec from implementing a true manpower and employment policy, as requested by everyone?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, the hon. member could not have been listening very well to the words of the Prime Minister.

He said that we would be transferring responsibility of many of the training programs. They show the reflection of the very extensive discussions we have had across Canada which I wish the Reform Party would acknowledge and receive. At the same time, we would want to do that in full consenting agreement with the provinces. We want to work with the provinces because we share one fundamental objective which is to help people get back to work and be employed.

I hope that when the hon. member's leader becomes the next leader in the Government of Quebec he is prepared to live up to his commitment which is to get away from any of these other discussions and focus on the question of jobs. If he is prepared to focus on jobs so are we and we think we can work together.

[*Translation*]

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, given that the government says it will keep the money, that it will, in fact, not transfer any responsibility, and that it will continue to control the content, standards and results, how can it call its initiative a decentralization? There is a contradiction here between the statements and the facts.

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, the member is so full of misinformation and contradiction. It really is quite remarkable and amazing how one person can be so wrong so many times.

The reality is that we said we want to find additional resources to help people get back to work. The whole point of putting this in the context of a major fundamental restructuring of the entire employment insurance program is to find the resources to help people get to work and to work with the provinces, communities and businesses to make that happen.

● (1455)

The problem is that the hon. member is not interested in getting people back to work. She is simply interested in dealing with a bunch of abstract constitutional issues. More important, she simply wants separation. She does not want employment for people in Quebec.

THE CONSTITUTION

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, I insist upon an answer to the questions I asked earlier in question period.

The Prime Minister knows that the provinces of Canada already have a say in constitutional change through the amending formula. The people of Canada do not have a say. The Prime Minister has promised repeatedly over the past three years to give the people a say through referenda on constitutional change. Why is he backing down on his promise to have national referenda on constitutional change?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, it is not very complicated. A vote will be held in the House of Commons as quickly as possible. We will then return to our work on jobs and growth. It will be easy. We will vote and then we will return to the real problems of Canada.

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, if the Prime Minister wanted to have a real agenda on jobs and growth he should have presented one instead of presenting the bill on constitutional change.

The people of Quebec voted against separation. The Government of Quebec is ignoring those results and continuing to pursue separation. Why is the Prime Minister in bed with the separatists promising them a veto on constitutional change instead of the people of Quebec?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I do not want Canadians to suffer further discussions, committee hearings, commissions and referenda on every little comma in the Constitution. They do not want to hear about it.

I understand that the Reform Party is confused. Reformers want to talk about it because their own agenda for the politics of Canada has gone down the tube. Let them boil in their own juices.

The vote on the Constitution will be held very soon. After that we will be addressing other very important problems. On Friday we will table a very important reform with respect to jobs and growth. I hope that the Reform Party, rather than asking questions, will vote for it so that Canadians can benefit from the program in the near future.

* * *

FISHERIES

Mr. Derek Wells (South Shore, Lib.): Mr. Speaker, my question is for the Minister of Fisheries and Oceans.

Today the hon. member for Skeena stars in an advertisement on the government's proposed fishing licence fees. How does the minister respond to allegations that licence fees are being applied in a racist manner and that the Canada Oceans Act proposes the use of politically appointed boards to manage the fishery?

Hon. Brian Tobin (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, it is true. Half–page ads at $7,700 per ad have been taken out to support the Reform Party policy on the fishery, pondering up visions of the federal government being engaged in a ''racist based fishery''.

I have in my hand a copy of a letter written to the hon. member for Skeena and to the leader of the Reform Party by Michael Belliveau, the executive secretary of the Maritime Fishermen's Union. It states:

> Dear Sir,
>
> Who gave you the 'god–given right' to poison attitudes towards First Nations peoples? Your press release, 'Tobin tax blatantly racist', is a disgrace and Orwellian to boot—
>
> Do not send us any more such contorted garbage''.

* * *

THE CONSTITUTION

Mr. Nelson Riis (Kamloops, NDP): Mr. Speaker, my question is directed to the Right Hon. Prime Minister.

The Prime Minister and everyone else will know that the western part of Canada is made up of two very distinct regions: the prairies of western Canada and the province of British Columbia, which is the third largest province in Canada. It is a province with a distinct history, a distinct geography and a distinct economy.

• (1500)

In determining the regional veto powers, why did the Prime Minister ignore the people of British Columbia?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we are giving people of British Columbia more power than they have now. Because they represent 47 per cent of the population of the west, we are giving them a lot of power when we talk about the number of people.

If the NDP government of British Columbia were not blocking people coming into British Columbia who want to move there because some might be on welfare, which is against the law of mobility in Canada, very soon B.C. would have more than 50 per cent of the population in the west. Then it would have its own veto.

* * *

PRESENCE IN GALLERY

The Speaker: I draw the attention of members to the presence in the gallery of His Excellency Jacek Buchacz, Minister of Foreign Economic Relations of the Republic of Poland.

Some hon. members: Hear, hear.

GOVERNMENT ORDERS

[*English*]

BRITISH COLUMBIA TREATY COMMISSION ACT

The House resumed consideration of Bill C–107, an act respecting the establishment of the British Columbia Treaty Commission, as reported (without amendment) from the committee.

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, I was speaking about the aspects of the rights of non–aboriginal peoples living in areas adjacent to areas where land claims are currently under negotiation.

• (1505)

There are some very grave concerns in my riding of Esquimalt—Juan de Fuca and other western communities about what happens when a municipality in the future puts forth a 10 or 15–year plan for the surrounding area and another group working independently within its midst is able to completely change the entire demographic of that area? This is but an example taking place all across the country. Nowhere among these treaty rights is it stated what the rights of non–aboriginal peoples are in areas adjacent to the treaty areas.

Furthermore, a lot of these negotiations are taking place behind closed doors and away from the eyes of the people who will be affected by the decisions made by both the provincial and federal levels of government.

It is grossly iniquitous that these decisions and negotiations take place behind closed doors, in private and in camera. They must be made full knowledge to the public. It is the aboriginals and non–aboriginals who will be affected by these treaty negotiations. Therefore that has to be built into these negotiations but it is not.

More than 50 per cent of aboriginal people live off reserve. How do these treaty negotiations affect those individuals living off reserve? Many aboriginal peoples living in urban areas suffer tragic levels of substance abuse, violence and sexual abuse. It is tragic to see the lives these individuals endure.

I ask those here in the House how these negotiations actually affect the lives of these people? How does it improve their lives to be able to dig themselves out of the sad situations they have found themselves in? How does this give them the ability to stand on their own two feet and take care of themselves? I have never heard an explanation to this question regardless of whom I asked who was involved in the treaty negotiations.

It is fundamental for any person, aboriginal or non–aboriginal, to take care of themselves that they have the skills to do this. One of the roles of government can be to provide these skills and opportunities to enable people to take care of themselves.

I wonder if these land claims will actually do that. I cannot see that happening. For many of the people the earning power they would require to earn money and fulfill the lifestyle they require simply cannot be done on many of the areas being claimed today.

We support good skills training for aboriginals and non–aboriginals alike. We support good social programs where accountability has been built into the system. We support social programs that address good counselling for the people who are suffering. We support the elimination of the Indian Act, a paternalistic and racist act.

Above all, if there is one principle that should override everything, it is equality for all people. If we do not have equality for all of us how can we have equality for any of us? It is fundamental that we approach these negotiations with that fundamental principle in mind. It is something that Canada and Canadians have stood for through their entire history and something that Canadians have died for to give us that right today. I hope we do not abrogate that responsibility to our past by engaging in activities that make sure some people are more equal than others.

We support the hereditary activity of aboriginal peoples: the hunting, fishing and trapping under the treaty negotiations taking place. It is a fundamental right of the aboriginal peoples. However, we do not support utilizing those hereditary rights to be manipulated in such a way that would enable resources to be destroyed.

We support self–government for aboriginal people but at a municipal level. At a municipal level it gives them, as it gives all of us, the ability and right to determine destinies as individuals and as groups.

• (1510)

We cannot have completely autonomous states. That would result in the balkanization of Canada. The worst case scenario is that we have hundreds of small, autonomous non–functional states. That is the ultimate possibility that exists in these treaty negotiations. It is important that we recognize this idea is fallacious and cannot occur.

Everyone in the House wants to ensure the tragic situation that many aboriginal people find themselves in is changed now. They cry for help. It is a cry of desperation that must be answered.

It does not work to treat individuals in a paternalistic fashion. They must be treated in the same fashion as we would treat anybody else, as equals. We must provide these people with the skills and ability to stand on their own two feet. By doing this they would develop pride within themselves, pride in their communities and pride between people.

If we can do this we would go a long way toward developing a more peaceful, tolerant society between aboriginals and non–aboriginals. Sadly the course that has been taken, rather than bringing people together is causing deep divisions and rifts between aboriginals and non–aboriginals. This is sad because

there is much that can be learned from all of our cultures. The aboriginal culture is a beautiful culture and we need to learn much from it.

It is time we moved ahead toward a new era of respect for others, respect for ourselves and equal treatment for all.

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, it is a privilege to rise on behalf of the constituents of Okanagan—Similkameen—Merritt to oppose Bill C–107, an act to establish the British Columbia Treaty Commission.

Bill C–107 is a fine piece of legislative engineering in theory. The *i*'s are dotted and the *t*'s are crossed. It has been translated in both official languages. It has been printed and distributed in incomprehensible legalese. However there are three important issues that call this legislation into question. First, 23 per cent of the Indian nations are not involved which constitutes 31,682 individuals.

Second, the public at large, which constitutes the majority of British Columbians, 3 million people, is left out of the negotiations. There is no room for their input into the process nor are there provisions for a grassroots referendum of all British Columbians to ratify any negotiations. These two issues must be addressed. They are vital to the continued well–being of the people and the economy of Okanagan—Similkameen—Merritt.

Third, no substantive amendments can be made to help correct the above mentioned deficiencies in this legislation.

Let us look at each one of these points. Twenty–three per cent of the B.C. Indian nations are not in the B.C. Treaty Commission process. These include the Okanagan Tribal Council, consisting of Indian bands from Osoyoos, Penticton, Upper and Lower Similkameen and Okanagan, and the Upper and Lower Nicola Indian bands and the Nicola Valley Tribal Council.

In other words, the Indians in my riding do not recognize the B.C. Treaty Commission as facilitators of land claims. The Indians within the Okanagan—Similkameen—Merritt riding have been actively stepping outside the law to attempt to claim jurisdiction over land.

Currently they are threatening violence over the Green Mountain Road. They have been digging trenches along the road and are wearing camouflage fatigues in true Oka and Gustafsen Lake style. This form of confrontation is not new to the Indians in my riding. Over the past couple of years numerous incidents such as the Apex ski resort blockade have shown that formal civil negotiations outlined as the duties of the B.C. Treaty Commission are redundant and irrelevant to the Indians in my riding.

Currently they are in court fighting the B.C. government over ownership of Green Mountain Road. They say they will enforce a blockade of the road, win or lose. They claim they are willing to fight and die for this road. The rest of my constituents feel the same way the Indians do. In a survey conducted over the summer, 72 per cent of those responding were opposed to the continuation of the B.C. treaty process.

• (1515)

This fall I approached the Minister of Indian Affairs and Northern Development a number of times to encourage him to come to Penticton to help resolve this situation. On October 23 I wrote the minister on humanitarian grounds to tell him that a dispute between the B.C. government and the Penticton Indians was escalating. A roadblock was being threatened. In the letter I asked him to go to Penticton on October 28, not as a negotiator, not as a mediator, but as a sign of good faith to the people of Okanagan—Similkameen—Merritt to try to get these people back to the negotiating table.

I did not receive a letter or a response from the minister of Indian affairs until today, November 28. He said that it would be inappropriate for him to become involved, despite the effect this dispute is having on the communities in my riding. He said he will leave it to the province to negotiate with the Penticton Indian bands.

This is pure nonsense. This is pure balderdash. The abdication of the constitutional responsibility by this government, which is responsible for Indians and land reserved to Indians, is totally unacceptable.

To make matters worse, today I also find out that the minister of Indian affairs this past weekend was in Kamloops, a three–hour drive from Penticton. The minister did not even have the courtesy to talk to the mayor of Penticton, to the Penticton Indian band or to any of the provincial people in the area. This again is totally unacceptable.

I have a letter from the minister to the mayor of Penticton dated August 21, 1995. In the letter he makes it clear that this road is still federal property not the property of the province or the Indian band. So why will the minister not get involved? The minister of Indian affairs is running out of excuses and he always has them.

When there is a roadblock up, he says he will not come to Penticton when there is a roadblock up. When the roadblock is down, he says he will not come to Penticton when there is nothing to talk about because there are no roadblocks. When there is a court case going on, the minister of Indian affairs says he will not come to Penticton because there is a court case going on. However when there is no court case on the table, the minister still refuses to come to Penticton and talk to the people and get the negotiation back on the tracks.

The only thing I have not heard from this minister is that he cannot come to Penticton because he has to go to the parliamentary dining room for a sandwich. I do expect I will get that excuse as well.

The third problem with Bill C–107 is that the Reform Party would like to make a number of amendments on behalf of their constituents. I can bring to the table two deficiencies which I have previously spoken about. One example that comes to mind would be an amendment to make the Union of British Columbia Municipalities a fourth negotiating power alongside the federal government, the B.C. government and the B.C. summit. This would provide a forum for the interests and concerns of millions of British Columbians excluded from the current process.

With such a large proportion of B.C. territory up for grabs, the interests and concerns of the grassroots British Columbians must be heard and must be addressed.

Making an amendment of this nature is impossible. Bill C–107 is based on a 1992 agreement between the federal government, the B.C. government and the B.C. Indians. This agreement is absolutely cast in stone and it contains absolutely no amending formula. All legislation that enacts the provisions of the agreement is therefore closed to amendments as well. No amendments are possible to the bill.

What has happened to our parliamentary democracy? As member of Parliament for Okanagan—Similkameen—Merritt, one of my primary responsibilities is to review, debate and if necessary amend legislation based on the wishes of my constituents. Our whole parliamentary process is set around these very important functions.

Bills go through three separate readings, a committee hearing and a final report stage in the House of Commons to ensure that all members of the House and members of the public have had time to analyse legislation for faults.

● (1520)

There are a number of opportunities for members of Parliament to bring forth amendments based on the concerns of constituents and the Canadian public. The process is then repeated in the Senate. This process is not perfect. Governments can refuse amendments. This Liberal government is particularly noteworthy in this regard. Governments can also rush legislation through the House without adequate debate. In this regard, the Liberal government's track record is appalling and a disgrace to the parliamentary legacy of our forefathers.

Despite the lack of respect the Liberals have for our parliamentary democracy, this system can be made to work. However, with Bill C–107 there is no opportunity for members of the House to offer amendments to this piece of legislation. I must ask why we are even bothering to debate this legislation. The concerns I have for this bill are falling on deaf ears. It is shocking that the Liberals have the gall to even present this bill in the House. It might as well have gone straight over to the governor general for his approval.

Bill C–107 usurps the power of Parliament in a most undemocratic manner. Parliament has become just a rubber stamp for the whims of this Liberal government. The elected members of the House are powerless to do their jobs. Every piece of legislation must be open to amendment by elected representatives. This is the very essence of our democracy. The alternative is a Liberal dictatorship.

It is time for this government to restore some honour to the House by removing this bill from the Order Paper. The three treaty signators must go back to the negotiating table to make a new agreement which will allow the interests of all British Columbians to be heard.

The people of Okanagan—Similkameen—Merritt have instructed me to oppose Bill C–107.

The Speaker: Is the House ready for the question?

Some hon. members: Question.

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

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

The Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Speaker: In my opinion the yeas have it.

And more than five members having risen:

The Speaker: Call in the members.

And the bells having rung:

The Speaker: The vote will be deferred until the end of Government Orders today.

* * *

WITNESS PROTECTION PROGRAM ACT

The House proceeded to the consideration of Bill C–78, an act to provide for the establishment and operation of a program to enable certain persons to receive protection in relation to certain inquiries, investigations or prosecutions, as reported (with amendments) from the committee.

SPEAKER'S RULING

The Speaker: There are two motions in amendment standing on the Notice Paper for the report stage of Bill C–78. Motion No. 1 will be debated and voted on. Motion No. 2 will be debated and voted on.

MOTIONS IN AMENDMENT

Mr. Art Hanger (Calgary Northeast, Ref.) moved:

Motion No. 1

That Bill C–78, in Clause 5, be amended

(*a*) by replacing line 32, on page 2, with the following:

''5.(1) Subject to this Act, the Commissioner''; and

(*b*) by adding after line 36, on page 2, the following:

''(2) Any decision made by the Commissioner, or by a member of the Force on behalf of the Commissioner, under section 5, 9, 11 or 14 of this Act may be reviewed by the Minister on application by a law enforcement agency.''

● (1525)

He said: Mr. Speaker, I am pleased to stand before the House today to address pressing issues on criminal justice, specifically Bill C–78, the Witness Protection Program Act.

There is an urgent need for legislation of this nature. I can relate to that on a personal level. For the past 22 years I have been a police officer in the city of Calgary, serving my constituents as well as the city in general. A good portion of that time has been devoted to the investigation of major crime. I have gained practical insight about how valuable witnesses are in the conduct of an investigation.

There is no doubt in my mind that certain witnesses need to be protected from potential harm, particularly when their testimony relates to organized criminal activity such as drugs and alcohol, tobacco smuggling operations and trafficking or other conspiracies to commit violent capital crimes.

The decision for one criminal to turn in other criminals can be a difficult one, not only for police departments that have to handle this individual but also for the criminal himself. If justice is to be served we must take strong measures to protect from any potential harm those witnesses who step forward. They may come from one of two categories: they may be active criminals themselves or they may have inadvertently been caught in some criminal act in some fashion, unknowingly.

Simply put, without the testimony of those individuals who come forward to present their knowledge or experience of a criminal activity or conspiracy to a police officer and eventually to a court there would be no investigation, no charges and ultimately no convictions.

Violent and organized crime is on the rise in Canada. I do not think this government understands that. No longer can politicians live in denial of this reality. Wherever there is a dollar to be made illegally, the criminal element will organize to beat the law.

A prime example of this organized criminal activity is motorcycle gang violence and the resulting turf war spilling out into the streets. We see that in Toronto and in Montreal. There is little to do on the part of this government right now to change a lot of that.

It is no secret in law enforcement circles that the Hell's Angels are in an all out war with the Outlaws motorcycle gang over control of the lucrative drug trade, prostitution and a mass of contraband smuggling and distribution business. The recent spate of bombings and killings in Montreal and Toronto continues as kingpins make money and people die. The carnage must stop if law and order is to be restored on Canadian streets.

It is extremely unsettling that this government would not acknowledge the new reality of organized criminal activity in our country. Furthermore, this do–nothing government has jeopardized the security of law–abiding citizens by burying its head in the sand and hoping that crime will disappear.

Consider that the budget for this witness protection program in Canada will accommodate approximately 80 to 100 individuals in any given year. That is very small. The budget established by the Solicitor General of Canada, a mere $3.4 million, is fundamentally inadequate given the resources required to penetrate the culture of organized crime and to properly identify and recruit criminals willing to inform on their own kind.

● (1530)

The RCMP would intensify its efforts in this regard if more resources were available. My chief concern is not only the witness protection funding deficiencies but also the lack of vision on the part of the Solicitor General. Instead of funding special interest lobbies who advocate criminal rights, the solicitor general might instruct his fat cat colleagues to consider the safety of the public for a change.

Perhaps if the minister were to rescind his gold plated pension and convince others in the government to do the same, the government could then find the funds to give the RCMP the tools it needs to get the job done. However those pensions are near and dear to the hearts of the government side.

Bill C–78 certainly is a step toward strengthening the RCMP witness protection program as it exists presently. However, there were some problems with the legislation before this bill came into being which have given rise to the amendments we are proposing here today. The first is the absolute authority of the RCMP commissioner in the decision making process in the following areas: to determine whether a witness should be admitted into the program; to terminate the protection of the witness if in the opinion of the commissioner it is warranted; to disclose the identity and the location of the witness or the protectee; and to make arrangements with other law enforce-

ment agencies, attorneys general of the provinces or other provincial agencies.

With respect to the agreements that are struck between the parties involved in the witness protection program, I wish to point out that as it stands with this bill there is no resolution mechanism or appeal procedure for agencies, agents and protectees to air their concerns beyond the commissioner. It is a crucial that a resolution mechanism become part of this bill. I know personally of disagreements arising between law enforcement agencies and the RCMP which ended abruptly upon the decision of the commissioner. Take for example the concerns expressed by two witnesses who came before the standing committee on justice, one of whom was a serving police officer representing dozens of police agencies and officers across the country.

As it stands, the individual witness under protection is restricted in taking up matters of concern regarding the conditions of protection to the public complaints commission but not to the solicitor general's office. I submit that this process is totally inadequate.

Most police departments have an informant control officer who regulates the handling of an informant for the appropriate department. This type of arrangement allows a process of appeal in the event of an unsatisfactory decision on the part of the commissioner and would be available to agreements between individual police agencies and the RCMP via the informant control officer. I submit that this provision would make the program much more effective thus enabling agencies greater flexibility in their investigation of organized crime.

I have had an opportunity to visit various parts of this country and specifically this province. Organized crime has a firm grip in certain areas and the police agencies can do little or nothing about it. One such area several Reform MPs visited was the area of Cornwall and the reserve of Akwesasne where there is organized smuggling and it is being distributed across this country.

A lot of people do not understand the effects of drug smuggling as it applies to their own lives and their own communities. Drugs that come through areas such as the Akwesasne reserve at Cornwall and are distributed across the country do make it onto the streets of our communities and into our schools.

I would strongly urge members to support this particular bill which brings forth more accountability to deal with crime of that nature.

That is not the only area in the country that is subject to the will of the organized criminal. Until we get some real firm legislation and a strong commitment on the part of the Solicitor General to increase the funding in this particular area to combat the organized syndicate, we will not gain any headway and the streets of our country will not be any safer.

• (1535)

[*Translation*]

Mrs. Pierrette Venne (Saint–Hubert, BQ): Mr. Speaker, I heard my colleague talking about his motion and I cannot help comparing it to a remake of an old B movie.

What are we debating exactly? A bill and amendment motions which, after all, will not prevent anybody from sleeping soundly tonight. As a matter of fact, Bill C–78 is so boring that I find it surprising that there are still some hon. members around still awake.

The solicitor general has invented nothing. He simply follows the international trend. Other countries have protection programs for witnesses. Programs in place in the United States, in the United Kingdom and in Australia have inspired the solicitor general for his Bill C–78. As usual, Canada is trailing behind other countries. Yet again it has failed to show leadership or innovation.

What is the purpose of Bill C–78? It proposes the establishment of a program operated under the commissioner of the RCMP for the protection of witnesses and informants as well as related or associated persons who might be at risk. The protection may include relocating the person, providing him or her with some accommodation, a new identity, as well as counselling and the necessary financial support for that purpose.

Motion No. 1 moved by the member for Calgary Northeast is by far the best suggestion made by the Reform Party in a long time. Unfortunately it is not new, since it had already been moved by the Bloc Quebecois during clause by clause study of Bill C–78 by the justice committee. It is well disguised but the principle remains the same.

I had proposed to amend the Witness Protection Program Act so as to prevent the Commissioner of the RCMP from being the judge, jury and sole executioner of the program proposed by the solicitor general.

The idea behind our main and related motions was that the solicitor general was to be entirely responsible for the program. This is one of the numerous problems with Bill C–78. This legislation provides that the program will be managed by the Commissioner of the RCMP, the same commissioner who determines the beneficiaries and the amount of protection they will be given.

How are the authorities who operate the program accountable for their actions? The RCMP both manages the program and is responsible for it. The RCMP is accountable unto itself. It is the judge, the jury and the executioner at the same time.

Not only that, the government wanted to give the commissioner judicial privilege. Fortunately, because of our protests in committee, it did not.

I tried to understand, but to no avail; the explanations given by the Office of the Solicitor General were as nebulous as they were convoluted.

As an aside, I wish to point out the deplorable effort made by the Parliamentary Secretary to the Solicitor General of Canada to clarify the question for the justice committee. When he appeared before the committee, the parliamentary secretary did not know how to answer my questions, especially those concerning the problem of codefendents. Unable to answer my questions, the member mumbled a few words before letting his officials do the work for him. The member for Bonaventure—Îles–de–la–Madeleine appeared to be out of his depth.

The problem with an indictment dealing with two or more defendents is that the Witness Protection Program can be used as a negotiation tool.

Let us take the case of two accomplices charged with the same murder. If we assume that proof beyond doubt is readily adduced, but lacks a key element to bring about a guilty verdict, the testimony of one of the accomplices could prove crucial to the proceedings. The crown cannot afford to weaken the credibility of the judicial system if neither of the defendents can be compelled to testify against the other one.

The crown's alternative is to offer one of the accomplices a reduced sentence or other benefits, in exchange for pleading guilty to a lesser charge.

The other benefits which can be offered, in addition to a reduced sentence, may vary from one judicial district to another.

• (1540)

They generally deal with the length of the sentence and the conditions of confinement. In return, the first accomplice will testify against the second one, and instead of two acquittals, the crown will gloat it got two guilty verdicts. But there is a catch. With Bill C–78, the crown will have another present to offer criminals in return for their co–operation.

Both individuals in my previous example are, I believe, equally morally reprehensible. By offering the protection program to one of them, but not to both, our judicial system will once again apply double standards. A murderer could be protected by the program while the accomplice he helped convict will languish in prison. The public will not soon forget the Karla Homolka case.

To get back to the motion of the member for Calgary Northeast, I remind the House that it is based, more or less, on principles presented in committee by the Bloc Quebecois. I submitted several amendments myself, several of them specifying that the solicitor himself should be responsible for the witness protection program and not the commissioner of the RCMP.

The Reform Party did not support any of these amendments and today, they have the gall to make believe it is their idea. Since imitation is a form of flattery, I thank my colleagues of the third party. In spite of the Reform Party's opportunism, especially that of the member for Calgary Northeast, I will vote for motion No. 1.

Mr. Patrick Gagnon (Parliamentary Secretary to Solicitor General of Canada, Lib.): Mr. Speaker, I want to remind the member for Saint–Hubert that the bill as tabled by the solicitor general stresses the importance of guaranteeing sources and witnesses the best possible protection.

Among the changes that should strengthen the program, we find a clear definition of the eligibility criteria for witnesses and a more transparent program management structure that would require greater accountability from all those in charge. I want to repeat, to be sure the situation is quite clear, that we will not support the Reform Party motion.

[*English*]

I would like to add that pursuant to the RCMP Act, the solicitor general can provide advice to the commissioner of the RCMP concerning matters of policy. The commissioner or his delegate is in the best position to make these decisions concerning the day to day running of the witness protection program.

Since 1984 the RCMP have provided protection to witnesses to such a high professional level that there has never been an individual killed or seriously injured while under their protection.

As a result of the bill, this highly effective program will operate in a much more open and transparent manner, as I have just indicated to the hon. member for Saint–Hubert, thereby ensuring that all participants are aware of both their rights and their obligations under this program.

In conclusion, we will not be supporting this motion.

The Speaker: The hon. member for Fraser Valley East, or West. You look like the fellow from Fraser Valley East.

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, it is only the beard. Regional disparities: I have no hair and he has some.

Speaking to Bill C–78, the witness protection program, I must say that I support this bill. It is nice to finally get the government to move in a direction where even the victims in this country are getting some support from the government. That is not much to be said for a lot of the other crime bills in this country.

By the way, this bill originally came up in a private member's bill from one of the Liberal backbenchers. I really think that because an individual in the House was pushing it the government decided to move ahead and try to take the glory. I want to

give some appreciation to that Liberal member who initially brought up the private member's bill that was dropped.

• (1545)

Currently we are looking at several amendments, which I will get to in a moment. There is no national bill for witness protection. The RCMP and local forces may have their own, but very secretive, with limited access to information as far as what the contents are. Again, victims have little or no knowledge of what these bills are and what rights they have. It is high time they did.

We know little of the programs. In fact when we attempt to get information in this country about witness protection there is very little acknowledgement from the RCMP or any other policing agency of what is available.

One of the Liberal members who usually talks while I am speaking says there is a reason for that, but the fact is if this were clear legislation then victims would have a little more knowledge of what is due to them. It is high time this government got serious about letting victims know what is available to them without disregarding their interests.

In this country we have seen provincial courts criticize the RCMP for their witness protection. We have seen courts in this country order protection for individuals. There was one very large drug seizure case where the individuals had to go to court to get protection. That should not be necessary in this country. It should be made available to them, not through order and mandate in the courts.

In 1993–94 we see that we spent $3.5 million on witness protection. I think that is very light. If we are going to assist in trying to prevent crime, or at least trying to rectify criminal situations and incarcerate people for wrongdoing, we have to put more support on the end of witness protection. This bill does that.

If the government needs money, which it does, it can take some of it from the fines and the other revenues it gets from other policing activities, so it would be possible to finance some of this business. As I understand it, the RCMP welcomes this, which is good.

There are two amendments we are seeking in the bill. With the inclusion of the first amendment there would be one more level of appeal not only for the protectee, who can now appeal his case to the public complaints commissioner, but also for police agencies which for the first time are granted a level of appeal beyond the commissioner or the minister.

As members know, there is an absolute authority granted to the commissioner, as my colleague from Calgary has said, but it bears repeating. This is an important aspect of the bill. It has to be changed.

The commissioner has exclusive authority in the following four areas: to determine whether a witness should be admitted to the program; to terminate the protection of a witness if the commissioner believes it to be warranted; to disclose the identity and location of the witness or protected person; and to make agreements with other law enforcement agencies or attorneys general. With our amendment to clause 5, we allow some further avenues for the individuals in the program.

Certain witnesses need protection. Unfortunately some of the witnesses who need protection in this country are also criminals. However if we are going to get at the root of the problem in this country we have to afford even those individuals some protection if they come forward in particular cases such as cocaine smuggling and so on and so forth. While I dislike protecting criminals, in this particular case I believe it is necessary. I believe it should also apply to smugglers.

• (1550)

Witnesses receive the same protection as the criminal if they come forward. Unfortunately victims know very little of their rights. They know very little of what is afforded them in terms of a bill such as this or in terms of any other legislation under criminal law. Victims should be read their rights. Their rights should be publicized, including rights such as being informed of the details of the crown's intention to offer a plea bargain; being informed of their rights at every stage of a process, including those rights involving compensation from the offender; and being informed of the offender's status throughout the whole criminal justice process.

If we are going to move in the direction of affording victims their rights in these areas, then victims must be afforded the knowledge of what is in a witness protection act.

We know that other countries have witness protection acts, such as Australia and the United States. There are problems with the American act. The advocacy groups that are responsible for witness protection make it very difficult for the crown to have access to a witness. We must be careful when we are legislating laws for individuals who come forward to put their lives on the line. We must guard them but we cannot overprotect them and prevent justice from taking its proper course.

I will be voting for this bill and the two amendments. If the two amendments are not accepted I will still support the legislation. It is necessary to move the government in a direction on behalf of people who are trying to help curb crime in Canada.

ROUTINE PROCEEDINGS

[*English*]

COMMITTEES OF THE HOUSE

FINANCE

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I rise on a point of order. There have been discussions among the parties and I think you will find consent for the following motion.

I move:

[*Translation*]

That the Standing Committee of Finance be empowered to televise its proceedings the week of November 27th, 1995 from the cities of Calgary, Fredericton, Montréal and Vancouver pursuant, to the extent possible, to the principles and practices governing the broadcasting of the House of Commons.

(Motion agreed to.)

GOVERNMENT ORDERS

[*English*]

WITNESS PROTECTION PROGRAM ACT

The House resumed consideration of Bill C–78, an act to provide for the establishment and operation of a program to enable certain persons to receive protection in relation to certain inquiries, investigations or prosecutions, as reported (with amendment) from the committee.

Ms. Mary Clancy (Parliamentary Secretary to Minister of Citizenship and Immigration, Lib.): Mr. Speaker, it gives me great pleasure to take part in the debate this afternoon. I would like to begin by doing something I rarely do, which is to compliment the members of the third party for their support of the legislation.

Mr. Thompson: Do not get carried away.

Mr. Hermanson: We are just being friendly.

Ms. Clancy: I want to particularly commend the hon. member for Fraser Valley East.

I am astounded that they even heckle me when I am saying nice things about them. It is probably because they are in shock.

This legislation has been a necessity for some time. The witness protection plan in the past has basically operated under principles and guidelines laid down in RCMP internal policies. There is no question that this kind of activity is much better and much more in the public interest when it is covered by legislation passed in the House.

• (1555)

It is tragic to think that we are debating this bill today in the aftermath of yet another tragic occurrence in our country. I am speaking of the shooting yesterday in Cartierville, Quebec of the young female police officer who was shot in a community police station. She was the mother of three children and had just returned from maternity leave. The youngest of her three children was only eight months old.

I do not know if there have been more developments today. Last night I watched the news along with our colleague, the member for Saint–Laurent—Cartierville, who is very concerned about this tragedy that has taken place in her riding. There are no known witnesses. This happened in a busy mall, but we all know that things can happen that people may not see or hear.

With a program like this and with the attendant publicity the passage of this bill will create, we can hope people will come forward even if they are frightened, as many people are, to get involved with the criminal justice system.

Our colleagues from the other party have raised some legitimate points which they need to have answered. Even with the legislation replacing a mere policy program, it is extremely important, if this program is to work, that access to the information must be very, very limited.

The hon. member for Fraser Valley West talked about victims and the need for victims to know certain things. I believe the victims can well know about the process, about what the policy is and about what the legislation is, but that could be part of a government information program or it could be part of public education that victims rights groups would get involved with. However, in the actual day to day administration of the program itself, common sense must rule. Only a very small number of people can or should be apprised of who exactly is in the program, where these people are located and all of the attendant facts necessary to make sure the program works.

I take this rare occasion of amity between the government and those on the other side to explain that it is not a question of wanting to deny victims their rights to know. It is much more a question, as is the whole basis of this legislation, that we want to ensure that witnesses come forward and give their testimony in a court of law which will lead to the conviction of those who have committed offences and will add to the deterrent factor. In other words, it is to ensure that this legislation takes its place as part of the underpinning of our system of justice. This is a very sensitive area. It may well be the most sensitive area in the entire federal realm of legislating vis–à–vis the justice system.

Part of the difficulty, as with many of our developments in the criminal law in this place, is that a lot of people in the public at large garner their information about programs such as this from

popular television programs. What happens on popular television programs and what happens within our various police departments, including the RCMP, is not necessarily the same.

• (1600)

Consequently, as the hon. member for Fraser Valley brought up, there is a lot of misinformation out there. People want to know more. It is the duty of members of Parliament and of government without being patronizing and without attempting to block the public's right to know to get out the message that some things being publicized would be counterproductive to the system of justice and to the system of government.

There is no question that secrecy in many cases is the enemy of democracy, but there are exceptions to that rule. In something such as the witness protection program, we all have to agree that a level of confidentiality in the protection of those witnesses who are doing their very best to help in the protection of the public is absolutely essential.

I do not have a very long time to address this matter but I also wanted to speak briefly on the question of cost in this legislation. Again, what we have here is very much of a bargain, particularly within the normal costs of federal government programs. At the moment, the cost of the RCMP source witness protection program is $3.4 million. No additional costs are expected as a result of introducing this legislation. The average cost per case is $30,000 and in actuality 60 per cent of cases cost less than $20,000.

It is difficult to say how many persons may be in the program at any given time because the numbers do change daily. They change with the expiration of protection agreements and the elimination of threats to safety. At any given time there are 80 to 100 people, including family members, in the program.

We all realize how important a program such as this is to our justice system. I want to compliment our colleagues in the third party who are supporting this, or in the words of their whip, any of those who wish to support it. We appreciate that support.

This country's criminal justice system is one that works very well. It is the subject of a lot of brick bats, a lot of criticism from time to time but in general as a law professor of mine used to say, under the universal theory of rough justice, in 80 per cent of the cases things work out.

The witness protection program may give us a betterment of those odds. Certainly all of us on this side of the House, as I know all on the other side, are committed to a criminal justice system which is fair and which protects Canadian society at large. This legislation will be a great help in ensuring that end. I support it very strongly. I congratulate members of the third party for their support as well.

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, I am pleased to address the amendments to Bill C–78. This bill came before the justice committee. As a member of the justice committee I heard witnesses address their concerns about the bill.

One of the concerns I want to address and which this amendment focuses upon is the enormous degree of vulnerability of many of the witnesses who come under the 14 or 15 witness protection programs across Canada. We heard testimony indicating that these witnesses are very vulnerable. For some of them, their lives are in danger. They have received threats yet they want to do the right thing and provide the evidence to ensure that the justice system works and that those who are involved in organized crime and in criminal activities are brought to justice. Some of the testimony we heard from the witnesses raises serious concerns in this area.

• (1605)

I have the brief submitted by Mr. Barry Swadron, a lawyer who acts on behalf of witnesses who have challenged the program because of the violation of what they believe to be the agreement the police forces have made with them. He states: ''By the time protected witnesses get to lawyers, it is often to undo harm that could have been avoided had they consulted lawyers earlier. Police officers often discourage about to be protected witnesses from retaining lawyers with respect to proposed arrangements. A number of protected witnesses have been advised by police authorities that a lawyer will not be able to help them. We have been told that police officers pressure witnesses not to consult a lawyer. Indeed the negative pressure has on occasion been prohibition''. He concludes by stating that this is reprehensible.

The committee heard testimony on this bill indicating that the agreements witnesses enter into in many cases are not upheld. They are not provided with the protection. They are not provided with the benefits they need. This new bill was scrutinized by those witnesses to determine whether or not there were checks and balances to ensure that they had recourse should their handlers not fulfil their end of the agreement.

Mr. Swadron goes on to say in his brief: ''Swadron Associates have received dozens of telephone calls from across Canada and beyond from the types of persons described above''. He is talking about the protectees. ''They are of both sexes, various ages and from many walks of life. A substantial number have become our clients. We advise some. We negotiate on behalf of others. Sometimes we must resort to litigation where police forces are sued in order to obtain the contractual benefits that these protectees have entered into''.

He also states: ''You would be amazed at the hardships faced by these individuals. They experience the worst type of cultural shock. Not only are they forced to forge new beginnings in strange surroundings, but also to erase their much more familiar past. The degree of assistance they receive from police authorities varies significantly. Every aspect of daily living that you and I take for granted has for them been inexorably altered. Even attending to basic needs such as arranging accommodation, obtaining health care, getting a driver's licence, opening a bank account, or placing children in schools becomes insurmountable''.

When we examined this bill we examined it from many perspectives and points of view. I was most concerned about whether or not the bill provided adequate checks and balances for the very sensitive and vulnerable position many of these witnesses find themselves in.

As I said earlier, many have been threatened. They fear for their lives and those of their spouses and children. They are very susceptible to the manipulation of the handler. Unless the handler is very conscious about the duties and responsibilities that they must discharge to the protectee under the agreement, often the conditions of the agreement are violated. Then the protectee is left in an extremely vulnerable position where they either have to seek their own remedies or seek the support of legal counsel if they wish to pursue what they consider to be benefits that have been withheld from them. As Mr. Swadron says, it creates an enormous problem within the witness protection programs.

Mr. Swadron referred to Bill C–78 as a police protection program rather than a witness protection program. He centred on what was at that time clause 19 of the bill. Clause 19 has been withdrawn and was done so by the government. Of course, we on this side of the House support that withdrawal because what clause 19 provided for was the protection of the RCMP. If the RCMP could simply raise the defence of having acted in good faith, then no protectee could sue the government successfully. That was withdrawn because of some of the concerns raised by witnesses, some of the concerns I am raising today and the amendment to which we are speaking addresses to some extent.

● (1610)

Clause 19 was withdrawn so that if there are areas of culpability in terms of discharging the requirements of any agreement, there is no legal barrier that would interfere with the right of the protectee to seek litigation in order to establish what they consider to be benefits from the agreement.

I am very much in favour of the withdrawal of clause 19 which is no longer in the bill. However, I also have great concern about some of the testimony provided. The commissioner alone has absolute power and authority to determine not only what witnesses enter into the program but the conditions of the agreement as well as the right to rule on any concern a protectee might have.

I support this amendment. It would provide the means whereby individuals can address the minister who can then be held accountable by the elected representatives of the House as to how these contracts are administered. I support the amendment and I will be supporting the bill.

I hope all hon. members will consider the testimony we have heard before the committee and the concerns I have raised with regard to the extreme vulnerability of the witnesses. We must ensure there are reasonable checks and balances within the legislation to protect them from abuse.

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

An hon. member: Question.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion the yeas have it.

And more than five members having risen:

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 76 a recorded division on the motion stands deferred.

Mr. Art Hanger (Calgary Northeast, Ref.) moved:

Motion No. 2

That bill C–78, in Clause 16, be amended by adding after line 17, on page 8, the following:

''(3) Every report prepared under subsection (1) shall, after it is laid before each House of Parliament under subsection (2), be referred to the committee of Parliament that normally considers matters relating to justice and legal affairs.

(4) Every report prepared under subsection (1) shall include, without limiting the generality of the foregoing, the following information:

(*a*) the number of agreements entered into and the law enforcement agencies involved;

(*b*) the number of applications made;

(*c*) the average amount spent on each agreement entered into;

(*d*) the number of agreements terminated and the reasons for their termination;

(*e*) the number and types of offences committed by protectees;

(*f*) the total amount of all money from the Consolidated Revenue Fund spent in relation to the operation of this Act;

(*g*) co–operative measures between the Force and other law enforcement agencies with respect to witness protection; and

(*h*) the number of foreign witnesses admitted to Canada and the number of Canadian witnesses relocated outside Canada.''

He said: Mr. Speaker, it never ceases to amaze me how little the government side knows about what is happening in the world of crime. In spite of the fact that we see all these documents, newspaper clippings and initiatives which have been started by the government, it never seems to want to really address the problem.

One of the headings in a newspaper not too long ago was: ''Guns replace cigarette smuggling''. Who does the smuggling? Who smuggles guns, cigarettes, booze and the like? No one but an organized criminal group. They are in it to make money.

• (1615)

As I mentioned before, several Reform MPs, and I know Liberal members went to the same area, went to the Akwesasne reserve and the city of Cornwall. It is interesting to note that the police task force initiated to combat smuggling is afraid to patrol the river in the evening for fear of being shot at by organized criminals who have literally taken over control of the river to move their contraband. That takes place mostly during the evening and the night. They are organized criminals who need special treatment. When we talk about protecting witnesses, witnesses from this area are afraid to come forward for fear of reprisal. They know the police cannot protect them adequately.

This is happening right across the country. Ipperwash is another place. The police are reluctant to properly police the area of Bosanquet and Ipperwash because they may end up having a confrontation with an organized criminal group. We can have all the witness protection programs we want, but if there are not adequate funds to deal with it, it is another matter. We will not be protecting witnesses.

That is happening in the country, not just in Ipperwash and not just in Cornwall. We can look at other areas including metropolitan areas such as Toronto and Vancouver. Organized criminal groups have control in many areas, whether or not we want to admit it. It will take extraordinary means to combat it. Power is given to the police including under the witness protection act as mentioned here. Funds must be available to take care of it, if the government is serious about it. I do not believe the Liberal government is serious about fighting crime at all. It would do something more about it if that were the case.

People are living in fear in their own homes. This is what combating crime the Liberal way has done. They have to bar themselves in their own homes to protect themselves from criminals who have control of the streets. That is not the way to fight crime. When it is in an organized fashion even this legislation falls short because many police departments have their hands tied.

My second amendment deals with the submission of the annual report on the operation of the program as it applies to the preceding year. There are enabling sections in the legislation to have the report placed before Parliament. However we are without any provision for having the report sent before the Standing Committee on Justice and Legal Affairs to be reviewed. It does not mention the content of what the report should include. I believe the report is ridiculous. If there is a budget of $3.4 million as the government has so slated, there should be some content in the report and some subsection to specify precisely how the money is to be spent.

Many times members have stood on both sides of the House and talked about accountability. It is a nice word but it seems as though a regulation has to be in place before somebody actually becomes accountable. Members on that side who were in opposition years before railed time and time against the government of the day on accountability and responsibility. All this amendment is suggesting is that there be more accountability.

Mr. Thompson: There is the problem.

Mr. Hanger: That is right. It is a question of accountability. I agree with my colleague that they do not want to be accountable.

I present an opportunity to members of the House to learn from past mistakes to make sure the bill does not miss its mark. The following information should be included in the annual report.

First is the number of agreements entered into and the law enforcement agencies involved. This is important, given the fact that there have been disputes in the past between law enforcement agencies and the RCMP in this area before the legislation was thought of.

• (1620)

Second is the number of applications made. Is everyone who makes an application accepted or are some turned down? That information should be made available.

Third is the average amount spent on each arrangement. There is a budget of $3.4 million. Approximately 100 protectees were in the program in the past. Will that continue? Will the number rise? When we look at organized crime as it is manifesting itself in the country, it will undoubtedly rise. Where will the extra money come from to protect the individuals who apply?

Fourth is the number of agreements terminated and the reasons for termination. This has been a dispute in other agencies or other police departments. The commissioner has the final say on who comes into the program and who does not. That information should be made available to the committee.

Fifth is the number and types of offences committed.

Sixth is the total amount of money spent from the consolidated revenue fund.

Seventh is the co–operative measures taken between the RCMP and other law enforcement agencies with respect to witness protection. Many joint force operations are taking place in the country. There are so many joint forces that it is impossible for one agency to effectively combat organized criminal activity without joining forces with others. This information should be made available. It is the other law enforcement agencies that often have the objections if the RCMP commissioner is the only one who has the final say on the agreements.

The last point is the number of foreign witnesses admitted to Canada who have become part of the protection program and the number of Canadian witnesses relocated outside Canada.

None of these proposed amendments is unreasonable. Upon review by the hon. members of the House I am confident they will see that the amendments are designed to bring about more accountability in the bill and the decision making process of the commissioner.

Given the rise of organized and violent crime the government should be doing everything in its power to ensure that the citizens of Canada are protected to the fullest. I urge all members to vote not based upon partisan considerations but rather on the best interests of their constituents and in favour of the amendments presented.

[*Translation*]

Mrs. Pierrette Venne (Saint–Hubert, BQ): Mr. Speaker, the second motion of the Reform member stresses other shortcomings of Bill C–78.

First of all, I would like to say that Motion No. 2, standing in the name of the hon. member for Calgary Northeast, is redundant in the first subsection. I will explain. The hon. member would like the annual report required under clause 16 of the bill to be transmitted to the Solicitor General and either tabled in the House or referred to the justice committee. However, according to Standing Order 32(5):

> Reports, returns or other papers laid before the House in accordance with an Act of Parliament shall thereupon be deemed to have been permanently referred to the appropriate standing committee.

This means that once the report of the commissioner has been tabled in the House it is immediately referred to the Standing Committee on Justice. The member of the Reform Party does not have to worry. It is already in the Standing Orders and therefore subsection (3) is superfluous.

Subsection (4) tries to define much more precisely the work of the commissioner. He would have to give a lot of details in the report that he must submit to the Solicitor General every year.

Clause 16 of Bill C–78 requires that the commissioner submit a report on the operation of the program to the minister, who in this case is the Solicitor General. The clause is quite vague as to the content of this report.

• (1625)

All the bill says, and I quote, is: ''a report on the operation of the Program during the preceding fiscal year''.

Things cannot be put more succintly. The bill does not provide any satisfactory answer to many questions that I think are obvious.

What the government has given us is nothing more than Canada–wide legislation that will be administered by the RCMP and to which provincial and local police authorities will have to adapt.

Today, we still do not know how co–ordination between the different police groups will be ensured, because Bill C–78 is silent on this issue. In fact, the silence of this bill is most certainly its main characteristic. What concerns me is not what is in the bill, but what was omitted.

A series of questions remain unanswered. Once the bill has been passed by Parliament, how long will it take to put the program in place? What budget will be allocated to the program? How does this amount compare with the current budget? How many people are expected to benefit from the program each year?

It is all fine and well to want to protect informers, but we should know how much this is going to cost. Indeed, we do not even know which envelope the Solicitor General intends to take the money from.

As we know, the witness protection program will be a kind of contract between the RCMP and the protectee. Let us examine the respective rights and obligations of the parties to this agreement.

The commissioner's obligations come down to almost nothing. As indicated in clause 8 of the bill, he only has:

> —to take such reasonable steps as are necessary to provide the protection referred to in the agreement to the protectee;

That is all. So, I hope that he will take the necessary steps. But what kind of steps are they? Only the commissioner will know because, once again, the bill does not explain what these steps will be. Thus, these ''reasonable'' steps are the only obligations the commissioner will have to fulfill.

As for the protectee, he must first provide the information or evidence required by the inquiry or the prosecution that has made the protection necessary. Second, the protectee must keep his or her hands clean, that is refrain from activities that constitute an offence against an act of Parliament. Shoplifting could be in this category.

Last, he or she must accept and give effect to reasonable requests and directions made by the commissioner in relation to the protection provided to the protectee and the obligations of the protectee.

If the protectee deliberately contravenes his or her obligations under the protection agreement, the commissioner may terminate the protection, provided that the protectee can make representations concerning the matter.

This bill puts things very succintly. I suppose that to correct these flaws, some practices are going to evolve allowing the RCMP to completely evade the power of supervision of Parliament.

This is the danger with poor legislation. Police forces create their own rules without any respect for the law. In fact, they are the ones who actually write it as circumstances change. I ask you this: When are we going to see the federal government assume its responsibilities and legislate in a detailed and precise fashion so that those who must enforce these laws know how to proceed?

Since the motion of the member from Calgary Northeast tries to fill some gaps, we are going to support it.

Mr. Patrick Gagnon (Parliamentary Secretary to Solicitor General of Canada, Lib.): Mr. Speaker, even if the hon. member opposite raised several issues, we will not support the motion as tabled by the third party.

But the hon. member still raised some points. We should remind Canadians, in particular the hon. members opposite, that the commissioner may terminate the protection provided if, in his opinion, the witness provided false information, omitted to provide important information, or deliberately failed to meet his obligations under the protection agreement.

• (1630)

I think that the hon. member did point out some issues, such as the cost of producing an annual report. Normally, information would be provided on costs and on the number of participants in the program. Of course, certain criteria will established.

[*English*]

In reference to the member of the third party, we on the government side will not be supporting this motion. However, it is not necessary to enact a provision requiring the annual report to be referred to the justice and legal affairs committee.

Reports which concern matters relating to justice and legal affairs are presently referred to the justice and legal affairs committee.

With respect to the motion which specifies the content of the annual report to be tabled by the solicitor general before Parliament, many pieces of legislation require the tabling of an annual report without listing the specific information the report should contain.

The list of items provided in this motion is extremely helpful and will be referred to the commission for its consideration. It is important that care be taken to ensure that the information included in the report does not inadvertently compromise any witnesses in the program or the program as a whole.

Members of the justice and legal affairs committee will have the opportunity to review and assess the first report to ensure that the appropriate balance has been achieved in terms of informing the public without compromising the integrity of the program.

Therefore we will not be supporting the opposition motion presented to us.

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, as a a new member of the House, having been here only two years, it is always discouraging and dismaying for me to see not only in the House but in committee when the minister, through his parliamentary secretary or through his own directive, indicates what he wants the committee or the House to do, and everyone else on the government side simply follows suit regardless of the impression the amendments make on their own common sense.

It is dismaying for me to hear that the government is not going to support this amendment regardless of the common sense that it makes, regardless of the protection that it might provide in terms of checks and balances for the witnesses who are dragged into this system because of circumstances, perhaps in many cases beyond their own control. The government side is not prepared to honour the checks and balances that would protect the vulnerability of the witness entering into this program.

Let me tell members how vulnerable those people are. They come into the program because their life or the lives of their children may be threatened. They know that unless they abide by the wishes of their handler he or she can have an enormous impact on pulling the protection program out from under them.

What we are asking for in this amendment is simply a degree of accountability on the part of the commissioner who will be administering the program. Having served 14 years with the Mounted Police I know the commissioner never knows anything about things that often happen at the grassroots level because the only channel of communication he has are the reports he reads from people who prepare the reports at the grassroots level.

Consequently there are many things that could happen and are happening to these witnesses according to the testimony we have heard which places them at enormous vulnerability, where their grievances are not met and where they have absolutely no recourse. They ought to have a reasonable degree of recourse through their elected representatives who would review the program on an annual basis with these requirements. What does the commissioner have to provide for in his report to the solicitor general? What is it? Practically anything he wants unless there are some type of guidelines, the type of guidelines provided for in this amendment.

We do not want to know the names or the places of residents or any other factor that would place the witnesses in a vulnerable situation. Absolutely not. That is not the purpose of this amendment. What we want to do is have a degree of accountability in greater depth than a casual report from the commissioner. We see these kinds of reports. They have been submitted to the minister, whether from SIRC or some other statutory requirement.

• (1635)

They simply say what they want to say and withhold whatever information they want simply because there is no statutory requirement to provide that information. This amendment would go a long way to establish a reasonable check and balance on a program that involves innocent people and places them in very vulnerable situations. I support this amendment and I will be supporting the bill.

When we create these sorts of bills we ought to ensure citizens are provided the greatest degree of protection possible and not those who administer the program.

I urge all members to seriously consider and support this bill. It provides the reasonable checks and balances this kind of program ought to have.

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

Some hon. members: Question.

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

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 76, a recorded division on the proposed motion stands deferred.

Following an intervention of the chief government whip, the vote will be deferred to the end of Government Orders today.

* * *

BANKRUPTCY AND INSOLVENCY ACT

Hon. Jon Gerrard (Secretary of State (Science, Research and Development), Lib.): moved that Bill C–109, an act to amend the Bankruptcy and Insolvency Act, the Companies' Creditors Arrangement Act and the Income Tax Act, be read the second time and referred to a committee.

Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry, Lib.): Mr. Speaker, before I talk specifically about the amendments to the Bankruptcy Act, Bill C–109, it is important to go back and have a little history on how the bill evolved.

• (1640)

I hope later today we will hear from our colleague, the member for Dartmouth, because in opposition he was our critic for consumer and corporate affairs and had a tremendous hand in crafting this bill on bankruptcy and insolvency. It is a complex bill because it includes a lot of provisions affecting the bankruptcy and insolvency area.

This bill contains almost 100 pages and has provisions affecting procedures in consumer bankruptcies and proposals, landlord compensation where leases are disclaimed in reorganizations, liability of directors and stays of action against directors during reorganizations. It includes the whole area of protection of trustees and receivers against personal liability for pre–appointment environmental damage and other claims, workmen's compensation board claims, the dischargeability of student loan debts.

Also included are the licensing and regulation of trustees and their liability in relation to other activities related to business, the requirement that bankrupts pay part of their income to the bankruptcy estate, securities, firm bankruptcies and international solvencies, and so on.

I have gone over those issues because it is important to understand this is a very complex area but vital in terms of making sure the environment is good for creating opportunities for business men and women to get involved in risk taking. It is also very important that we deal with the issue in terms of protecting the consumer.

The amendments we are putting forward today are a further striking of a balance between rehabilitation and obligation. In other words, the emphasis in the bill is to make sure we do everything we can to help preserve jobs and the businesses that create them. Rather than automatically having a situation in which people lose their businesses, we create an environment in which we can actually help them through and that before they

become bankrupt we take every measure possible to help them through difficult circumstances.

The amendments to the bill we are dealing with today are further refinements of the bill from 1992. This was a commitment we made. When the last bill was approved in 1992 we said that three years later we would have a review. We have listened to people from across Canada, from business groups and consumer groups. These amendments reflect the recommendations the study group proposed.

I will deal specifically with the amendments: ''The maintenance of income support benefits, such as GST tax refunds, that allow families and individuals to meet their essential needs''. Under the proposed legislation these benefits are exempt from seizures unintended to reimburse creditors.

''The priority status for provable claims by divorced or separated spouses for spousal or child support payments''. Previously spouses were not considered creditors.

''Debtors to meet their obligations where a sexual or physical assault charge resulted in penalties''. The amendments make these judgements non–dischargeable and allow support for assault victims to discontinue.

• (1645)

The bill also has a further refinement in the area of student loans, tighter control of premature student bankruptcies intended to discharge responsibility from student loans. In recent years the federal government has lost over $60 million per year in loan defaults as a result of early student claims of bankruptcy. The proposed changes will make student loan debts non–dischargeable for 24 months following termination of studies, recognizing that some students experience real economic difficulties. The amendments complement a variety of repayment options during that 24–month period including no repayment in situations of hardship.

Also individuals can make recompense from a portion of surplus income deemed to exceed a minimum cost of living. This provision provides for a regularized repayment schedule and encourages bankrupt individuals to make their best effort to reimburse their creditors.

Under directives from the superintendent of bankruptcy, trustees will have powers to establish rates and terms of a conditional discharge. This will save court costs and will allow for a personalized arrangement between a bankrupt individual and his or her creditors. Also spouses can make a joint consumer proposal where their financial relationship requires a co–ordinated repayment effort. These new provisions streamline the proceedings and save costs.

There is more time for creditors to review debtor proposals and a quicker response from the courts to those proposals. The old waiting period for creditors would be extended from 30 days to 45 days. The courts would have 15 days to indicate whether the proposal had been accepted as opposed to the current response period of 30 days. Otherwise the proposal would be deemed to be accepted. There is also a provision for counselling for persons related to the debtor.

That essentially represents the essence of those amendments in terms of the individual. We also have further amendments relating to businesses, farmers and fishermen. We feel confident that the House will support all of these amendments, certainly because of the participation of the advisory group.

Over the next little while the House has to deal with the whole issue of creating confidence in the marketplace. I personally do not like dealing with the whole issue of bankruptcy and insolvency. Even though the bill is there to protect and to make sure that people are treated fairly, I believe there is a very high level of anxiety in the marketplace right now. One of the things we must do as members of Parliament is make sure that we somehow work at creating an environment where the confidence level in the business community is returned to what it used to be.

It is only when people have confidence in the marketplace and confidence in themselves that they take the risk that generates production and job opportunity which eventually creates a condition in the marketplace where bankruptcies are minimized. In the last couple of years, even though bankruptcies have really remained constant, the bottom line is that we still had too many. The quarterly releases on the number of bankruptcies tend to send a shiver right through the marketplace. It is a domino effect. It has an adverse impact on the confidence of the entire marketplace.

It is hoped this bill will assist in giving individuals and business men and women every opportunity to avoid or get around having to go through that dreaded experience of bankruptcy and insolvency.

• (1650)

I hope we can get the support of all members for the speedy passage of this bill.

[*Translation*]

Mr. Ghislain Lebel (Chambly, BQ): Mr. Speaker, I listened with great interest to the remarks made by the hon. member for Broadview—Greenwood about Bill C–109. This is a bill whose full–blown title is an act to amend the Bankruptcy and Insolvency Act, the Companies' Creditors Arrangement Act and the Income Tax Act.

It is quite bulky, as my hon. colleague pointed out, and it is difficult to read, which is understandable, since the 1992 reform had been 13 years in the making, that is to say from 1979 to

1992. The government finally tabled the famous bill that had taken all that time to prepare, the act of 1992 that Bill C–109 now seeks to make substantial changes to.

I agree with the hon. member opposite when he says that bankruptcy is a problem, a complex problem. A balance must be struck between the responsibility all of us have to pay what we owe and the hope to be able, even when deep in debt, to have a decent living and perhaps manage to pull through, whether we have put ourselves in this difficult financial situation or it is the result of a business venture we started that did not do too well.

According to the minister's release, this bill contains more than 70 amendments to the Bankruptcy Act. In the little time we have had to examine this legislation, I managed to review the principles. There are three, at the beginning of the bill, relating to consumer bankruptcies. For example, debts will now be repaid from excess income, that is to say income over and above the minimum cost of living.

But nowhere in the bill is this concept of minimum cost or standard of living defined. I guess that it will be up to the Superintendent of Bankruptcy, somewhere in Canada, to determine—arbitrarily at times, I am afraid—what this minimum will be. Take Quebec for example. I do not know if the same thing applies in other provinces, but surely it must. In Quebec, we have the Code of Civil Procedure, and section 553 et seq. provide that a portion of someone's salary cannot be garnished. Therefore, if the superintendent for Quebec decided to ignore what section 553 says about part of someone's salary being exempt from seizure in Quebec, I sincerely wonder—and I am not being facetious—who would be encroaching on whose jurisdiction then?

That has not been set out in the bill. I understand that is not its role, but that is an ambiguity that is likely to create uncertainty for some people and also—and I hope this will not be the rule—to open the door to abuse, to lead to abuse.

There is another principle here, the obligation for the debtor to discharge his or her financial responsibilities relating to alimony for his or her spouse and children or relating to damages awarded by the courts to compensate for physical or sexual assault. I cannot but commend that. Frankly, this is a provision that, in my opinion, is absolutely fundamental, and I commend the Minister of Industry for it. He is showing concern for his fellow citizens who might have been victims of some highly reprehensible acts. Otherwise, the offender could say: ''It is very simple, I go bankrupt and we forget all about the harm I have done to you''. I endorse without any reservation that provision in the bill.

• (1655)

A third point is that it will be impossible for students to retire their student loan debts within two years of completing their education. Need I say I do not agree?

Not too long ago, we had before us the budget implementation bill. If memory serves, it was Bill C–76. We talked about students. We raised the level of their financial contribution to their own education by providing additional loans. The issue gave rise to a rather heated debate in the House. Some said that students would end up with debts of $28,000 or $30,000 or more.

We thought the government was not being reasonable in that bill, because the students had their talents nipped in the bud in that they were being put in a state of virtual bankruptcy the moment they entered the labour market. Our remarks did not fall on deaf ears, as demonstrated by this bill in which the Minister of Industry tells us that students are actually overburdened, but they will not be allowed to file for bankruptcy, at least not within the first two years.

I cannot agree with this. True enough, we should always keep a proper balance between the obligation to pay one's debts and the right to lead a meaningful life. All Canadians have both this duty and this right. Fortunately, one provision in this bill makes it at least possible to have some cases examined on their merits. In some cases, students could avoid paying back their loan in full.

There are underlying social principles in this legislation. This bill also includes another provision that deals with the overall enforcement of the Bankruptcy and Insolvency Act, and I am talking about the trustees.

Since the new legislation came into force in 1992, it has not been easy in the province of Quebec. We had some quasi–fraudulent bankruptcy cases that caused a lot of stir. For example, Zoom Informatique was dealt with very harshly by the courts because of the actions of the trustees involved in the case. We also heard of a lawyer named Sirois who went bankrupt, a bankruptcy involving $1.6 million which was highly contested. Mr. Sirois was the father of the Bankruptcy Act that we are about to modify today. He was also a bankruptcy expert in Quebec.

Not surprisingly, the bankruptcy authorities really got raked over the coals on television, during some very popular and highly rated CBC television programs such as *Enjeux*, which examined these fraudulent bankruptcy cases.

I think that the problem will remain, even though we try to licence and regulate the trustees in this bill, because in the mind of the people the problem lies with the fact that the profession of trustee is not legally recognized as a corporate body, as is the case with the Ordre des avocats du Québec, the Canadian Bar Association, the associations of architects and professional engineers, the College of Physicians and Surgeons, all professional associations that are legally recognized and can perform peer reviews at any time in order to preserve a degree of dignity for their profession.

Unfortunately, it seems that trustees in bankruptcy do not form a profession. Recently, I noticed that, pursuant to the provisions of the Bankruptcy Act, a code of ethics for trustees

had been published in *The Canada Gazette*. It dealt with sections 54(30), (31), (32), (33), (34), etc.

• (1700)

Sure, these are great principles and I have nothing against them. Except that the enforcement of these sections of the code of ethics is never monitored unless a complaint is filed, because the Superintendent of Bankruptcy is overloaded. He cannot do it on his own, although this legislation is now giving him the authority to commission inquiries. If an association of trustees in bankruptcy were created, mandated primarily to protect the public interest and empowered like the other professional associations to issue licences, then we could have something valid.

This bill almost gives quasi–judicial powers to the trustee. The trustee almost becomes a public officer. According to the documents we were given, the bankrupt person must reimburse what he or she owes with his or her income considered to be in excess of the minimal cost of living. Whatever that is, as I said earlier.

This clause provides for a regular repayment schedule and encourages the bankrupt person to do everything possible to repay his or her creditors. Great! Under the supervision of the Superintendent of Bankruptcy, who is already overloaded, we can immediately see from what is happening in the bankruptcy sector that the trustees will have the power to set the rates and the terms of a conditional discharge, the power to decree or decide, that is a quasi–judicial power.

According to the Bankruptcy Act that was replaced in 1992 and to the one that is now in force, the trustee acts in the interest of the creditors. The trustee does not have to be impartial in dealing with a bankruptcy. The trustee is primarily a representative of the creditors, not the person in bankruptcy.

Unfortunately, it is totally different in practice. Someone who is in dire financial straits decides, on the recommendation of a friend or a relative, to consult a trustee he knows well and tells him: ''Look. I want to make an assignment, would you look after my case?'' It is not in the interest of the trustee, who has a reputation for kindness, who is an expert in public relations, to ruin his own reputation. So, unless the creditors he is supposed to represent under the authority of his legal mandate are opposed to it, the trustee will continue to be rather lenient with the bankrupt individual, which is fine, but unfortunately, he will do it at the expense of the creditors who, more often than not, will end up licking their wounds.

The bill adds another dimension to the treatment of bankruptcy cases. For example, in the distribution or collocation order, greater importance is now given to the environmental aspect. We can imagine a situation where a contaminated building is in the possession of a trustee; the assets would first be used to decontaminate the ground.

I have some difficulty with this clause in combination with clause 18 modifying the existing act—so it is not something new—which provides: ''The trustee may, with the permission of the inspectors, divest all or any part of the trustee's right, title or interest in any real property of the bankrupt''. It could be that, if the trustee becomes aware that the land has no realizable value, he will get rid of it and pass on his responsibility to decontaminate the site to someone else. It is not clear in the bill. It was just to put a damper on my pleasure at finding this provision in the bill.

Unfortunately, the government could have taken the opportunity to include, in the distribution and collocation order, the salaries of employees present at the time of the shut–down of a corporation, for example.

• (1705)

That was the reason behind my colleague from Portneuf's tabling of a private member's bill. The bill was passed at second reading in the House before being sent to a committee. That was the last we heard of it. I saw the Minister of Industry of the time in a fit of ministerial pique when he realized that the bill had been passed. Maybe this is why the bill is being dragged out in committee. I do not know. Nevertheless, the bill has never come back here.

It went along the same lines and was in the same spirit as the decontamination clause, except that the last employees, thanks to whom the company had lasted so long and who had kept supporting it during a not necessarily easy winding up period, had priority over the decontamination of the site. And the moment a trustee in bankruptcy comes in and shuts the company down, he fires them all and does not owe them anything. In the priority of claims, they come far behind the banks; the seven big banks that made $4.3 billion in net profit last year.

I was listening to the hon. member for Broadview—Greenwood, and we all know how attached the Liberals are to big banks. We could see it when Liberal Party's list of contributors was made public. This bank gave $250,000, that one $250,000 and so on, quarter million chunks. Those poor banks netted only $4.3 billion last year. Of course, it was impossible to table a bill on bankruptcy without protecting their interests first. This is what the hon. member for Broadview—Greenwood wanted us to swallow, like a candy coated pill. But basically, when we read between the lines, the security involved is that of the poor big banks which showed a net profit of only $4.3 billion last year.

And yet banks never lose. This is not a bill for the banks. Good for them if they get something out of it like any citizen. But the bill should have been written first and foremost with the protection of the general public in mind. There are seven banks for 31 million Canadians. It seems to me that there is no

comparison. Even if we take into account the hundred or so American and Canadian trust and leasing companies, there are still a lot more people than financial institutions in our society.

I have the strong impression that the bill's purpose is to protect investors, that is major banks, leasing companies, rather than to try to help ordinary Canadians who are often affected by a bankruptcy, those who end up losing a few weeks' or a few months' pay if not their shirt. The government did not display much concern for these people in this legislation, despite all the enthusiasm shown by the member for Broadview—Greenwood in praising this bill.

I am also delighted to see in the bill that small businesses will no longer be forced arbitrarily to declare bankruptcy, that factors such as the possibility of recovery, job losses, etc. will have to be considered. I think it is just great.

But if the Minister of Industry wanted to be realistic and if arbitrary business closures because of bankruptcy or insolvency were his main concern, and it shows in this bill, what is he waiting for to introduce meaningful legislation based on some of the principles in the Quebec legislation on agricultural zoning?

• (1710)

In Quebec, we had the political will to say: ''Enough is enough. Farmland will not be parcelled out any more. If you decide to buy a large piece of land, you will have to live with it. You will not be able to sell it off in small parcels''. Today, corporate raiders as they are called come along and buy businesses that often play a vital role in our economy.

Take the case of Canada Packers, which had been in Canada and in Quebec for at least 125 years, more precisely in Pointe–Saint–Charles. Then comes some professional auctioneer who buys everything for $500 million. He starts by selling separately the various components of economic activity of the company: beef production, $25 or $50 million, followed by egg, poultry, milk and oil production. He sells everything, often to competitors in that same sector.

Without any scruples, he puts 1,500, 2,000 or 3,000 heads of family out of work. His net profit is made up of the equipment, capital assets, land, buildings, etc. He heads back to England and kisses us goodbye. More often than not, he does not have to pay any tax, or if he does, the federal government usually finds out too late. He has already gone home and no longer has any assets in Canada, so the government can always try to collect.

You might say that this is not a case of insolvency when it actually happens. True, but it becomes one afterwards. So, the bill would deal appropriately with such situations. At least, this is the way I see it. If the minister is short of ideas, he should come to Quebec. When we had to deal with the parcelling out of businesses that were doing relatively well, we did some thinking and came up with the agricultural zoning act.

It is not easy to comment on a bill which has some 100 pages and is made up of bits and pieces, this in just three days. I could do a more thorough review if I had a week. I am convinced that this bill will not make it past the next stage, not necessarily because it is a bad bill, but because it goes too far in some cases and not far enough in others. What is being done to students here I have a hard time living with, but I agree with the provisions concerning damages to a person resulting from sexual assault or wilful negligence

There is one other clause in the bill which I shall address very quickly, the one which says more or less that the spouses must make a joint proposal if their financial relationship requires co–ordinated repayment on their part. These new provisions will make it possible to rationalize procedures and reduce costs. I am not sure I have properly understood all this. I will admit honestly to you that I could not find it in the bill, not because it is not there, but because the bill is too bulky to find it among all the cross–references and annotations that are very hard to follow.

But is it possible that a decision has been made to encroach on Quebec law? We know divorce is a federal matter, but marriage is a provincial one. Is the decision now being made to interfere in matrimonial regimes in Quebec or elsewhere, in other provinces, saying for example that if a husband is not solvent but his wife works, they will both be put in the same pot, both will go bankrupt, pay the trustee and make the major banks happy by paying off their creditors? Is that what the plan is?

If that is the intent, it is a disquieting one. This would put an end to matrimonial regimes, or at least meddle rather too seriously and perhaps somewhat too harmfully in the area of marriage in Quebec. Relationships within a marriage are sacred in our province, and we have—as the Prime Minister has been saying ad nauseam—been living with the tradition of a Napoleonic code since around 1806.

I therefore feel that the Bloc members will not be able to subscribe in any way, if such is the intent of the legislator in this case, to this encroachment I perceive on the provinces' constitutional jurisdiction over marriage.

• (1715)

You are signalling that my time is almost up, Mr. Speaker. I still have some time left. We go on and on, but you can see that we are well intentioned. Someone said: Hell is paved with the well–intentioned. I do not know where that comes from.

An hon. member: And it is red.

Mr. Lebel: True, Hell also happens to be red.

My point is, he ends on an upbeat note. He says: ''There will be counselling for persons related to the debtor''. I cannot wait. I cannot wait for someone to tell the manager of the credit union or the manager of the National Bank or the TD Bank or any other bank: ''Look, we raised $20,000 by selling the assets of the bankrupt, but his wife and children are taking it very hard; the poor things cannot cope. So I am going to take $5,000 to pay for counselling''.

They are going to cause a backlog in the courts with this clause. Does anyone seriously think that creditors will forego a chance to get their money back and instead pay for counselling for the relatives of a bankrupt debtor? I doubt it. This is wishful thinking. But it is an interesting point and I must say I did not expect to find this in a bill dealing with bankruptcy and insolvency.

They say that the proposed amendments harmonize Canadian practices regarding bankruptcy and insolvency with those of our international trading partners. This harmonization will simplify co–operation between countries in the case of the restructuring or insolvency of a multinational corporation and will help enforcement of Canadian regulations on the distribution of assets, creditor ranking and voidable transactions.

I do not want to get involved in private international law at this point, but it was said in your basic course in Canadian private international law, which is after all based on international agreements, that the disposition of immovable goods is determined by their *lex situs*, their location. While as far as individual rights are concerned, the law of the country of residence prevails. As far as movable goods are concerned, the law of the owner's country of residence prevails.

I cannot see how, unilaterally, through the Minister of Industry and this bill to amend the bankruptcy legislation, the federal government could come and change internationally recognized rules developed outside of Canada, under an agreement between several countries. Unless, of course—in which case, the wording of the bill is incorrect—it was intended to apply only the bankrupt's property found on Canadian soil. That would make more sense.

Another clause puzzled me, namely the one providing that farmers and fishermen, whose principal occupation is forming or fishing will not be subject to petitions in bankruptcy, even if their principal occupation is not their sole source of income. Farmers and fishermen used to be liable under the law to petitions in bankruptcy when they ventured outside their traditional line of work to supplement their income during the off season. This bill will ensure that they no longer face bankruptcy each time they become technically insolvent.

Unfortunately, the bill does not say much about the reasons why this kind of provision was included. I hope that government members who will be speaking on this bill, to explain it to us, will be able to elaborate on the motives that underlie the decision to include such provisions in the bill.

That is about all I had to say at this stage of consideration of the bill. I am not blaming anyone. As you can see, I am not criticizing too strongly the government's position. I just find it unfair as it relates to students. Also I think it is a mistake to fail, as it does, to address the situation of those workers who, often, supported the business till the very end, when it finally declared bankruptcy, when, more often than not, the president and directors of the company are long gone. They have run off to Switzerland, as is fashionable these days. Low income workers, those who have worked hard to earn a living, cannot run away. They are forgotten in all this.

• (1720)

I urge the government to show more willingness to co–operate with the opposition to achieve a position that will be effective in maintaining this balance between the duty to pay one's debts and the need to survive.

[*English*]

Mr. Werner Schmidt (Okanagan Centre, Ref.): Mr. Speaker, it is an honour to make comments about Bill C–109, a bill dealing with the bankruptcy and insolvency of certain businesses and individuals. One thing that appears in the bill is a demonstration of humanitarianism during bankruptcy.

This is a particularly meaningful amendment to the bankruptcy act. In 1992 there was an amendment to that act. That amendment took place 40 years after the initial bankruptcy act was enacted; 40 years of unamended legislation. In 1992 a three–year review clause was introduced which brings the act to our attention now, which is too short a period of time. Not enough experience was obtained as a result of the amendments made in 1992. Now the proposal is that the next amendment take place seven years hence. That makes really good sense.

What is the bankruptcy act all about? It is supposed to protect three categories. The first is consumers. We want to protect that group. We want also to protect the creditors who have loaned money to other people. We want to protect the economy. Bankruptcies are disruptive to individuals, to industry and to the economy in general.

We want to protect the consumer in the sense that he or she should not enter into debts which he or she cannot afford to repay or that somehow he or she has not planned to repay properly.

How big is this problem of bankruptcies in Canada? I have a statement of September 1995 which I will go through to give a perspective of how big this problem is. I start with Newfoundland. In September bankruptcies amounted to $32.1 million; in Nova Scotia, $59.7 million; in Prince Edward Island, $3.9 million; in New Brunswick, $35.2 million; in Quebec, $1.52 billion; in Ontario, $1.932 billion; in Manitoba, $32.3 million; in Saskatchewan, $49.475 million; in Alberta, $294 million; in

British Columbia, $275.1 million; in the Northwest Territories, $1.97 million; in Yukon $29,267.

• (1725)

Let us put that all together. Bankruptcies in Canada in September represented liabilities of $4,268,000,000. That is a significant sum of money. That is what we are talking about when we deal with bankruptcies. That is one month. It is not a small issue we are dealing with here.

There seems to be a psychosis developing. We have a government that has incurred debt upon debt. It calls it deficits from year to year. As that deficit accumulates from one year to the next, it becomes a debt on the present year. The deferral of these payments keeps adding up, until now it is $567 billion. That is the debt the Canadian government has incurred on behalf of the people of Canada.

We look at the government and say if it is all right for the government to keep on borrowing money, maybe we can do the same and so we have credit cards. I do not know how many of us here in the House have more than one credit card, but I dare presume there are a number of people who do. My colleague says he does not. He has one. It is probably so big that he can buy a car on the basis of his credit card. He is probably not the only who can buy a car on his credit card.

People have added debt upon debt and they follow the example of government. The other day the Conference Board of Canada made an observation that the individual Canadian has a debt load probably larger than it should be.

We have at least a threefold issue being dealt with here in bankruptcy: the individual consumer, the creditor who has lent this money or provided service or material and the economy on a larger basis.

This bill is trying to reach an equilibrium that encourages rehabilitation so that individuals or a company or corporation that finds itself in a situation in which they cannot repay their debt will be able to reorganize, restructure in such a way that they can rehabilitate themselves and again become a contributing element in our economy. We have to compare that rehabilitation over and against the obligation they have to pay off the debt they have incurred on behalf of someone else, on behalf of themselves, or on the basis of a director of a particular company.

If a business goes bankrupt how does it affect the economy in which we live? The first thing that happens is taxes go down. We do not collect the amount of taxes we ought to.

My colleague from the Bloc indicated very clearly how disruptive it is to the employee of a company that goes bankrupt. The individual does not have a job any more. This has an effect on the family structure. It puts stress and strain on the relationship between husband and wife, between the parents and the children, between the children and their parents and it becomes increasingly complicated. It has an effect on the mortgage payments they have to make, the credit card bills they are responsible for and a chain reaction develops.

Therefore what seemed to be one case becomes a multiplication factor that finds its way in a variety of cases all the way through to the grocery store, the furniture store, the clothing store and so on down the line.

In Canada we need an economy that builds, that grows, that develops. This will not happen in a situation in which people are fearful that their business is going to go down. In one month we see liabilities of $4 billion being accumulated. That is very extensive. This is no small issue that has to be dealt with.

I will deal with some of the provisions of the bill. The bill deals in a variety of areas with very technical issues. Two–thirds of the bill, as I understand it, has to do with technical amendments that try to harmonize the provisions of this legislation with the legislation that exists with the provinces and in other areas. It comes to grips with issues such as international creditors and bankruptcies on an international basis, securities firms and how they operate, and it brings into focus more accurately the situation as it exists between those people who are earning their livelihood in part from farming and fishing and in other parts from other kinds of income they might have.

• (1730)

The old act stated that persons who declare bankruptcy, if their sole income is from farming and fishing, can declare bankruptcy in that particular area. In today's economy there are many people whose main income comes from fishing but it is not sufficient for them to earn a living and they have to supplement their income. In other cases people have a professional job and they have a hobby farm. Sometimes they will declare bankruptcy on the one side but not on the other. This bill brings those things into reality and harmonizes and balances them.

I would like to speak on the humanitarian aspect of the legislation. There is one aspect in particular about which I would like to speak, and that has to do with the situation where a divorce has taken place and an individual is obligated to make support payments to the spouse or children. Some of these individuals decide to declare bankruptcy rather than make the

support payments. If they declare bankruptcy they will no longer be liable for the support payments. This bill deals with that issue. It states that the obligation for support payments of either a spouse or children are part of the liabilities, as is the case with a mortgage or a loan. In fact the bill goes so far as to say that support payments are a priority on the list of creditors to be paid. That is a very humanitarian approach, which is necessary.

The bill adds another clause, which is equally significant to the one I have just referred to, and that has to do with difficulties that arise because of an assault. On that basis, the person declaring bankruptcy is liable and a creditor can make a claim.

The third area has to do with student loans. At the present time there are a number of students who are experiencing great difficulty in making their student loan payments. They graduate from university or from some other post–secondary institution where they have incurred an extensive debt and they find they cannot make the payments. They have no prospects for a job, at least not immediately. They look at the situation and say: ''There is an easy way out of this. I will declare personal bankruptcy and then I will no longer be liable for the debt. It will all be over. After having lived the good life and behaving myself, my credit rating will be built up again, this will not be held against me and my debt will be discharged''.

That will no longer be possible under this bill. Students who incur a loan and who plan to escape from paying that loan by declaring bankruptcy will still be liable two years after the date on which their bankruptcy has been declared and accepted. Two years from that date they are still liable to make their student loan payment. At that point a new provision kicks in, which suggests that if the student is still having difficulty and cannot meet his or her financial obligations, other arrangements can be made. I believe that is a fair and equitable provision.

The other point I want to raise has to do with the situation where creditors and debtors cannot agree and they fight with one another as to what is a reasonable settlement in terms of the portion of the debt that can and should be paid by the person who has declared bankruptcy. The bill provides for a mediation process and mediators so that these people do not have to go to court and incur expensive legal costs. Rather, mediation can take place and the matter can be settled out of court as expeditiously as possible. I think that is an excellent provision in this particular piece of legislation.

The other elements in this legislation that we want to commend at this point have to do with the recognition that there are certain international insolvencies that take place. At the present time it is difficult to move across boundaries. Assets have to be moved, papers and things like this across borders and cases cannot be heard in another country. The legislation now provides for those hearings to take place within the country where the insolvency takes place or they can be heard where the individual resides.

Another area the bill deals with has to do with securities firms that go bankrupt. These are particularly difficult and highly complicated situations. These are securities firms ranging all the way from brokerage houses to houses that deal with only mutual funds and the complications that can arise in those situations. This is where I think the bill is somewhat deficient. There are clarifications that need to be made in this bill as to just exactly how those kinds of bankruptcies can be resolved and dealt with. The length of time it takes to deal with some of the details here is rather substantive. In the meantime, many things could have changed and probably have changed.

It becomes very necessary for us to recognize that while this bill has some very positive things in it, there are some deficiencies in it.

When we go into the technicalities of the bill, the bill has done some things I really found rather humorous when I looked at them. In the existing act it states that there is a two–day time frame in which to present a particular proposal. In the new act it states that it is going to change to three days. In another instance three days becomes five days. In another situation 14 days becomes 15 days. In another instance 15 days becomes 14 days. In another situation 90 days becomes three months. In other cases three months becomes 90 days.

When I asked the people who put the bill together why they did this, they said they wanted to be consistent so that it would be very specific. I asked a question about the old bill, which stated 90 days, and the new proposed bill before us states three months. Mr. Speaker, you and I both know that three months are not necessarily 90 days; it could be more or less than 90 days. In that instance, we need to recognize that the apparent consistency is lacking. Perhaps the people in the committee should look at this in some detail and say let us be consistent: if we are going to use days then let us use days and if we are going to use months then let us use months, but let us not confuse it by moving back and forth. It is not a reasonable thing to do. That is one area we need to look at.

The other thing the bill does, which I found very interesting, is there is no such thing as a man or a woman in this bill. There are only creditors and the people who are bankrupt. This is very interesting. I guess in order to be politically correct we no longer speak about men and women. We now speak about creditors and bankrupts. I do not know how significant this is but there it is. A whole bunch of money and a lot of time has to be spent to change the legislation so that it becomes politically correct by taking gender references out of the particular legislation.

I think I am getting very close to the end of my time for today. I would like to touch on the area of directors' liability, but rather than starting halfway through here I will stop my intervention at this point and defer the directors' liability portion to the next opportunity I have to rise in the House.

The Acting Speaker (Mr. Kilger): It being 5.39 p.m., I must now proceed to some deferred votes. The member for Okanagan Centre will certainly have 20 minutes remaining in his time allocation if he chooses to continue to speak when the bill returns to the House.

* * *

[*Translation*]

DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT ACT

The House resumed from November 23 consideration of the motion that Bill C–96, an act to establish the Department of Human Resources Development and to amend and repeal certain related acts, be read the second time and referred to a committee.

The Acting Speaker (Mr. Kilger): It being 5.39 p.m., pursuant to the order made on Thursday, November 23, 1995, the House will now proceed to the taking of the deferred division on the motion at second reading of Bill C–96.

Call in the members.

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

(*Division No. 375*)

YEAS

Members

Adams
Allmand
Anderson
Assad
Axworthy (Winnipeg South Centre/Sud–Centre)
Barnes
Bélair
Bernier (Beauce)
Bethel
Bhaduria
Bodnar
Boudria
Bryden
Calder
Catterall
Chamberlain
Chrétien (Saint–Maurice)
Cohen
Copps
Culbert
Dhaliwal
Duhamel
Easter
English
Flis
Fry
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Gerrard
Goodale
Gray (Windsor West/Ouest)
Harb
Harvard
Hubbard
Alcock
Anawak
Arseneault
Assadourian
Bakopanos
Beaumier
Bélanger
Bertrand
Bevilacqua
Blondin–Andrew
Bonin
Brown (Oakville—Milton)
Caccia
Cannis
Cauchon
Chan
Clancy
Collins
Cowling
DeVillers
Dromisky
Dupuy
Eggleton
Finlay
Fontana
Gagliano
Gallaway
Godfrey
Graham
Guarnieri
Harper (Churchill)
Hopkins
Ianno
Iftody
Jackson
Keyes
Knutson
Lastewka
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lincoln
MacAulay
Maclaren
Maheu
Maloney
Marleau
Massé
McGuire
McTeague
Mifflin
Mills (Broadview—Greenwood)
Mitchell
Murray
O'Reilly
Paradis
Patry
Peric
Phinney
Proud
Richardson
Ringuette–Maltais
Scott (Fredericton—York—Sunbury)
Shepherd
Speller
Stewart (Brant)
Telegdi
Thalheimer
Vanclief
Volpe
Wells
Young
Irwin
Jordan
Kirkby
Kraft Sloan
Lavigne (Verdun—Saint–Paul)
Lee
Loney
MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)
Malhi
Marchi
Martin (LaSalle—Émard)
McCormick
McLellan (Edmonton Northwest/Nord–Ouest)
McWhinney
Milliken
Minna
Murphy
O'Brien
Pagtakhan
Parrish
Payne
Peters
Pickard (Essex—Kent)
Regan
Rideout
Robillard
Serré
Simmons
Steckle
Szabo
Terrana
Torsney
Verran
Wappel
Wood
Zed—140

NAYS

Members

Althouse
Bélisle
Benoit
Bernier (Gaspé)
Blaikie
Breitkreuz (Yorkton—Melville)
Brown (Calgary Southeast/Sud–Est)
Chrétien (Frontenac)
Dalphond–Guiral
de Savoye
Deshaies
Duceppe
Duncan
Fillion
Frazer
Gauthier
Gouk
Guay
Hanger
Harper (Calgary West/Ouest)
Harris
Hayes
Hill (Macleod)
Hoeppner
Jennings
Lalonde
Langlois
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Manning
Martin (Esquimalt—Juan de Fuca)
McClelland (Edmonton Southwest/Sud–Ouest)
Ménard
Mills (Red Deer)
Nunez
Penson
Plamondon
Ringma
Axworthy (Saskatoon—Clark's Crossing)
Bellehumeur
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Breitkreuz (Yellowhead)
Bridgman
Caron
Cummins
de Jong
Debien
Dubé
Dumas
Epp
Forseth
Gagnon (Québec)
Gilmour
Grey (Beaver River)
Guimond
Hanrahan
Harper (Simcoe Centre)
Hart
Hermanson
Hill (Prince George—Peace River)
Jacob
Johnston
Landry
Laurin
Lebel
Lefebvre
Marchand
Mayfield
McLaughlin
Meredith
Morrison
Paré
Picard (Drummond)
Ramsay
Rocheleau

Sauvageau
Silye
Speaker
Strahl
Thompson
Tremblay (Rosemont)
White (Fraser Valley West/Ouest)
Williams—91

Schmidt
Solomon
Stinson
Taylor
Tremblay (Rimouski—Témiscouata)
Venne
White (North Vancouver)

PAIRED MEMBERS

Asselin
Bouchard
Brushett
Canuel
Daviault
Discepola
Fewchuk
Hickey
Leroux (Shefford)
Mercier
Peterson
Pomerleau
St–Laurent
Stewart (Northumberland)

Bachand
Brien
Campbell
Crête
Dingwall
Eggleton
Godin
Leroux (Richmond—Wolfe)
Loubier
Ouellet
Pillitteri
Rock
St. Denis
Walker

• (1805)

[*English*]

The Acting Speaker (Mr. Kilger): I declare the motion carried.

(Bill read the second time and referred to a committee.)

* * *

[*Translation*]

AUDITOR GENERAL ACT

The House resumed from November 23 consideration of the motion that Bill C–83, an act to amend the Auditor General Act, be read the third time and passed.

The Acting Speaker (Mr. Kilger): Pursuant to the order made on November 23, 1995, the House will now proceed to the taking of the deferred division on the motion at the third reading stage of Bill C–83, an act to amend the Auditor General Act.

[*English*]

Mr. Boudria: Mr. Speaker, I believe you would find unanimous consent to apply the vote taken on the main motion for second reading of Bill C–96 to the motion now before the House.

[*Translation*]

Mr. Duceppe: Agreed.

[*English*]

Mr. Ringma: Agreed.

Mr. Solomon: Agreed.

[*Translation*]

Mr. Bernier (Beauce): Agreed.

[*English*]

Mr. Bhaduria: Agreed.

Mrs. Gaffney: Mr. Speaker, had I been here for the last vote I would have voted with the government on the last bill and I will so vote with the government on this bill.

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

(*Division No. 376*)

YEAS

Members

Adams
Allmand
Anderson
Assad
Axworthy (Winnipeg South Centre/Sud–Centre)
Barnes
Bélair
Bernier (Beauce)
Bethel
Bhaduria
Bodnar
Boudria
Bryden
Calder
Catterall
Chamberlain
Chrétien (Saint–Maurice)
Cohen
Copps
Culbert
Dhaliwal
Duhamel
Easter
English
Flis
Fry
Gagliano
Gallaway
Godfrey
Graham
Guarnieri
Harper (Churchill)
Hopkins
Ianno
Irwin
Jordan
Kirkby
Kraft Sloan
Lavigne (Verdun—Saint–Paul)
Lee
Loney
MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)
Malhi
Marchi
Martin (LaSalle—Émard)
McCormick
McLellan (Edmonton Northwest/Nord–Ouest)
McWhinney
Milliken
Minna
Murphy
O'Brien
Pagtakhan
Parrish
Payne
Peters
Pickard (Essex—Kent)
Regan
Rideout
Robillard
Serré
Simmons
Steckle

Alcock
Anawak
Arseneault
Assadourian
Bakopanos
Beaumier
Bélanger
Bertrand
Bevilacqua
Blondin–Andrew
Bonin
Brown (Oakville—Milton)
Caccia
Cannis
Cauchon
Chan
Clancy
Collins
Cowling
DeVillers
Dromisky
Dupuy
Eggleton
Finlay
Fontana
Gaffney
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Gerrard
Goodale
Gray (Windsor West/Ouest)
Harb
Harvard
Hubbard
Iftody
Jackson
Keyes
Knutson
Lastewka
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lincoln
MacAulay
Maclaren
Maheu
Maloney
Marleau
Massé
McGuire
McTeague
Mifflin
Mills (Broadview—Greenwood)
Mitchell
Murray
O'Reilly
Paradis
Patry
Peric
Phinney
Proud
Richardson
Ringuette–Maltais
Scott (Fredericton—York—Sunbury)
Shepherd
Speller
Stewart (Brant)

Szabo
Terrana
Torsney
Verran
Wappel
Wood
Zed—141

Telegdi
Thalheimer
Vanclief
Volpe
Wells
Young

NAYS

Members

Althouse
Bélisle
Benoit
Bernier (Gaspé)
Blaikie
Breitkreuz (Yorkton—Melville)
Brown (Calgary Southeast/Sud–Est)
Chrétien (Frontenac)
Dalphond–Guiral
de Savoye
Deshaies
Duceppe
Duncan
Fillion
Frazer
Gauthier
Gouk
Guay
Hanger
Harper (Calgary West/Ouest)
Harris
Hayes
Hill (Macleod)
Hoeppner
Jennings
Lalonde
Langlois
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Manning
Martin (Esquimalt—Juan de Fuca)
McClelland (Edmonton Southwest/Sud–Ouest)
Ménard
Mills (Red Deer)
Nunez
Penson
Plamondon
Ringma
Sauvageau
Silye
Speaker
Strahl
Thompson
Tremblay (Rosemont)
White (Fraser Valley West/Ouest)
Williams—91

Axworthy (Saskatoon—Clark's Crossing)
Bellehumeur
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Breitkreuz (Yellowhead)
Bridgman
Caron
Cummins
de Jong
Debien
Dubé
Dumas
Epp
Forseth
Gagnon (Québec)
Gilmour
Grey (Beaver River)
Guimond
Hanrahan
Harper (Simcoe Centre)
Hart
Hermanson
Hill (Prince George—Peace River)
Jacob
Johnston
Landry
Laurin
Lebel
Lefebvre
Marchand
Mayfield
McLaughlin
Meredith
Morrison
Paré
Picard (Drummond)
Ramsay
Rocheleau
Schmidt
Solomon
Stinson
Taylor
Tremblay (Rimouski—Témiscouata)
Venne
White (North Vancouver)

PAIRED MEMBERS

Asselin
Bouchard
Brushett
Canuel
Daviault
Discepola
Fewchuk
Hickey
Leroux (Shefford)
Mercier
Peterson
Pomerleau
St–Laurent
Stewart (Northumberland)

Bachand
Brien
Campbell
Crête
Dingwall
Eggleton
Godin
Leroux (Richmond—Wolfe)
Loubier
Ouellet
Pillitteri
Rock
St. Denis
Walker

The Acting Speaker (Mr. Kilger): I declare the motion carried.

(Bill read the third time and passed.)

* * *

NATIONAL HOUSING ACT

The House resumed from November 27 consideration of Bill C–108, an act to amend the National Housing Act, as reported (without amendment) from the committee.

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 45, the House will now proceed to the taking of the deferred division on the concurrence motion at report stage of Bill C–108, an act to amend the National Housing Act.

• (1810)

[*Translation*]

Mr. Boudria: Mr. Speaker, if you were to seek it, I believe you would find unanimous consent for those members who voted on the preceding motion to be recorded as having voted on the motion now before the House, with Liberal members voting yea.

Mr. Duceppe: Mr. Speaker, Bloc members support this motion.

[*English*]

Mr. Ringma: Mr. Speaker, Reform members will vote no except for those who wish to vote otherwise.

Mr. Solomon: Mr. Speaker, members of the New Democratic Party in the House vote yes on this motion.

Mr. Bernier (Beauce): Yes, Mr. Speaker.

Mr. Bhaduria: Mr. Speaker, I support the motion.

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

(*Division No. 377*)

YEAS

Members

Adams
Allmand
Anawak
Arseneault
Assadourian
Axworthy (Winnipeg South Centre/Sud–Centre)
Barnes
Bélair
Bélisle
Bergeron
Bernier (Gaspé)
Bertrand
Bevilacqua
Blaikie
Bodnar
Boudria
Bryden
Calder
Caron
Cauchon
Chan
Chrétien (Saint–Maurice)
Cohen
Copps
Culbert
de Jong
Debien

Alcock
Althouse
Anderson
Assad
Axworthy (Saskatoon—Clark's Crossing)
Bakopanos
Beaumier
Bélanger
Bellehumeur
Bernier (Beauce)
Bernier (Mégantic—Compton—Stanstead)
Bethel
Bhaduria
Blondin–Andrew
Bonin
Brown (Oakville—Milton)
Caccia
Cannis
Catterall
Chamberlain
Chrétien (Frontenac)
Clancy
Collins
Cowling
Dalphond–Guiral
de Savoye
Deshaies

DeVillers
Dhaliwal
Dromisky
Dubé
Duceppe
Duhamel
Dumas
Dupuy
Easter
Eggleton
English
Fillion
Finlay
Flis
Fontana
Fry
Gaffney
Gagliano
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Gagnon (Québec)
Gallaway
Gauthier
Gerrard
Godfrey
Goodale
Graham
Gray (Windsor West/Ouest)
Guarnieri
Guay
Guimond
Harb
Harper (Churchill)
Harvard
Hopkins
Hubbard
Ianno
Iftody
Irwin
Jackson
Jacob
Jordan
Keyes
Kirkby
Knutson
Kraft Sloan
Lalonde
Landry
Langlois
Lastewka
Laurin
Lavigne (Beauharnois—Salaberry)
Lavigne (Verdun—Saint–Paul)
Lebel
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Leblanc (Longueuil)
Lee
Lefebvre
Lincoln
Loney
MacAulay
MacDonald
Maclaren
MacLellan (Cape/Cap-Breton—The Sydneys)
Maheu
Malhi
Maloney
Marchand
Marchi
Marleau
Martin (LaSalle—Émard)
Massé
McCormick
McGuire
McLaughlin
McLellan (Edmonton Northwest/Nord–Ouest)
McTeague
McWhinney
Ménard
Mifflin
Milliken
Mills (Broadview—Greenwood)
Minna
Mitchell
Murphy
Murray
Nunez
O'Brien
O'Reilly
Pagtakhan
Paradis
Paré
Parrish
Patry
Payne
Peric
Peters
Phinney
Picard (Drummond)
Pickard (Essex—Kent)
Plamondon
Proud
Regan
Richardson
Rideout
Ringuette–Maltais
Robillard
Rocheleau
Sauvageau
Scott (Fredericton—York—Sunbury)
Serré
Shepherd
Simmons
Solomon
Speller
Steckle
Stewart (Brant)
Szabo
Taylor
Telegdi
Terrana
Thalheimer
Torsney
Tremblay (Rimouski—Témiscouata)
Tremblay (Rosemont)
Vanclief
Venne
Verran
Volpe
Wappel
Wells
Wood
Young
Zed—187

NAYS

Members

Benoit
Breitkreuz (Yellowhead)
Breitkreuz (Yorkton—Melville)
Bridgman
Brown (Calgary Southeast/Sud–Est)
Cummins
Duncan
Epp
Forseth
Frazer
Gilmour
Gouk
Grey (Beaver River)
Hanger
Hanrahan
Harper (Calgary West/Ouest)
Harper (Simcoe Centre)
Harris
Hart
Hayes
Hermanson
Hill (Macleod)
Hill (Prince George—Peace River)
Hoeppner
Jennings
Johnston
Manning
Martin (Esquimalt—Juan de Fuca)
Mayfield
McClelland (Edmonton Southwest/Sud–Ouest)
Meredith
Mills (Red Deer)
Morrison
Penson
Ramsay
Ringma
Schmidt
Silye
Speaker
Stinson
Strahl
Thompson
White (Fraser Valley West/Ouest)
White (North Vancouver)
Williams—45

PAIRED MEMBERS

Asselin
Bachand
Bouchard
Brien
Brushett
Campbell
Canuel
Crête
Daviault
Dingwall
Discepola
Eggleton
Fewchuk
Godin
Hickey
Leroux (Richmond—Wolfe)
Leroux (Shefford)
Loubier
Mercier
Ouellet
Peterson
Pillitteri
Pomerleau
Rock
St–Laurent
St. Denis
Stewart (Northumberland)
Walker

The Acting Speaker (Mr. Kilger): I declare the motion carried.

* * *

[*Translation*]

BANK ACT

The House resumed from November 27 consideration of the motion that Bill C–100, an act to amend, enact and repeal certain laws relating to financial institutions, be read the second time and referred to a committee.

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 45, the House will now proceed to the taking of the deferred division on second reading of Bill C–100, an act to amend, enact and repeal certain laws relating to financial institutions.

Mr. Boudria: Mr. Speaker, if you were to seek it, I believe that you would find unanimous consent to apply the results of the vote on Bill C–83 at third reading to the motion now before the House.

Mr. Duceppe: We agree, Mr. Speaker.

[*English*]

Mr. Ringma: Agreed, Mr. Speaker.

Mr. Solomon: Mr. Speaker, we vote no on this matter. I note that some Reform members have left the House since the last vote and I am wondering if their votes will be applied.

Mr. Ringma: Mr. Speaker, if three Reform members did leave, please delete them from the voting record.

Mr. McClelland: Mr. Speaker, the members for Macleod, North Vancouver and Prince George—Bulkley Valley are no longer in the House.

[*Translation*]

The Acting Speaker (Mr. Kilger): I had stopped at the whip of the New Democratic Party. Did the hon. member for Beauce say how he would vote?

Mr. Bernier (Beauce): Mr. Speaker, I will vote for the motion.

[*English*]

Mr. Bhaduria: I vote for the motion, Mr. Speaker.

Mr. McClelland: Mr. Speaker, I will be voting in support of the motion.

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

(*Division No. 378*)

YEAS

Members

Adams
Allmand
Anderson
Assad
Axworthy (Winnipeg South Centre/Sud–Centre)
Barnes
Bélair
Bernier (Beauce)
Bethel
Bhaduria
Bodnar
Boudria
Bryden
Calder
Catterall
Chamberlain
Chrétien (Saint–Maurice)
Cohen
Copps
Culbert
Dhaliwal
Duhamel
Easter
English
Flis
Fry
Gagliano
Gallaway
Godfrey
Graham
Guarnieri
Harper (Churchill)
Hopkins
Ianno
Irwin
Jordan
Kirkby
Kraft Sloan
Lavigne (Verdun—Saint–Paul)
Lee
Loney
MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)
Malhi
Marchi
Alcock
Anawak
Arseneault
Assadourian
Bakopanos
Beaumier
Bélanger
Bertrand
Bevilacqua
Blondin–Andrew
Bonin
Brown (Oakville—Milton)
Caccia
Cannis
Cauchon
Chan
Clancy
Collins
Cowling
DeVillers
Dromisky
Dupuy
Eggleton
Finlay
Fontana
Gaffney
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Gerrard
Goodale
Gray (Windsor West/Ouest)
Harb
Harvard
Hubbard
Iftody
Jackson
Keyes
Knutson
Lastewka
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lincoln
MacAulay
Maclaren
Maheu
Maloney
Marleau
Martin (LaSalle—Émard)
McClelland (Edmonton Southwest/Sud–Ouest)
McGuire
McTeague
Mifflin
Mills (Broadview—Greenwood)
Mitchell
Murray
O'Reilly
Paradis
Patry
Peric
Phinney
Proud
Richardson
Ringuette–Maltais
Scott (Fredericton—York—Sunbury)
Shepherd
Speller
Stewart (Brant)
Telegdi
Thalheimer
Vanclief
Volpe
Wells
Young
Massé
McCormick
McLellan (Edmonton Northwest/Nord–Ouest)
McWhinney
Milliken
Minna
Murphy
O'Brien
Pagtakhan
Parrish
Payne
Peters
Pickard (Essex—Kent)
Regan
Rideout
Robillard
Serré
Simmons
Steckle
Szabo
Terrana
Torsney
Verran
Wappel
Wood
Zed—142

NAYS

Members

Althouse
Bélisle
Benoit
Bernier (Gaspé)
Blaikie
Breitkreuz (Yorkton—Melville)
Brown (Calgary Southeast/Sud–Est)
Chrétien (Frontenac)
Dalphond–Guiral
de Savoye
Deshaies
Duceppe
Duncan
Fillion
Frazer
Gauthier
Gouk
Guay
Hanger
Harper (Calgary West/Ouest)
Hart
Hermanson
Hoeppner
Jennings
Lalonde
Langlois
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Manning
Martin (Esquimalt—Juan de Fuca)
McLaughlin
Meredith
Morrison
Paré
Picard (Drummond)
Ramsay
Rocheleau
Schmidt
Solomon
Stinson
Taylor
Tremblay (Rimouski—Témiscouata)
Venne
Williams —87
Axworthy (Saskatoon—Clark's Crossing)
Bellehumeur
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Breitkreuz (Yellowhead)
Bridgman
Caron
Cummins
de Jong
Debien
Dubé
Dumas
Epp
Forseth
Gagnon (Québec)
Gilmour
Grey (Beaver River)
Guimond
Hanrahan
Harper (Simcoe Centre)
Hayes
Hill (Prince George—Peace River)
Jacob
Johnston
Landry
Laurin
Lebel
Lefebvre
Marchand
Mayfield
Ménard
Mills (Red Deer)
Nunez
Penson
Plamondon
Ringma
Sauvageau
Silye
Speaker
Strahl
Thompson
Tremblay (Rosemont)
White (Fraser Valley West/Ouest)

PAIRED MEMBERS

Asselin	Bachand
Bouchard	Brien
Brushett	Campbell
Canuel	Crête
Daviault	Dingwall
Discepola	Eggleton
Fewchuk	Godin
Hickey	Leroux (Richmond—Wolfe)
Leroux (Shefford)	Loubier
Mercier	Ouellet
Peterson	Pillitteri
Pomerleau	Rock
St–Laurent	St. Denis
Stewart (Northumberland)	Walker

• (1815)

The Acting Speaker (Mr. Kilger): I declare the motion carried.

(Bill read the second time and referred to a committee.)

* * *

DEPARTMENT OF PUBLIC WORKS AND GOVERNMENT SERVICES ACT

The House resumed from November 27 consideration of Bill C–52, an act to establish the Department of Public Works and Government Services and to amend and repeal certain acts, as reported (with amendments) from the committee.

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 45, the House will now proceed to the taking of the deferred divisions at report stage of Bill C–52, an act to establish the Department of Public Works and Government Services and to amend and repeal certain acts.

The first question is on the amendment to Motion No. 1.

Mr. Boudria: Mr. Speaker, if you were to seek it, I believe you would find unanimous consent that those members who voted on the report stage Motion No. 1 of Bill C–52 a moment ago be recorded as having voted on the motion now before the House with Liberal members voting nay.

The Acting Speaker (Mr. Kilger): May I seek a point of clarification from the hon. government whip. I want to be sure that we are all at the same page and that the question is on the amendment to Motion No. 1.

Mr. Boudria: Mr. Speaker, I understand we voted a moment ago on the amendment to report stage Motion No. 1.

The Acting Speaker (Mr. Kilger): If I could help the House, the division is on the first question which is on the amendment to Motion No. 1.

Mr. Boudria: Mr. Speaker, I understand we voted on the amendment to report stage Motion No. 1 and now we are voting on the report stage Motion No. 1 itself.

The Acting Speaker (Mr. Kilger): We had completed voting on Bill C–100. If I follow the schedule given to me earlier, we are now at item E of Bill C–52 on the amendment to Motion No. 1.

Mr. Boudria: Mr. Speaker, that is correct. Liberal members will be voting nay.

[*Translation*]

Mr. Duceppe: We support this amendment, Mr. Speaker.

[*English*]

Mr. Ringma: Reform Party members will vote no, except those who choose otherwise.

Mr. Solomon: Mr. Speaker, New Democrats vote no on this motion.

[*Translation*]

Mr. Bernier (Beauce): I vote nay, Mr. Speaker.

[*English*]

Mr. Bhaduria: I will vote no on this motion.

(The House divided on the amendment, which was negatived on the following division:)

(*Division No. 379*)

YEAS

Members

Bélisle	Bellehumeur
Bergeron	Bernier (Gaspé)
Bernier (Mégantic—Compton—Stanstead)	Caron
Chrétien (Frontenac)	Dalphond–Guiral
de Savoye	Debien
Deshaies	Dubé
Duceppe	Dumas
Fillion	Gagnon (Québec)
Gauthier	Guay
Guimond	Jacob
Lalonde	Landry
Langlois	Laurin
Lavigne (Beauharnois—Salaberry)	Lebel
Leblanc (Longueuil)	Lefebvre
Marchand	Ménard
Nunez	Paré
Picard (Drummond)	Plamondon
Rocheleau	Sauvageau
Tremblay (Rimouski—Témiscouata)	Tremblay (Rosemont)
Venne—39	

NAYS

Members

Adams	Alcock
Allmand	Althouse
Anawak	Anderson
Arseneault	Assad
Assadourian	Axworthy (Saskatoon—Clark's Crossing)
Axworthy (Winnipeg South Centre/Sud–Centre)	Bakopanos
Barnes	Beaumier
Bélair	Bélanger
Benoit	Bernier (Beauce)

Bertrand
Bevilacqua
Blaikie
Bodnar
Boudria
Breitkreuz (Yorkton—Melville)
Brown (Calgary Southeast/Sud–Est)
Bryden
Calder
Catterall
Chamberlain
Chrétien (Saint–Maurice)
Cohen
Copps
Culbert
de Jong
Dhaliwal
Duhamel
Dupuy
Eggleton
Epp
Flis
Forseth
Fry
Gagliano
Gallaway
Gilmour
Goodale
Graham
Grey (Beaver River)
Hanger
Harb
Harper (Churchill)
Hart
Hayes
Hill (Prince George—Peace River)
Hopkins
Ianno
Irwin
Jennings
Jordan
Kirkby
Kraft Sloan
Lavigne (Verdun—Saint–Paul)
Lee
Loney
MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)
Malhi
Manning
Marleau
Martin (LaSalle—Émard)
Mayfield
McCormick
McLaughlin
McTeague
Meredith
Milliken
Mills (Red Deer)
Mitchell
Murphy
O'Brien
Pagtakhan
Parrish
Payne
Peric
Phinney
Proud
Regan
Rideout
Ringuette–Maltais
Schmidt
Serré
Silye
Solomon
Speller
Stewart (Brant)
Strahl
Taylor
Terrana
Bethel
Bhaduria
Blondin–Andrew
Bonin
Breitkreuz (Yellowhead)
Bridgman
Brown (Oakville—Milton)
Caccia
Cannis
Cauchon
Chan
Clancy
Collins
Cowling
Cummins
DeVillers
Dromisky
Duncan
Easter
English
Finlay
Fontana
Frazer
Gaffney
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Gerrard
Godfrey
Gouk
Gray (Windsor West/Ouest)
Guarnieri
Hanrahan
Harper (Calgary West/Ouest)
Harper (Simcoe Centre)
Harvard
Hermanson
Hoeppner
Hubbard
Iftody
Jackson
Johnston
Keyes
Knutson
Lastewka
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lincoln
MacAulay
Maclaren
Maheu
Maloney
Marchi
Martin (Esquimalt—Juan de Fuca)
Massé
McClelland (Edmonton Southwest/Sud–Ouest)
McGuire
McLellan (Edmonton Northwest/Nord–Ouest)
McWhinney
Mifflin
Mills (Broadview—Greenwood)
Minna
Morrison
Murray
O'Reilly
Paradis
Patry
Penson
Peters
Pickard (Essex—Kent)
Ramsay
Richardson
Ringma
Robillard
Scott (Fredericton—York—Sunbury)
Shepherd
Simmons
Speaker
Steckle
Stinson
Szabo
Telegdi
Thalheimer
Thompson
Vanclief
Volpe
Wells
Williams
Young
Torsney
Verran
Wappel
White (Fraser Valley West/Ouest)
Wood
Zed—190

PAIRED MEMBERS

Asselin
Bouchard
Brushett
Canuel
Daviault
Discepola
Fewchuk
Hickey
Leroux (Shefford)
Mercier
Peterson
Pomerleau
St–Laurent
Stewart (Northumberland)
Bachand
Brien
Campbell
Crête
Dingwall
Eggleton
Godin
Leroux (Richmond—Wolfe)
Loubier
Ouellet
Pillitteri
Rock
St. Denis
Walker

● (1820)

[*Translation*]

The Acting Speaker (Mr. Kilger): I declare the amendment negatived.

[*English*]

The next question is on Motion No. 1.

Mr. Boudria: Mr. Speaker, I think you would find unanimous consent that members who voted on the previous motion be recorded as having voted on the motion now before the House. Liberal members will be voting nay.

[*Translation*]

Mr. Duceppe: Bloc members support this motion, Mr. Speaker.

[*English*]

Mr. Ringma: Reform members will vote in favour of the motion, except those who want to do otherwise.

Mr. Solomon: New Democrats in the House will vote yes on this motion.

[*Translation*]

Mr. Bernier (Beauce): I vote nay, Mr. Speaker.

[*English*]

Mr. Bhaduria: I will vote against this motion.

(The House divided on Motion No. 1, which was negatived on the following division:)

(*Division No. 380*)

YEAS

Members

Althouse
Bélisle
Benoit
Bernier (Gaspé)
Blaikie
Breitkreuz (Yorkton—Melville)
Brown (Calgary Southeast/Sud–Est)
Axworthy (Saskatoon—Clark's Crossing)
Bellehumeur
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Breitkreuz (Yellowhead)
Bridgman
Caron

Chrétien (Frontenac)
Dalphond–Guiral
de Savoye
Deshaies
Duceppe
Duncan
Fillion
Frazer
Gauthier
Gouk
Guay
Hanger
Harper (Calgary West/Ouest)
Hart
Hermanson
Hoeppner
Jennings
Lalonde
Langlois
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Manning
Martin (Esquimalt—Juan de Fuca)
McClelland (Edmonton Southwest/Sud–Ouest)
Ménard
Mills (Red Deer)
Nunez
Penson
Plamondon
Ringma
Sauvageau
Silye
Speaker
Strahl
Thompson
Tremblay (Rosemont)
White (Fraser Valley West/Ouest)
Cummins
de Jong
Debien
Dubé
Dumas
Epp
Forseth
Gagnon (Québec)
Gilmour
Grey (Beaver River)
Guimond
Hanrahan
Harper (Simcoe Centre)
Hayes
Hill (Prince George—Peace River)
Jacob
Johnston
Landry
Laurin
Lebel
Lefebvre
Marchand
Mayfield
McLaughlin
Meredith
Morrison
Paré
Picard (Drummond)
Ramsay
Rocheleau
Schmidt
Solomon
Stinson
Taylor
Tremblay (Rimouski—Témiscouata)
Venne
Williams —88

NAYS

Members

Adams
Allmand
Anderson
Assad
Axworthy (Winnipeg South Centre/Sud–Centre)
Barnes
Bélair
Bernier (Beauce)
Bethel
Bhaduria
Bodnar
Boudria
Bryden
Calder
Catterall
Chamberlain
Chrétien (Saint–Maurice)
Cohen
Copps
Culbert
Dhaliwal
Duhamel
Easter
English
Flis
Fry
Gagliano
Gallaway
Godfrey
Graham
Guarnieri
Harper (Churchill)
Hopkins
Ianno
Irwin
Jordan
Kirkby
Kraft Sloan
Alcock
Anawak
Arseneault
Assadourian
Bakopanos
Beaumier
Bélanger
Bertrand
Bevilacqua
Blondin–Andrew
Bonin
Brown (Oakville—Milton)
Caccia
Cannis
Cauchon
Chan
Clancy
Collins
Cowling
DeVillers
Dromisky
Dupuy
Eggleton
Finlay
Fontana
Gaffney
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Gerrard
Goodale
Gray (Windsor West/Ouest)
Harb
Harvard
Hubbard
Iftody
Jackson
Keyes
Knutson
Lastewka
Lavigne (Verdun—Saint–Paul)
Lee
Loney
MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)
Malhi
Marchi
Martin (LaSalle—Émard)
McCormick
McLellan (Edmonton Northwest/Nord–Ouest)
McWhinney
Milliken
Minna
Murphy
O'Brien
Pagtakhan
Parrish
Payne
Peters
Pickard (Essex—Kent)
Regan
Rideout
Robillard
Serré
Simmons
Steckle
Szabo
Terrana
Torsney
Verran
Wappel
Wood
Zed—141
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lincoln
MacAulay
Maclaren
Maheu
Maloney
Marleau
Massé
McGuire
McTeague
Mifflin
Mills (Broadview—Greenwood)
Mitchell
Murray
O'Reilly
Paradis
Patry
Peric
Phinney
Proud
Richardson
Ringuette–Maltais
Scott (Fredericton—York—Sunbury)
Shepherd
Speller
Stewart (Brant)
Telegdi
Thalheimer
Vanclief
Volpe
Wells
Young

PAIRED MEMBERS

Asselin
Bouchard
Brushett
Canuel
Daviault
Discepola
Fewchuk
Hickey
Leroux (Shefford)
Mercier
Peterson
Pomerleau
St–Laurent
Stewart (Northumberland)
Bachand
Brien
Campbell
Crête
Dingwall
Eggleton
Godin
Leroux (Richmond—Wolfe)
Loubier
Ouellet
Pillitteri
Rock
St. Denis
Walker

The Acting Speaker (Mr. Kilger): I declare Motion No. 1 lost.

The next question is on Motion No. 2. An affirmative vote on Motion No. 2 obviates the necessity of putting the question on Motion No. 3. A negative vote on Motion No. 2 necessitates the question being put on Motion No. 3.

[*Translation*]

Mr. Boudria: Mr. Speaker, if you were to seek it, I believe you would find unanimous consent for those members who voted on the preceding motion to be recorded as having voted on the motion now before the House, with Liberal members voting yea.

Mr. Duceppe: Bloc members oppose this motion, Mr. Speaker.

[*English*]

Mr. Ringma: Reform members oppose, except those who do otherwise.

Mr. Solomon: New Democrats in the House tonight vote yes on this motion.

[*Translation*]

Mr. Bernier (Beauce): I vote yea, Mr. Speaker.

[*English*]

Mr. Bhaduria: I support this motion.

(The House divided on Motion No. 2, which was agreed to on the following division:)

(*Division No. 381*)

YEAS

Members

Adams
Allmand
Anawak
Arseneault
Assadourian
Axworthy (Winnipeg South Centre/Sud–Centre)
Barnes
Bélair
Bernier (Beauce)
Bethel
Bhaduria
Blondin–Andrew
Bonin
Brown (Oakville—Milton)
Caccia
Cannis
Cauchon
Chan
Clancy
Collins
Cowling
de Jong
Dhaliwal
Duhamel
Easter
English
Flis
Fry
Gagliano
Gallaway
Godfrey
Graham
Guarnieri
Harper (Churchill)
Hopkins
Ianno
Irwin
Jordan
Kirkby
Kraft Sloan
Lavigne (Verdun—Saint–Paul)
Lee
Loney
MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)
Malhi
Marchi
Martin (LaSalle—Émard)
McCormick
McLaughlin
McTeague
Mifflin
Mills (Broadview—Greenwood)
Mitchell
Murray
O'Reilly
Paradis
Patry
Peric
Phinney
Alcock
Althouse
Anderson
Assad
Axworthy (Saskatoon—Clark's Crossing)
Bakopanos
Beaumier
Bélanger
Bertrand
Bevilacqua
Blaikie
Bodnar
Boudria
Bryden
Calder
Catterall
Chamberlain
Chrétien (Saint–Maurice)
Cohen
Copps
Culbert
DeVillers
Dromisky
Dupuy
Eggleton
Finlay
Fontana
Gaffney
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Gerrard
Goodale
Gray (Windsor West/Ouest)
Harb
Harvard
Hubbard
Iftody
Jackson
Keyes
Knutson
Lastewka
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lincoln
MacAulay
Maclaren
Maheu
Maloney
Marleau
Massé
McGuire
McLellan (Edmonton Northwest/Nord–Ouest)
McWhinney
Milliken
Minna
Murphy
O'Brien
Pagtakhan
Parrish
Payne
Peters
Pickard (Essex—Kent)
Proud
Richardson
Ringuette–Maltais
Scott (Fredericton—York—Sunbury)
Shepherd
Solomon
Steckle
Szabo
Telegdi
Thalheimer
Vanclief
Volpe
Wells
Young
Regan
Rideout
Robillard
Serré
Simmons
Speller
Stewart (Brant)
Taylor
Terrana
Torsney
Verran
Wappel
Wood
Zed —148

NAYS

Members

Bélisle
Benoit
Bernier (Gaspé)
Breitkreuz (Yellowhead)
Bridgman
Caron
Cummins
de Savoye
Deshaies
Duceppe
Duncan
Fillion
Frazer
Gauthier
Gouk
Guay
Hanger
Harper (Calgary West/Ouest)
Hart
Hermanson
Hoeppner
Jennings
Lalonde
Langlois
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Manning
Martin (Esquimalt—Juan de Fuca)
McClelland (Edmonton Southwest/Sud–Ouest)
Meredith
Morrison
Paré
Picard (Drummond)
Ramsay
Rocheleau
Schmidt
Speaker
Strahl
Tremblay (Rimouski—Témiscouata)
Venne
Williams —81
Bellehumeur
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Breitkreuz (Yorkton—Melville)
Brown (Calgary Southeast/Sud–Est)
Chrétien (Frontenac)
Dalphond–Guiral
Debien
Dubé
Dumas
Epp
Forseth
Gagnon (Québec)
Gilmour
Grey (Beaver River)
Guimond
Hanrahan
Harper (Simcoe Centre)
Hayes
Hill (Prince George—Peace River)
Jacob
Johnston
Landry
Laurin
Lebel
Lefebvre
Marchand
Mayfield
Ménard
Mills (Red Deer)
Nunez
Penson
Plamondon
Ringma
Sauvageau
Silye
Stinson
Thompson
Tremblay (Rosemont)
White (Fraser Valley West/Ouest)

PAIRED MEMBERS

Asselin
Bouchard
Brushett
Canuel
Daviault
Discepola
Fewchuk
Hickey
Leroux (Shefford)
Mercier
Peterson
Pomerleau
St–Laurent
Stewart (Northumberland)
Bachand
Brien
Campbell
Crête
Dingwall
Eggleton
Godin
Leroux (Richmond—Wolfe)
Loubier
Ouellet
Pillitteri
Rock
St. Denis
Walker

[*Translation*]

The Acting Speaker (Mr. Kilger): I declare Motion No. 2 carried.

The next question is on Motion No. 4. An affirmative vote on Motion No. 4 obviates the necessity of putting the question on Motion No. 6. A negative vote on Motion No. 4 necessitates the question being put on Motion No. 6.

[*English*]

Mr. Boudria: Mr. Speaker, I believe you would find unanimous consent that the vote taken on report stage Motion No. 1 be applied to the motion now before the House. You might also ask if the same thing could be done in reverse for report stage Motion No. 6.

The Acting Speaker (Mr. Kilger): Let us have a replay.

Mr. Boudria: Mr. Speaker, I ask that the results taken on report stage Motion No. 1 be applied to report stage Motion No. 4.

[*Editor's Note: See list under Division No. 380.*]

The Acting Speaker (Mr. Kilger): I declare Motion No. 4 lost.

(Motion No. 4 negatived.)

• (1825)

The Acting Speaker (Mr. Kilger): The next question is on Motion No. 6.

[*Translation*]

Mr. Boudria: Mr. Speaker, if you were to seek it, I believe you would find unanimous consent to apply in reverse the vote taken on the last motion to the motion now before the House.

Mr. Duceppe: Agreed.

[*English*]

Mr. Ringma: Agreed.

Mr. Solomon: Mr. Speaker, the New Democrats vote no on this motion.

[*Translation*]

Mr. Bernier (Beauce): Agreed, Mr. Speaker.

[*English*]

Mr. Bhaduria: Agreed, Mr. Speaker.

(The House divided on Motion No. 6, which was agreed to on the following division:)

(*Division No. 382*)

YEAS

Members

Adams
Allmand
Anderson
Assad
Axworthy (Winnipeg South Centre/Sud–Centre)
Alcock
Anawak
Arseneault
Assadourian
Bakopanos
Barnes
Bélair
Bernier (Beauce)
Bethel
Bhaduria
Bodnar
Boudria
Bryden
Calder
Catterall
Chamberlain
Chrétien (Saint–Maurice)
Cohen
Copps
Culbert
Dhaliwal
Duhamel
Easter
English
Flis
Fry
Gagliano
Gallaway
Godfrey
Graham
Guarnieri
Harper (Churchill)
Hopkins
Ianno
Irwin
Jordan
Kirkby
Kraft Sloan
Lavigne (Verdun—Saint–Paul)
Lee
Loney
MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)
Malhi
Marchi
Martin (LaSalle—Émard)
McCormick
McLellan (Edmonton Northwest/Nord–Ouest)
McWhinney
Milliken
Minna
Murphy
O'Brien
Pagtakhan
Parrish
Payne
Peters
Pickard (Essex—Kent)
Regan
Rideout
Robillard
Serré
Simmons
Steckle
Szabo
Terrana
Torsney
Verran
Wappel
Wood
Zed—141
Beaumier
Bélanger
Bertrand
Bevilacqua
Blondin–Andrew
Bonin
Brown (Oakville—Milton)
Caccia
Cannis
Cauchon
Chan
Clancy
Collins
Cowling
DeVillers
Dromisky
Dupuy
Eggleton
Finlay
Fontana
Gaffney
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Gerrard
Goodale
Gray (Windsor West/Ouest)
Harb
Harvard
Hubbard
Iftody
Jackson
Keyes
Knutson
Lastewka
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lincoln
MacAulay
Maclaren
Maheu
Maloney
Marleau
Massé
McGuire
McTeague
Mifflin
Mills (Broadview—Greenwood)
Mitchell
Murray
O'Reilly
Paradis
Patry
Peric
Phinney
Proud
Richardson
Ringuette–Maltais
Scott (Fredericton—York—Sunbury)
Shepherd
Speller
Stewart (Brant)
Telegdi
Thalheimer
Vanclief
Volpe
Wells
Young

NAYS

Members

Althouse
Bélisle
Benoit
Bernier (Gaspé)
Axworthy (Saskatoon—Clark's Crossing)
Bellehumeur
Bergeron
Bernier (Mégantic—Compton—Stanstead)

Blaikie	Breitkreuz (Yellowhead)
Breitkreuz (Yorkton—Melville)	Bridgman
Brown (Calgary Southeast/Sud–Est)	Caron
Chrétien (Frontenac)	Cummins
Dalphond–Guiral	de Jong
de Savoye	Debien
Deshaies	Dubé
Duceppe	Dumas
Duncan	Epp
Fillion	Forseth
Frazer	Gagnon (Québec)
Gauthier	Gilmour
Gouk	Grey (Beaver River)
Guay	Guimond
Hanger	Hanrahan
Harper (Calgary West/Ouest)	Harper (Simcoe Centre)
Hart	Hayes
Hermanson	Hill (Prince George—Peace River)
Hoeppner	Jacob
Jennings	Johnston
Lalonde	Landry
Langlois	Laurin
Lavigne (Beauharnois—Salaberry)	Lebel
Leblanc (Longueuil)	Lefebvre
Manning	Marchand
Martin (Esquimalt—Juan de Fuca)	Mayfield
McClelland (Edmonton Southwest/Sud–Ouest)	McLaughlin
Ménard	Meredith
Mills (Red Deer)	Morrison
Nunez	Paré
Penson	Picard (Drummond)
Plamondon	Ramsay
Ringma	Rocheleau
Sauvageau	Schmidt
Silye	Solomon
Speaker	Stinson
Strahl	Taylor
Thompson	Tremblay (Rimouski—Témiscouata)
Tremblay (Rosemont)	Venne
White (Fraser Valley West/Ouest)	Williams —88

PAIRED MEMBERS

Asselin	Bachand
Bouchard	Brien
Brushett	Campbell
Canuel	Crête
Daviault	Dingwall
Discepola	Eggleton
Fewchuk	Godin
Hickey	Leroux (Richmond—Wolfe)
Leroux (Shefford)	Loubier
Mercier	Ouellet
Peterson	Pillitteri
Pomerleau	Rock
St–Laurent	St. Denis
Stewart (Northumberland)	Walker

The Acting Speaker (Mr. Kilger): I declare Motion No. 6 carried.

[*Translation*]

The next question is on Motion No. 8.

Mr. Boudria: Mr. Speaker, I ask for the consent of the House to have those members who voted on the previous motion recorded as having voted on the motion now before the House, with Liberal members voting nay.

Mr. Duceppe: Bloc Quebecois members support the motion, Mr. Speaker.

[*English*]

Mr. Ringma: Reform members will vote against the motion.

Mr. Solomon: New Democrats vote yes on this motion.

[*Translation*]

Mr. Bernier (Beauce): I vote nay, Mr. Speaker.

[*English*]

Mr. Bhaduria: I will vote against this motion, Mr. Speaker.

(The House divided on Motion No. 8, which was negatived on the following division:)

(*Division No. 383*)

YEAS

Members

Althouse	Axworthy (Saskatoon—Clark's Crossing)
Bélisle	Bellehumeur
Bergeron	Bernier (Gaspé)
Bernier (Mégantic—Compton—Stanstead)	Blaikie
Caron	Chrétien (Frontenac)
Dalphond–Guiral	de Jong
de Savoye	Debien
Deshaies	Dubé
Duceppe	Dumas
Fillion	Gagnon (Québec)
Gauthier	Guay
Guimond	Jacob
Lalonde	Landry
Langlois	Laurin
Lavigne (Beauharnois—Salaberry)	Lebel
Leblanc (Longueuil)	Lefebvre
Marchand	McLaughlin
Ménard	Nunez
Paré	Picard (Drummond)
Plamondon	Rocheleau
Sauvageau	Solomon
Taylor	Tremblay (Rimouski—Témiscouata)
Tremblay (Rosemont)	Venne—46

NAYS

Members

Adams	Alcock
Allmand	Anawak
Anderson	Arseneault
Assad	Assadourian
Axworthy (Winnipeg South Centre/Sud–Centre)	Bakopanos
Barnes	Beaumier
Bélair	Bélanger
Benoit	Bernier (Beauce)
Bertrand	Bethel
Bevilacqua	Bhaduria
Blondin–Andrew	Bodnar
Bonin	Boudria
Breitkreuz (Yellowhead)	Breitkreuz (Yorkton—Melville)
Bridgman	Brown (Calgary Southeast/Sud–Est)
Brown (Oakville—Milton)	Bryden
Caccia	Calder
Cannis	Catterall
Cauchon	Chamberlain
Chan	Chrétien (Saint–Maurice)
Clancy	Cohen
Collins	Copps
Cowling	Culbert

Cummins
Dhaliwal
Duhamel
Dupuy
Eggleton
Epp
Flis
Forseth
Fry
Gagliano
Gallaway
Gilmour
Goodale
Graham
Grey (Beaver River)
Hanger
Harb
Harper (Churchill)
Hart
Hayes
Hill (Prince George—Peace River)
Hopkins
Ianno
Irwin
Jennings
Jordan
Kirkby
Kraft Sloan
Lavigne (Verdun—Saint–Paul)
Lee
Loney
MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)
Malhi
Manning
Marleau
Martin (LaSalle—Émard)
Mayfield
McCormick
McLellan (Edmonton Northwest/Nord–Ouest)
McWhinney
Mifflin
Mills (Broadview—Greenwood)
Minna
Morrison
Murray
O'Reilly
Paradis
Patry
Penson
Peters
Pickard (Essex—Kent)
Ramsay
Richardson
Ringma
Robillard
Scott (Fredericton—York—Sunbury)
Shepherd
Simmons
Speller
Stewart (Brant)
Strahl
Telegdi
Thalheimer
Torsney
Verran
Wappel
White (Fraser Valley West/Ouest)
Wood
Zed—183

DeVillers
Dromisky
Duncan
Easter
English
Finlay
Fontana
Frazer
Gaffney
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Gerrard
Godfrey
Gouk
Gray (Windsor West/Ouest)
Guarnieri
Hanrahan
Harper (Calgary West/Ouest)
Harper (Simcoe Centre)
Harvard
Hermanson
Hoeppner
Hubbard
Iftody
Jackson
Johnston
Keyes
Knutson
Lastewka
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lincoln
MacAulay
Maclaren
Maheu
Maloney
Marchi
Martin (Esquimalt—Juan de Fuca)
Massé
McClelland (Edmonton Southwest/Sud–Ouest)
McGuire
McTeague
Meredith
Milliken
Mills (Red Deer)
Mitchell
Murphy
O'Brien
Pagtakhan
Parrish
Payne
Peric
Phinney
Proud
Regan
Rideout
Ringuette–Maltais
Schmidt
Serré
Silye
Speaker
Steckle
Stinson
Szabo
Terrana
Thompson
Vanclief
Volpe
Wells
Williams
Young

PAIRED MEMBERS

Asselin
Bouchard
Brushett
Canuel
Daviault
Discepola
Fewchuk
Hickey
Leroux (Shefford)
Mercier

Bachand
Brien
Campbell
Crête
Dingwall
Eggleton
Godin
Leroux (Richmond—Wolfe)
Loubier
Ouellet

Peterson
Pomerleau
St–Laurent
Stewart (Northumberland)

Pillitteri
Rock
St. Denis
Walker

The Acting Speaker (Mr. Kilger): I declare Motion No. 8 lost.

The next question is on Motion No. 9.

Mr. Boudria: Mr. Speaker, I am seeking unanimous consent to apply the vote just taken to the motion now before the House in an identical manner.

The Acting Speaker (Mr. Kilger): Is that agreed?

[*Translation*]

Mr. Duceppe: Agreed.

[*English*]

Mr. Ringma: Agreed.

Mr. Solomon: Agreed.

[*Translation*]

Mr. Bernier (Beauce): Agreed.

[*English*]

Mr. Bhaduria: Agreed.

[*Editor's Note: See list under Division No. 383*]

The Acting Speaker (Mr. Kilger): I declare Motion No. 9 lost.

(Motion No. 9 negatived.)

Hon. David Anderson (for Minister of Public Works and Government Services, Lib.) moved that the bill, as amended, be concurred in.

Mr. Boudria: Mr. Speaker, I wish to ask for unanimous consent that the vote taken on report stage Motion No. 6 be applied to the motion now before the House.

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

Some hon. members: Agreed.

[*Editor's Note: See list under Division No. 382*]

The Acting Speaker (Mr. Kilger): I declare the motion carried.

(Motion agreed to.)

[*Translation*]

MANGANESE BASED FUEL ADDITIVES ACT

The House resumed from November 27 consideration of the motion that Bill C–94, an act to regulate interprovincial trade in and the importation for commercial purposes of certain manganese based substances, be read the third time and passed; and of the amendment.

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 45, the House will now proceed to the taking of the deferred division on the amendment of Mr. Sauvageau to Bill C–94.

● (1830)

[*English*]

Mr. Boudria: Mr. Speaker, the Liberal MPs in the House will be voting nay on the amendment.

I wish to indicate to the House that one Liberal member had to absent himself momentarily, the hon. member for Sarnia. Therefore, the members who voted on the previous motion will be recorded as voting nay on this motion, with the exception of the hon. member for Sarnia, who will be recorded as now having left.

[*Translation*]

Mr. Duceppe: Mr. Speaker, Bloc Quebecois members support that motion.

[*English*]

Mr. Ringma: Mr. Speaker, the Reform Party will vote in favour of the motion.

Mr. Solomon: Mr. Speaker, the New Democrats vote no on the motion.

[*Translation*]

Mr. Bernier: I vote nay, Mr. Speaker.

[*English*]

Mr. Bhaduria: Mr. Speaker, I will vote against the motion.

(The House divided on the amendment, which was negatived on the following division:)

(*Division No. 384*)

YEAS

Members

Bélisle
Benoit
Bernier (Gaspé)
Breitkreuz (Yellowhead)
Bridgman
Caron
Cummins
de Savoye
Deshaies
Duceppe
Duncan
Fillion
Frazer
Gauthier
Gouk
Guay
Hanger
Harper (Calgary West/Ouest)
Hart
Hermanson
Hoeppner
Jennings
Lalonde
Langlois
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Manning
Martin (Esquimalt—Juan de Fuca)
McClelland (Edmonton Southwest/Sud–Ouest)
Meredith
Morrison
Paré
Picard (Drummond)
Ramsay
Rocheleau
Schmidt
Speaker
Strahl
Tremblay (Rimouski—Témiscouata)
Venne
Williams —81

Bellehumeur
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Breitkreuz (Yorkton—Melville)
Brown (Calgary Southeast/Sud–Est)
Chrétien (Frontenac)
Dalphond–Guiral
Debien
Dubé
Dumas
Epp
Forseth
Gagnon (Québec)
Gilmour
Grey (Beaver River)
Guimond
Hanrahan
Harper (Simcoe Centre)
Hayes
Hill (Prince George—Peace River)
Jacob
Johnston
Landry
Laurin
Lebel
Lefebvre
Marchand
Mayfield
Ménard
Mills (Red Deer)
Nunez
Penson
Plamondon
Ringma
Sauvageau
Silye
Stinson
Thompson
Tremblay (Rosemont)
White (Fraser Valley West/Ouest)

NAYS

Members

Adams
Allmand
Anawak
Arseneault
Assadourian
Axworthy (Winnipeg South Centre/Sud–Centre)
Barnes
Bélair
Bernier (Beauce)
Bethel
Bhaduria
Blondin–Andrew
Bonin
Brown (Oakville—Milton)
Caccia
Cannis
Cauchon
Chan
Clancy
Collins
Cowling
de Jong
Dhaliwal
Duhamel
Easter
English
Flis
Fry
Gagliano
Gerrard
Goodale
Gray (Windsor West/Ouest)
Harb
Harvard
Hubbard
Iftody
Jackson
Keyes
Knutson
Lastewka
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lincoln
MacAulay
Maclaren
Maheu
Maloney
Marleau
Massé
McGuire
McLellan (Edmonton Northwest/Nord–Ouest)

Alcock
Althouse
Anderson
Assad
Axworthy (Saskatoon—Clark's Crossing)
Bakopanos
Beaumier
Bélanger
Bertrand
Bevilacqua
Blaikie
Bodnar
Boudria
Bryden
Calder
Catterall
Chamberlain
Chrétien (Saint–Maurice)
Cohen
Copps
Culbert
DeVillers
Dromisky
Dupuy
Eggleton
Finlay
Fontana
Gaffney
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Godfrey
Graham
Guarnieri
Harper (Churchill)
Hopkins
Ianno
Irwin
Jordan
Kirkby
Kraft Sloan
Lavigne (Verdun—Saint–Paul)
Lee
Loney
MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)
Malhi
Marchi
Martin (LaSalle—Émard)
McCormick
McLaughlin
McTeague

McWhinney	Mifflin
Milliken	Mills (Broadview—Greenwood)
Minna	Mitchell
Murphy	Murray
O'Brien	O'Reilly
Pagtakhan	Paradis
Parrish	Patry
Payne	Peric
Peters	Phinney
Pickard (Essex—Kent)	Proud
Regan	Richardson
Rideout	Ringuette–Maltais
Robillard	Scott (Fredericton—York—Sunbury)
Serré	Shepherd
Simmons	Solomon
Speller	Steckle
Stewart (Brant)	Szabo
Taylor	Telegdi
Terrana	Thalheimer
Torsney	Vanclief
Verran	Volpe
Wappel	Wells
Wood	Young
Zed —147	

PAIRED MEMBERS

Asselin	Bachand
Bouchard	Brien
Brushett	Campbell
Canuel	Crête
Daviault	Dingwall
Discepola	Eggleton
Fewchuk	Godin
Hickey	Leroux (Richmond—Wolfe)
Leroux (Shefford)	Loubier
Mercier	Ouellet
Peterson	Pillitteri
Pomerleau	Rock
St–Laurent	St. Denis
Stewart (Northumberland)	Walker

The Acting Speaker (Mr. Kilger): I declare the amendment lost.

* * *

[*Translation*]

SMALL BUSINESS LOANS ACT

The House resumed consideration of Bill C–99, an act to amend the Small Business Loans Act, as reported (with amendments) from a committee.

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 45, the House will now proceed to the taking of the deferred division at report stage on Bill C–99, an act to amend the Small Business Loans Act.

The first division will be on Motion No. 3.

Mr. Boudria: Madam Speaker, if you were to seek it, I think you would find that the House agrees to apply the vote taken on Motion No. 8 on Bill C–52 to the motion now before the House.

The Acting Speaker (Mr. Kilger): Are the whips in agreement?

Some hon. members: Agreed.

[*Editor's Note: See list under Division No. 383*]

The Acting Speaker (Mr. Kilger): I declare Motion No. 3 lost.

(Motion No. 3 negatived.)

[*English*]

Hon. Douglas Peters (for the Minister of Industry) moved that the bill, as amended, be concurred in.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion the yeas have it.

Mr. Boudria: Mr. Speaker, I believe you would find unanimous consent to apply the vote taken on the previous motion in reverse to the motion now before the House.

The Acting Speaker (Mr. Kilger): Is that agreed?

[*Translation*]

Mr. Duceppe: Agreed.

[*English*]

Mr. Ringma: Agreed.

Mr. Solomon: Agreed.

Mr. Williams: Mr. Speaker, I wish to be recorded as being opposed to the bill.

[*Translation*]

Mr. Bernier (Beauce): Agreed.

[*English*]

Mr. Bhaduria: Agreed, Mr. Speaker.

• (1835)

Mr. Solomon: Mr. Speaker, I was saying that we agree with the chief government whip with respect to reversing the order. We were not supporting the motion. We were in fact opposing the motion.

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

(*Division No. 385*)

YEAS

Members

Adams	Alcock
Allmand	Anawak
Anderson	Arseneault
Assad	Assadourian
Axworthy (Winnipeg South Centre/Sud–Centre)	Bakopanos
Barnes	Beaumier
Bélair	Bélanger
Benoit	Bernier (Beauce)
Bertrand	Bethel

Bevilacqua
Blondin–Andrew
Bonin
Breitkreuz (Yellowhead)
Bridgman
Brown (Oakville—Milton)
Caccia
Cannis
Cauchon
Chan
Clancy
Collins
Cowling
Cummins
Dhaliwal
Duhamel
Dupuy
Eggleton
Epp
Flis
Forseth
Fry
Gagliano
Gallaway
Gilmour
Goodale
Graham
Grey (Beaver River)
Hanger
Harb
Harper (Churchill)
Hart
Hayes
Hill (Prince George—Peace River)
Hopkins
Ianno
Irwin
Jennings
Jordan
Kirkby
Kraft Sloan
Lavigne (Verdun—Saint–Paul)
Lee
Loney
MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)
Malhi
Manning
Marleau
Martin (LaSalle—Émard)
Mayfield
McCormick
McLellan (Edmonton Northwest/Nord–Ouest)
McWhinney
Mifflin
Mills (Broadview—Greenwood)
Minna
Morrison
Murray
O'Reilly
Paradis
Patry
Penson
Peters
Pickard (Essex—Kent)
Ramsay
Richardson
Ringma
Robillard
Scott (Fredericton—York—Sunbury)
Shepherd
Simmons
Speller
Stewart (Brant)
Strahl
Telegdi
Thalheimer
Torsney
Verran
Wappel
White (Fraser Valley West/Ouest)
Young
Bhaduria
Bodnar
Boudria
Breitkreuz (Yorkton—Melville)
Brown (Calgary Southeast/Sud–Est)
Bryden
Calder
Catterall
Chamberlain
Chrétien (Saint–Maurice)
Cohen
Copps
Culbert
DeVillers
Dromisky
Duncan
Easter
English
Finlay
Fontana
Frazer
Gaffney
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Gerrard
Godfrey
Gouk
Gray (Windsor West/Ouest)
Guarnieri
Hanrahan
Harper (Calgary West/Ouest)
Harper (Simcoe Centre)
Harvard
Hermanson
Hoeppner
Hubbard
Iftody
Jackson
Johnston
Keyes
Knutson
Lastewka
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lincoln
MacAulay
Maclaren
Maheu
Maloney
Marchi
Martin (Esquimalt—Juan de Fuca)
Massé
McClelland (Edmonton Southwest/Sud–Ouest)
McGuire
McTeague
Meredith
Milliken
Mills (Red Deer)
Mitchell
Murphy
O'Brien
Pagtakhan
Parrish
Payne
Peric
Phinney
Proud
Regan
Rideout
Ringuette–Maltais
Schmidt
Serré
Silye
Speaker
Steckle
Stinson
Szabo
Terrana
Thompson
Vanclief
Volpe
Wells
Wood
Zed—182

NAYS

Members

Althouse
Bélisle
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Caron
Dalphond–Guiral
de Savoye
Deshaies
Duceppe
Fillion
Gauthier
Guimond
Lalonde
Langlois
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Marchand
Ménard
Paré
Plamondon
Sauvageau
Taylor
Tremblay (Rosemont)
Williams—47
Axworthy (Saskatoon—Clark's Crossing)
Bellehumeur
Bernier (Gaspé)
Blaikie
Chrétien (Frontenac)
de Jong
Debien
Dubé
Dumas
Gagnon (Québec)
Guay
Jacob
Landry
Laurin
Lebel
Lefebvre
McLaughlin
Nunez
Picard (Drummond)
Rocheleau
Solomon
Tremblay (Rimouski—Témiscouata)
Venne

PAIRED MEMBERS

Asselin
Bouchard
Brushett
Canuel
Daviault
Discepola
Fewchuk
Hickey
Leroux (Shefford)
Mercier
Peterson
Pomerleau
St–Laurent
Stewart (Northumberland)
Bachand
Brien
Campbell
Crête
Dingwall
Eggleton
Godin
Leroux (Richmond—Wolfe)
Loubier
Ouellet
Pillitteri
Rock
St. Denis
Walker

The Acting Speaker (Mr. Kilger): I declare the motion carried.

* * *

BRITISH COLUMBIA TREATY COMMISSION ACT

The House resumed consideration of the motion that Bill C–107, an act respecting the establishment of the British Columbia Treaty Commission, be read the third time and passed.

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 45, the House will now proceed to the taking of the deferred division at the third reading stage of Bill C–107, an act respecting the establishment of the British Columbia Treaty Commission.

Mr. Boudria: Mr. Speaker, if you were to seek it, I believe you would find unanimous consent that members who voted on the previous motion be recorded as having voted on the motion now before the House, with Liberal MPs voting yes.

[*Translation*]

Mr. Duceppe: The Bloc supports the motion, Mr. Speaker.

[*English*]

Mr. Ringma: Mr. Speaker, the Reform Party votes no.

Mr. Solomon: Mr. Speaker, the New Democrats in the House vote yes to this motion.

[*Translation*]

Mr. Bernier (Beauce): I vote yea, Mr. Speaker.

[*English*]

Mr. Bhaduria: Mr. Speaker, yes.

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

(*Division No. 386*)

YEAS

Members

Adams
Allmand
Anawak
Arseneault
Assadourian
Axworthy (Winnipeg South Centre/Sud–Centre)
Barnes
Bélair
Bélisle
Bergeron
Bernier (Gaspé)
Bertrand
Bevilacqua
Blaikie
Bodnar
Boudria
Bryden
Calder
Caron
Cauchon
Chan
Chrétien (Saint–Maurice)
Cohen
Copps
Culbert
de Jong
Debien
DeVillers
Dromisky
Duceppe
Dumas
Easter
English
Finlay
Fontana
Gaffney
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Gallaway
Gerrard
Goodale
Gray (Windsor West/Ouest)
Guay
Harb
Harvard
Hubbard
Iftody
Jackson
Jordan
Kirkby
Kraft Sloan
Landry
Lastewka
Lavigne (Beauharnois—Salaberry)
Lebel
Leblanc (Longueuil)
Lefebvre
Alcock
Althouse
Anderson
Assad
Axworthy (Saskatoon—Clark's Crossing)
Bakopanos
Beaumier
Bélanger
Bellehumeur
Bernier (Beauce)
Bernier (Mégantic—Compton—Stanstead)
Bethel
Bhaduria
Blondin–Andrew
Bonin
Brown (Oakville—Milton)
Caccia
Cannis
Catterall
Chamberlain
Chrétien (Frontenac)
Clancy
Collins
Cowling
Dalphond–Guiral
de Savoye
Deshaies
Dhaliwal
Dubé
Duhamel
Dupuy
Eggleton
Fillion
Flis
Fry
Gagliano
Gagnon (Québec)
Gauthier
Godfrey
Graham
Guarnieri
Guimond
Harper (Churchill)
Hopkins
Ianno
Irwin
Jacob
Keyes
Knutson
Lalonde
Langlois
Laurin
Lavigne (Verdun—Saint–Paul)
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lee
Lincoln
Loney
MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)
Malhi
Marchand
Marleau
Massé
McGuire
McLellan (Edmonton Northwest/Nord–Ouest)
McWhinney
Mifflin
Mills (Broadview—Greenwood)
Mitchell
Murray
O'Brien
Pagtakhan
Paré
Patry
Peric
Phinney
Pickard (Essex—Kent)
Proud
Richardson
Ringuette–Maltais
Rocheleau
Scott (Fredericton—York—Sunbury)
Shepherd
Solomon
Steckle
Szabo
Telegdi
Thalheimer
Tremblay (Rimouski—Témiscouata)
Vanclief
Verran
Wappel
Wood
Zed—187
MacAulay
Maclaren
Maheu
Maloney
Marchi
Martin (LaSalle—Émard)
McCormick
McLaughlin
McTeague
Ménard
Milliken
Minna
Murphy
Nunez
O'Reilly
Paradis
Parrish
Payne
Peters
Picard (Drummond)
Plamondon
Regan
Rideout
Robillard
Sauvageau
Serré
Simmons
Speller
Stewart (Brant)
Taylor
Terrana
Torsney
Tremblay (Rosemont)
Venne
Volpe
Wells
Young

NAYS

Members

(Yorkton—Melville)
Brown (Calgary Southeast/Sud–Est)
Duncan
Forseth
Gilmour
Grey (Beaver River)
Hanrahan
Harper (Simcoe Centre)
Hayes
Hill (Prince George—Peace River)
Jennings
Manning
Mayfield
Meredith
Morrison
Ramsay
Schmidt
Speaker
Strahl
White (Fraser Valley West/Ouest)
Bridgman
Cummins
Epp
Frazer
Gouk
Hanger
Harper (Calgary West/Ouest)
Hart
Hermanson
Hoeppner
Johnston
Martin (Esquimalt—Juan de Fuca)
McClelland (Edmonton Southwest/Sud–Ouest)
Mills (Red Deer)
Penson
Ringma
Silye
Stinson
Thompson
Williams—42

PAIRED MEMBERS

Asselin
Bouchard
Brushett
Canuel
Daviault
Discepola
Fewchuk
Hickey
Bachand
Brien
Campbell
Crête
Dingwall
Eggleton
Godin
Leroux (Richmond—Wolfe)

Leroux (Shefford)	Loubier
Mercier	Ouellet
Peterson	Pillitteri
Pomerleau	Rock
St–Laurent	St. Denis
Stewart (Northumberland)	Walker

The Acting Speaker (Mr. Kilger): I declare the motion carried.

(Bill read the third time and passed.)

* * *

WITNESS PROTECTION PROGRAM ACT

The House proceeded to the consideration of Bill C–78, an act to provide for the establishment and operation of a program to enable certain persons to receive protection in relation to certain inquiries, investigations or prosecutions, as reported (with amendment) from the committee.

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 45, the House will now proceed to the taking of the deferred division at the report stage of Bill C–78.

The first question is on Motion No. 1

Mr. Boudria: Mr. Speaker, if you were to seek it, I believe you would find unanimous consent that the results of the vote on report stage Motion No. 6 of Bill C–52 be applied in reverse to the motion now before the House. The same would apply to report stage Motion No. 2.

[*Translation*]

Mr. Duceppe: Agreed, Mr. Speaker.

[*English*]

Mr. Ringma: Mr. Speaker, I understand that it is in reverse.

Mr. Solomon: Mr. Speaker, New Democrats agree except for one question that relates to the member for Sarnia. He had voted on that previous motion. Is he voting on this one or not?

[*Translation*]

Mr. Bernier (Beauce): Agreed.

[*English*]

Mr. Bhaduria: Agreed, Mr. Speaker.

[*Editor's Note: See list under Division No. 380*]

The Acting Speaker (Mr. Kilger): Therefore I declare Motions Nos. 1 and 2 lost.

(Motion No. 1.)

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.) moved that the bill, as amended, be concurred in.

(Motion agreed to.)

The Acting Speaker (Mr. Kilger): It being 6.43 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*]

ABORIGINAL LAND CLAIMS COMMISSION

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP) moved:

> That, in the opinion of this House, the government should consider the advisability of establishing a new independent aboriginal land claims commission, as recommended in the 1994–95 annual report of the Indian Claims Commission.

He said: Mr. Speaker, it gives me great pleasure to rise today to present to the House this motion, which seeks to bring action on the recommendation of the Indian Claims Commission.

The motion seeks the approval of the House to begin the discussion that will eventually lead to the establishment of a new Indian Claims Commission and process. I am also pleased this motion has been made votable because this means the members of the House will now have the opportunity to formally respond to the incredible and excellent work the current Indian Claims Commission has been doing.

Before beginning my formal remarks today, I want to thank the Indian Claims Commission for all its efforts in meeting the challenges of its difficult mandate and for preparing the groundwork for the next step in this important and evolving process. I am particularly grateful to claims commission co–chair Mr. Dan Bellegarde and to Mary Ellen Turpel whose legal and research work I borrowed for some of my presentation today.

• (1845)

The idea of a new claims process and policy is not a new one. As I will demonstrate later in my remarks not only did former Prime Minister John Diefenbaker advocate for an independent land claims process, so too did the Liberals as recently as the 1993 election.

However, as is also obvious it appears the current Prime Minister and the Liberal cabinet have to be reminded of their famous red book commitments and be pushed into keeping them. Most of this became very clear to me this summer during the unrest throughout Canada and particularly because of the events which took place at Gustafsen Lake in British Columbia and at Ipperwash in Ontario.

As I listened to those news reports, watched the events unfold on my television screen, read the details in the newspapers and as I talked to concerned individuals across Canada it became clear to me these were not just isolated incidents. Each had a similar message and each was echoed by other events unfolding elsewhere in British Columbia, as well as in New Brunswick and other parts of Canada.

What I and other Canadians were seeing were the expressions of long withheld emotions centred around the meaning and importance of land and jurisdiction over land held by aboriginal people from coast to coast. These emotions fueled by frustration and anger led to occupations or roadblocks which led to the involvement of the police and the exclusion of the legitimate land claims process.

In late summer I called on the Minister of Indians Affairs and Northern Development to get involved not just in the specific disputes under the eye of the media but also in the general approach to land claims resolutions that will have the ability to resolve differences before tensions erupt.

I wrote to the minister and I even questioned him in the House about the possibility of beginning the process that would lead to the establishment of a new independent land claims policy and process.

I was disappointed when the minister responded by saying he had to wait because he needed more direction. The process to begin finding that direction can be begin today. It has been clearly outlined by the Indian claims commission in the 1994–95 report. With this motion I hope the House will tell the minister to get busy, to get at it.

The process, I remind the minister, cannot be dictated by the federal government. It must be worked out and jointly agreed on with the First Nations. Arthur Durocher, writing on land claims reform for the Indian claims commission, states:

> There are many problems associated with the present land claims policies and processes. Claims are backlogged and there is a general dissatisfaction on the part of the First Nations. Changes have to be implemented as soon as possible because the longer the impasse drags on, the more difficult it will become to break. It is important that any changes that are done be done in consultation and in partnership with the First Nations. There has to be sufficient political will by the federal government to make any process viable.

In concurring with that statement, the support of the House on this motion will be very useful in securing action on this political will at this important time.

The Indian claims commission in the 1994–95 report came out in July of this year just as some of the land disputes were at their peak. I was surprised therefore when I heard very little comment from the government or the media about the Indian claims commission report itself.

If nothing else, the message from the commissioners at the beginning of the report should have alerted all of us to the importance of the matter in front of us. I will quote from that message:

> The ICC is mandated to find better ways of handling land claims. To this end we have used our considerable experience to identify problem areas and recommend solutions that will assist in creating a more expedient, fair and equitable land claims policy and process.
>
> Everything that we have learned as a commission to date indicates that it is imperative to commence the process of reform immediately. The return of native land is central to any real progress on the wide range of problems that face First Nations today. Meaningful self–government and true economic self–sufficiency are dependent upon an adequate land base. It is time for a fair and equitable process.

● (1850)

The commissioners recognized the need for immediate reform of the process. Now it is time for Parliament to do the same.

The frustration felt by aboriginal people throughout Canada has existed for a long time. I am reminded of the comments of former Assembly of First Nations Grand Chief Georges Erasmus, who was quoted in the introduction to a book on the subject, *Drum Beat*, published in 1989. Erasmus notes that for generations in Canada governments have treated aboriginal people as a disappearing race and that they have administered aboriginal policy accordingly:

> Yet we have not disappeared; we have survived, as we have done since long before the appearance of the Europeans, against no matter what odds. Unfortunately, to the present day, governments have been unconscionably slow in coming to terms with the fact that we will always be here, and that our claims for justice, land, resources, and control over our own affairs will never go away, and they must be fairly and honourably dealt with.

There is now a widely accepted view that the current land claims process is not working well and that the pace and conditions for the resolution of land claims conflicts are inadequate.

As Mary Ellen Turpel tells us in her work for the claims commission, claims resolutions in the past 20 years have seen a massive increase in litigation over claims even though almost everyone involved in the claims recognizes litigation is not the best method for addressing land disputes.

The rise in court challenges is a byproduct of a failed dispute resolution process in the claims area and has served to reinforce an adversarial approach on the part of the crown and the First Nations in dealing with these disputes.

It appears, Turpel says, the First Nations and the federal government are headed toward further confrontation and hostility. The only remedy is a reworking of federal claims policies and the establishment of an appropriate and effective process for the resolution of disputes between First Nations and government over lands and resources.

Turpel is writing in the claims commission's proceedings report, special issue No. 2, dealing with land claims, issued in 1994.

In that same report, the commission co–chairs, Dan Bellegarde and James Prentice, say very clearly:

> Much discussion concerning the reform of the specific claims policy has taken place over recent years; little of fundamental importance has been accomplished. There is an urgent need for reform of the specific claims process to provide a fair and accountable land claims process for First Nations and indeed for all Canadians.
>
> If we are to avoid further violence and bloodshed over unsettled land claims in Canada we must act now before the next confrontation.

That was written in September 1994 before the loss of life occurred at Ipperwash. Obviously action toward a resolution must begin, as the commissioners and others have been arguing, immediately.

It should be noted that the Indian Claims Commission was created in 1991 partly in response to the need for a fair land claims process, but it was acknowledged by everyone that the creation of the commission was an interim step only. The time has come, as it acknowledges, to go beyond the interim measure.

The commission is what has been referred to as a soft adjudicative tribunal in that the recommendations of the commission are not binding on the parties but rather are only advisory in nature. This means that at the completion of an inquiry the parties are not bound by the recommendations of the commission. In the end the federal government still must respond to the findings of the inquiry and the recommendations of the commission, and has only recently begun to do so.

In the case of a band within my constituency boundaries, the Canoe Lake Band, the response to its inquiry took the government more than 18 months to produce. The motion in front of us today suggests the government should take action on the recommendation of the claims commission's most recent report.

Before we run out of time in the debate today I will outline these recommendations. Recommendation No. 1 is the important one. It says that Canada and the First Nations should develop and implement a new claims policy and process that does not involve the present circumstances wherein Canada judges claims against itself.

• (1855)

The commission states that the present system involves a fundamental flaw: Canada must judge claims against itself. This is a manifest conflict of interest especially when Canada stands in a fiduciary relationship toward the claimant First Nation.

It is imperative, the commission states, that an independent claims body be established to perform at least the initial assessment of the validity of First Nations land claims against Canada. Mary Ellen Turpel notes in her work: ''A full appreciation of the federal government's fiduciary obligations, which represent a considerable and serious duty to act in the interests of the First Nations, has been the glaring omission in the claims process''.

In the absence of a new policy, the claims commission brought forward five other recommendations which must be implemented in order to make the existing but temporary process more fair. The commission's second recommendation is to put fairness into the current policy.

The 1994–95 report says:

> When First Nations submit specific claims to Canada they are encouraged to include for consideration the legal opinion of their lawyer along with their historical research. However, when Canada communicates its decision to accept or reject the claim, it relies on solicitor–client privilege and refuses to disclose its legal opinion from the Department of Justice.

The claims commission states that Canada has an obligation to provide that legal opinion.

> To do less fails to meet the requirements of the fiduciary relationship, a relationship that has been found to exist by the Supreme Court of Canada in cases such as Sparrow. The substance of Canada's legal opinion must be exposed to full public scrutiny if justice is to be done and seen to be done.

The Canoe Lake report was not responded to until 18 months had passed. The commission notes in its third recommendation that situations like this are unacceptable. In calling for a response protocol, it says this type of response is fair to neither the claimant First Nation nor to the people of Canada.

Recommendation No. 4 deals with mediation and suggests that government council engaged on matters before the commission should be given the same broad mandate to consider, recommend and negotiate settlement it would have if acting for the government in litigation over the same claim.

The commission notes that from its inception the commission has vigorously sought to advance mediation as an alternative to the court and inquiries, both of which tend to be adversarial in nature.

Unfortunately, it states, one of the greatest obstacles in the settlement of specific claims is that the Department of Justice typically regards its own legal opinions as being determinant on the questions of whether an outstanding lawful obligation exists on the part of the government.

If the lawyer concludes that no such obligation exists, the government assumes there is no place for mediation. Since mediation is essentially consensual and both parties must request it, an opinion unfavourable to the claim ends the prospect for mediation before it can even begin.

The commission is aware that some claims might qualify for reconsideration based on factors outside the legal opinion, but there is no authority for counsel representing Indian affairs to do so without access to mediation measures as suggested by the commission.

The fifth recommendation deals with the need to identify and review all claims that were rejected based on the ban of pre–Confederation claims that was lifted in 1991. The commission wants the government to take the lead and begin the reviews and not leave the onus on the First Nations to ask for a review of the claims that were rejected prior to the alteration of the specific claims policy in 1991.

Most important, the sixth recommendation of the commission is that Canada stop insisting on the express extinguishment of aboriginal rights and title as part of the settlement of specific claims. The commission says this is grossly unfair since the claims policy is not meant to deal with aboriginal title and/or rights, and Canada ought not to insist on their extinguishment as part of the settlement of a specific claim.

● (1900)

This measure has been supported in the recent fact finding report written by Mr. Justice Hamilton, entitled ''A New Partnership'', in which he said:

> Aboriginal people seek the recognition, not the surrender of their aboriginal rights. They are prepared to have the extent of their future rights to land and resources spelled out in a treaty. They are prepared to recognize the rights of others.

The Liberals have also agreed with this, at least the Liberal Party, ahead of the government. The red book states that ''in order to be consistent with the Canadian Constitution, which now recognizes and affirms aboriginal and treaty rights, a Liberal government will not require blanket extinguishment for claims based on aboriginal title''.

Prior to the general election in 1993, the leader of the Liberal Party, now the Prime Minister of Canada, said in Saskatoon: ''A Liberal government, in consultation with aboriginal peoples, would undertake a major overhaul of the federal claims policy on a national basis''.

In the red book, that now famous catalogue of Liberal promises, the Liberals acknowledged that if aboriginal communities are to become self–sufficient they must have an adequate land and resource base upon which to grow. That is why a Liberal government is committed to overhauling the land claims policy in ways that will make the process ''more fair, more efficient and less costly''.

Two years after the election, it appears that we have to push the Liberals into meeting their own promises—not just the claims commission, not just aboriginal people from coast to coast, but the House of Commons as well. If the Liberals have failed to deliver on this promise and if we must push, then push we will, because this is one promise that is worth fulfilling.

I want the House to know that prior to putting this motion on the Order Paper and having it called for debate today I took the issue to my own party at its national convention in October of this year. I am pleased to say that support for a new claims commission had the unanimous support of delegates attending the national convention of New Democrats. They, like me, consider the issue to be of critical importance to our nation.

The Grand Chief of the Assembly of First Nations, Ovide Mercredi, played a crucial and important role during the land occupations this past summer. The grand chiefs and the chiefs of the AFN have been doing a fantastic job in preparing for a new land claims policy and process. I ask the minister of Indian affairs to ensure that the AFN is central to any decisions that are made in this regard.

I conclude my remarks today by again referring to the work of Mary Ellen Turpel, who says that consensus for an independent claims commission is evident but that concentrated effort and good will are needed to take the proposal for such a commission from the stage of political consensus to one of policy implementation in a legislative framework. It cannot be done unilaterally by government. Implementing these proposals will require a process whereby First Nations leaders and federal ministers come together over a short period of time to decide on an implementation strategy to draft the protocol and develop legislation and resolutions.

Because of lack of time I did not talk about the expiration of the mandate of the joint working group and the good work the joint working group completed. However, I must say that this is the type of process that needs to be reactivated with a broader mandate.

I will quote Mary Ellen Turpel one last time:

> The agenda for land claims reforms is stalled at present. This is a tragic situation, given that so many options are available for immediate progress and all parties in the political process have identified a common set of problems and made a commitment to reform. If we continue to delay the process of land claims reform, we face further hostility as the prospects for an enduring peaceful relationship between First Nations and the crown grow dimmer.

Today, at the beginning of the debate on this votable motion, I thanked the chiefs for their patience and their unending commitment to their people. I thank the Indian Claims Commission for its excellent work in moving this critical issue forward. I urge all members of the House to support the motion so that the minister of Indian affairs and the government know that it has the support for change, which must be made sooner rather than later. I ask that I be given the opportunity to close this debate when that time comes.

● (1905)

Mr. Jack Iyerak Anawak (Parliamentary Secretary to Minister of Indian Affairs and Northern Development, Lib.):

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

[*English*]

Mr. Speaker, it is a pleasure for me to respond to the motion by the hon. member for The Battlefords—Meadow Lake and to debate the claims policy and the establishment of a claims commission.

The government has been looking for ways to promote a commission that would be fair and would be seen to be fair to all aboriginal and non–aboriginal Canadians who are affected by the settlement of land claims.

The hon. member for The Battlefords—Meadow Lake has been a strong advocate in the House of policies aimed at resolving the outstanding issues relating to the claims process. We have listened to his advice and are looking forward to hearing what the Reform Party has to add.

As for the Liberal government, our approach to the claims process was spelled out in our 1993 election platform. In the red book we placed aboriginal issues at the centre of the public policy agenda. We devoted one of the eight chapters in *Creating Opportunity* exclusively to aboriginal issues and raised the awareness of the impact of other policies on aboriginal Canadians throughout the document.

We promised the role of our government would be to provide aboriginal people with the necessary tools to become self–sufficient and self–governing. We also said that our priority would be to help aboriginal communities in their efforts to address the obstacles to their development and help them marshal the human and physical resources necessary to build and sustain vibrant communities.

We promised our government would build new partnerships with aboriginal peoples based on trust and mutual respect. A fair and effective land claims process is essential for those objectives. The resolution of the claims must be a priority for all Canadians.

Both aboriginal and non–aboriginal Canadians require certainty with respect to land rights so that we can get on with the building of the economy, creating jobs and growth, and making our communities better places for our children.

In the red book we acknowledged that the current process for resolving land claims could be improved. We said a Liberal government would implement major changes to the current approach, and we have been working toward that goal.

We have been working alongside the Assembly of First Nations to find a better way to proceed with the resolution of claims. The Minister of Indian Affairs and Northern Development has received several suggestions. Among them is a proposal for an independent Indian land claims commission, as recommended in the annual report of the Indian Claims Commission and as advocated by the hon. member for The Battlefords—Meadow Lake.

We on this side of the House have no objection to such an independent commission. In fact, in the red book we stated that ''A Liberal government would be prepared to create, in co–operation with aboriginal peoples, an independent claims commission to speed up and facilitate the resolution of all claims''. This shows that we do not oppose the principles outlined in the hon. member's motion.

However, I would like to point out to the House a key phrase of the commitment from the Liberal policy platform. It is that we would create the independent claims commission in co–operation with the aboriginal peoples. Building a consensus among the aboriginal peoples will require time and we cannot act unilaterally. We cannot impose a solution that will be supported by some but not by others.

One of the major issues at stake is whether a new independent claims commission will be a court–like system with binding judgments or a mediation system with functions similar to those the Indian Claims Commission now performs.

Another issue is whether we can find a better way to bring matters to the attention of the commission. As hon. members are aware, under the current system a claim must be rejected by the Indian affairs department before the matter is brought before the commission. The minister has invited the Assembly of First Nations to provide substantive comments on concrete proposals for change. In co–operation with the First Nations, we are examining how the claim policies can be overhauled within the climate of financial restraint that affects us all.

The Assembly of First Nations has embarked on a project that will involve developing terms of reference for a joint Canada and First Nations review of the Indian Claims Commission. We will have to reach a consensus on these and other issues before we can reform the current system. We need directions from the First Nations on what kind of system they want.

• (1910)

In the meantime, the government has taken the steps required to make sure the system now in place works as efficiently as possible. When we look at what has been accomplished in the past few years, it becomes quite clear that the current system can be used more effectively than it had been before the red book commitments regarding claims process reforms were made.

Consider these figures: After 1990–91 the total cumulative settlements for specific claims numbered only 43. By 1994–95 we have more than tripled that figure to 142. Since taking office this government has settled 45 specific claims. In 1994–95 we settled 18 different specific claims, for a total of nearly $79 million. That is money that will go into aboriginal communities. It will create jobs for aboriginal as well as non–aboriginal people. It will improve living conditions and it will make

aboriginal people partners in the development of a strong and dynamic Canadian society.

Today we are involved in negotiations on another 90 specific claims or are in the process of reviewing another 240 claims submitted by the First Nations. We expect that by the end of the 1995–96 fiscal year we will have settled another 20 to 30 specific claims and we will also continue to receive further claims, which will have to work through the current system until a better system is devised in co–operation with First Nations.

I am certain the hon. member for The Battlefords—Meadow Lake appreciates these points. He wants what is fair for aboriginal people in Canada, as does this government.

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

[*Translation*]

Mr. André Caron (Jonquière, BQ): Mr. Speaker, I welcome this opportunity to speak in support of the motion standing in the name of the hon. member for The Battlefords—Meadow Lake.

The motion reads as follows: That, in the opinion of this House, the government should consider the advisability of establishing a new, independent aboriginal land claims commission, as recommended in the 1994–95 annual report of the Indian Claims Commission.

Anyone who has followed the issue of aboriginal land claims in Canada for a number of years will realize it is a matter of astonishing complexity. The First Nations were here in Canada before European immigrants came to settle the land, as we used to say. The aboriginal peoples occupied certain lands. In the past 10, 15, 20 or 30 years they have started to realize certain rights to those lands still existed, and various First Nations have started filing land claims.

It stands to reason that people living in often difficult social and economic circumstances should want to establish a land base where they can develop their potential, improve their situation and maintain their identity as a nation, as a people.

It is therefore entirely normal that the various First Nations should file these claims. Now it so happens that certain things have been accomplished, and the Parliamentary Secretary to the Minister of Indian Affairs told us a few moments ago that certain claims had been settled with First Nations. Claims are now being negotiated, and it is expected that a number of claims will be settled within the next few years.

However, it is a fact that the existing mechanism is not perfect. The process is very slow. Some very relevant questions are being asked about the impartiality of the system, because under the present system, various aboriginal peoples and communities file a claim, which is then examined by the appropriate federal authorities.

• (1915)

The federal government is almost in the situation of being a judge while, at the same time, having fiduciary responsibilities toward various native peoples. I think the government is, in a way, in a conflict of interest situation, where often, because of political imperatives, it cannot easily ensure quick resolution of claims, in my opinion.

Clearly, at this point, the process becomes blocked, despite the best intentions of the government, and I do not doubt them. But I imagine that if, as proposed by the member for The Battlefords—Meadow Lake, we could set up an independent native territorial claims commission, we could clarify the whole process. We could clarify it for all Canadians, and we could clarify it for the various first nations.

I think it is important to clarify the process not only for the native populations, but for the people of Canada. Since becoming more closely involved with native issues, because I sit on the House Standing Committee on Aboriginal Affairs and Northern Development, I have been talking with my constituents in my riding and in my region. I realize that most people are sympathetic to the claims of native peoples, but are often critical because they consider the claims at times exaggerated and not in keeping with what they consider reality.

We often see maps in the paper, of either Quebec or Canada, depicting native territorial claims. If we superimpose a map of the land claims made by the various First Nations in Quebec on a map of the province, we can see that their claims cover almost all of Quebec.

I think that this is likely to cause many people to fear and be concerned about legitimate native demands, and even to reject them. People feel that their claims are out of all proportion to the populations involved.

The various native communities in Quebec may number 50,000, 60,000 or 65,000 people, depending on how you count them. People are asking how 60,000, 65,000 or even 80,000 natives can claim the Quebec territory and, in a way, challenge the rights of six or seven million Quebecers now living on this territory.

This is the kind of situation that could easily lead to prejudice developing. Just look at what is reported in the press and listen to open line programs. Aboriginal land claims are often opposed on the grounds that they are viewed as undue and unfounded.

I think that this situation ought to be resolved as quickly as possible. At the rate settlements are reached these days, according to the hon. Parliamentary Secretary to the Minister of Indian Affairs and Northern Development himself, I think that this issue is not about to disappear; it will remain hot and red for quite some time. If we take too long to resolve the situation, there is risk of a rejection reaction on the part of non–natives in Canada. In addition, decisions might be made at the political

level that do not fairly reflect the legitimate demands of aboriginal people.

It is important that the federal cabinet and the Liberal government fulfil the promises made in the red book in 1993, when they stated clearly that ''the current process of resolving comprehensive and specific claims is simply not working. A Liberal government will implement major changes to the current approach. A Liberal government will be prepared to create, in co–operation with aboriginal peoples, an independent claims commission to speed up and facilitate the resolution of all claims''. This is precisely what the hon. member for The Battlefords—Meadow Lake and the Indians Claims Commission are asking for.

• (1920)

The federal government should act as quickly as possible for the good of all Canadians and for the good of the aboriginal nations that live on Canadian territory and have valid claims to parts of that territory.

Everyone agrees. Earlier, the parliamentary secretary to the Minister of Indian Affairs and Northern Development said: ''We will probably do it in the future. We do not know yet what will be the nature of the commission. However, I think we have been talking for two years under the present government, and previous governments have also dealt with these questions.

Therefore, in the interest of Quebecers, Canadians and all the different aboriginal nations, I think it is important that the government examines as quickly as possible the possibility and the urgency of creating a commission like that one so that at long last Canada and Quebec can solve the problem of aboriginal claims because it is vital for the native people. It is vital for them to keep their identity, which is to important. It is crucial to preserve the identity of a people. To preserve that identity, the territorial claims must be settled to that these people can have the necessary basis for their economic, cultural and social development.

[*English*]

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.): Mr. Speaker, I thank the hon. member for The Battlefords—Meadow Lake in my home province for bringing this motion forward.

It is always a pleasure to speak to issues involving Indian people. I spent two years on an Indian reserve at Wollaston Lake in northern Saskatchewan, so I have a pretty clear idea of what barriers exist for the aboriginal people living in and around these communities. My constituency of Yorkton—Melville has five Indian reserves which I represent in the House. Therefore I have more than just a passing interest in the subject of Indian land claims.

The motion we are debating asks the government to ''consider the advisability of establishing a new, independent aboriginal land claims commission as recommended in the 1994–95 annual report of the Indian Claims Commission''. I read the annual report referred to in the motion and the commission's recommendation No. 1 states: ''Canada and the First Nations should develop and implement a new claims policy and process that does not involve the present circumstances wherein Canada judges claims against itself''.

The last time I spoke in the House on Indian land claims was during the debate on Bill C–33 regarding the Yukon land claims in June 1994.

The Reform Party is way ahead of the government in the area of aboriginal affairs policy. I would like to bring everyone up to date on the progress we have made.

In June 1994 I was one of several Reform MPs who had the privilege of participating in the Reform Party's aboriginal affairs task force. We met with many native people and even made a trip to Norway House in northern Manitoba. Mainly the concerns were about self–government, mismanagement of band funds, patronage and nepotism, and land claims.

In October of this year the leader of the Reform Party and Reform's aboriginal affairs critics released the party's aboriginal affairs task force report. The report was prepared following many public meetings held all across the country, but mainly in western Canada. Our task force met with native and non–native people. We were disappointed that for the most part Indian leaders boycotted the Reform Party's meetings.

Now, after the release of our 14–point plan, the aboriginal leaders are complaining that we did not consult them. Every band in western Canada was invited to the meetings and the vast majority of Indian leaders refused our invitation.

I am sorry that I do not have time to outline the Reform Party's complete 14–point plan in the House today, but here is what our task force report said about land claims:

• (1925)

Point number one: Indian treaties will be fully honoured according to their original intent and in keeping with court interpretation.

Point number four: Land claim agreements and self–government agreements will be negotiated under the principle of equality for and among all persons. Settlement of land claims will be negotiated publicly. All settlements will outline specific terms, be final and conclude within a specific time frame. Final settlements will be affordable to Canada and the provinces.

Point number five: Individuals residing on settlement lands will have the freedom to opt for private ownership of their entitlements.

Point number six: Property owners forced to defend their property rights as a result of the aboriginal land claims will be compensated for the defence of the claim.

A few weeks ago I was on a CBC Saskatchewan radio phone–in show discussing and debating the merits of our proposed aboriginal affairs policy. After I got home, I got a call from a woman, a native elder from a nearby community. She was positively excited about our ideas. She said that she wanted to start getting a petition signed supporting our new approach.

Here is how her petition reads: ''We, the undersigned citizens of Canada, who also happen to be of Indian ancestry, draw attention of the House to the following: That we oppose in principle the government's approach to self–government and land claim settlements which would entrench forever a top down, paternalistic, race based system of government for Indian people run by bureaucrats, band leaders and tribal council leaders for the primary benefit of the bureaucrats, band leaders and tribal council leaders, not necessarily the individual members of the band; furthermore that we support in principle the Reform approach for self–government and land claim settlements which would give each individual Indian person real choices about how we want our money to be paid to us, how we want our benefits, entitlements and services to be delivered to us and whether we want our land to be owned and managed by the band or owned and managed by ourselves privately. Therefore your Indian petitioners request that Parliament move and support legislation which will protect the treaty rights, equality rights, democratic rights and property rights of each individual Indian band member, thereby giving us the right to opt for private ownership of a share of any land entitlements and the right to opt to receive our money and benefits directly from the government or through the Indian self–government''.

Is it not very interesting that this comes from the native people themselves? This petition is being circulated by an Indian elder among aboriginal people in my constituency. It is clear we cannot continue the way we have been.

It is clear from everything I have seen during the two years I lived and worked on an Indian reserve in northern Saskatchewan that more money is not the solution. In fact more handouts simply perpetuate the problem. Whenever handouts, compensation or any benefits are given to anyone in society without that person being held accountable and responsible, it will eventually harm the one receiving it. That harm will spread like a cancer to the rest of society.

It does not matter whether the person or group receiving the handout is native or non–native, welfare has failed wherever it has been tried. Now native communities and native people are feeling the full effects of receiving handouts with no accountability, handouts given with no clear stated objectives and handouts given with no means by which to measure progress. The Reform Party's recommendations are made with the sincere intent to correct the colossal mistakes of years past.

Now we come to the motion we are debating this evening. Our task force was silent on the process by which land claims would be settled. It follows that we need to establish some kind of an independent commission to accomplish this goal. After reading the annual report of the current Indian Claims Commission it is clear that the current system is not very effective. There seems to be a lot of overlap and duplication which creates much bureaucracy and a colossal waste of money with little being accomplished.

• (1930)

The other aspect we must consider is the overall direction the Liberal government is headed in using the current settlement process which ultimately confers special status, special entitlements and creates separate enclaves based solely on race. It is not a policy and process based on equality. This is a policy of apartheid.

Before an independent aboriginal land claims commission could be effective, the negotiating principles have to change. We would argue that the principles espoused by the Reform Party's aboriginal affairs task force are a good place to start. As long as the negotiating principles can be changed so our starting point is accepted by all Canadians, then I would have to agree with the Indian claims commission recommendation.

It does not make much sense for the department of Indian affairs to be negotiating agreements and then also to be the final arbiter for the Government of Canada. I have to agree there is an obvious conflict of interest. Therefore, it is obvious we need some kind of independent process.

What choices do we have for an independent land claims process? We have an independent aboriginal land claims commission which I suppose would replace the current Indian Claims Commission as proposed in the motion we are debating today. We have a treaty ombudsman as recommended by Mel Smith, Q.C., a constitutional expert, in his recent book, *Our Home or Native Land?*, or we have the court system.

Until we have reconstructed our fundamental negotiating principles for dealing with land claims and until these fundamental negotiating principles have the support of the majority of people in Canada, I do not think it is possible to say which option is the preferred one.

This having been said, I would like to give my qualified support to the motion put forward today by my hon. friend from The Battlefords—Meadow Lake. After all his motion just states that this House ''consider the advisability of''. If this House considers the advisability of replacing the current land claims commission with an independent body, just maybe we will be

able to have a full public debate about the terms of reference of this new independent aboriginal land claims commission.

Mrs. Pierrette Ringuette–Maltais (Madawaska—Victoria, Lib.): Mr. Speaker, the motion is:

> That, in the opinion of this House, the government should consider the advisability of establishing a new, independent aboriginal land claims commission, as recommended in the 1994–95 annual report of the Indian Claims Commission.

I appreciate the way the hon. member for The Battlefords—Meadow Lake has phrased this motion. We are considering the advisability.

The hon. member knows this is a complex issue. He knows we cannot act precipitously. He knows there are many different perspectives and that First Nations themselves have some reservations about how an independent claims commission would affect the claims process.

The Minister of Indian Affairs and Northern Development has been discussing these issues with the First Nations. We hope a consensus will be reached but in the meantime the debate over the hon. member's motion will help this House focus on some of the issues involved.

I would like to remind the House of the process now in place. It is a process that has been used successfully in the past although there is certainly room for improvement. At present, there are six steps to processing a specific claim.

In the first step the First Nation submits a claim along with supporting documents to the specific claims branch of the Department of Indian Affairs and Northern Development. The branch then determines whether the claim meets the submission criteria of the policy.

Second, the submitted research contained in the supporting documents is analyzed and verified for completeness. The department works with the First Nation to prepare a historical report and analysis. Both parties must agree on the report. This is what is known as the research step, and it can take a long time to complete.

• (1935)

The third step is acceptance or non–acceptance of the claim. The specific claims branch of the Department of Indian Affairs and Northern Development obtains legal opinions on the claim and a decision is made to accept or not accept the claim for negotiation. If the claim is accepted, we move on to the fourth step: negotiation. The specific claims branch negotiates with the claimant First Nation on the value of the losses and prepares an authority to settle.

In the fifth step, the specific claims branch and the claimant First Nation agree on compensation and provision for settlement if agreement in principle is struck. The agreement is drafted by the Department of Justice and First Nation lawyers into a formal settlement agreement. Finally, the settlement agreement is ratified and implemented.

This is a long and painstaking process. There is a fast track procedure for claims less than $500,000 in which some of the six steps are shortened.

Where does the Indian Specific Claims Commission come into play? If in the course of these steps Canada turns down the claim, the First Nation has a number of options: it can withdraw its claim; it can move to litigation; it can present new documentation and legal arguments; or the First Nation can request a review of the department's decision by the Indian Specific Claims Commission. The commission has been established to resolve such disputes and it can subpoena records and witnesses. It can help the government and claimant First Nations arrange mediation.

The commission's 1994–95 annual report indicates an involvement in mediation of five claims. The commission also pointed out in this report that it had received 98 requests, 42 of which were in progress. The commission reported eight completed inquiries.

Let me tell members about one case where the ISCC was instrumental. In the Chippewas of the Thames inquiry, the Muncey land claim, the First Nation had rejected settlement twice before the commission became involved. The original point of contention about the surrender of land was resolved early in the ISCC process and a fresh settlement agreement was negotiated and ratified on January 28, 1995.

Let me briefly explain how the commission works. If the department has not accepted a claim, the commission can make recommendations on whether the First Nation has established that Canada has an outstanding lawful obligation. If the department has accepted the claim, but the First Nation disagrees with the compensation criteria, the commission can recommend which compensation criteria should apply to the negotiation and settlement of the specific claim.

There are five steps the Indian Specific Claims Commission goes through. First, it receives a First Nation's request for a review of the department's decision. Second, it decides whether or not to review the decision. Third, the ISCC gathers all relevant information from the First Nation and Canada in relation to the specific claim, including the opinions of experts. The ISCC will also go into the claimant community and record the testimony or information of the members of the First Nation. Fourth, representatives from both the First Nation and the government argue their case by setting out their interpretation of facts, legal views and conclusions. Finally, the commission makes its recommendations based on the existing specific claims policy.

The commission does have some limitations. It cannot consider a claim based on unextinguished aboriginal title. These matters would be the subject of a comprehensive claim under a separate policy.

What is the value of the commission? First, it provides an opportunity for a body other than a court to review Canada's decision. Second, the commission has been successful in bringing both sides together with an impartial, neutral third party as a mediator. The mediator has no decision making power but he or she does have the power to direct and interpret the exchange of information. This influences perceptions, preferences and demands of both parties and it often implies possible lines of agreement.

This is the system that now exists. The system has its challenges. First Nations have expressed a concern that the commission is named by the government and therefore, in spite of the best intentions, cannot shake off the appearance of bias. The process is cumbersome. The commission intervenes only after a First Nation has been turned down by the department.

We will explore many options in the course of debating the motion from the hon. member. However, what we must bear in mind is that no changes should be made without the concurrence of the First Nations.

The minister has been consulting with the First Nations and I am very confident that a consensus will be reached. In the meantime, this exploration of the issues arising from this motion is most welcome.

The Acting Speaker (Mr. Kilger): The time provided for the consideration of Private Members' Business has now expired. Pursuant to Standing Order 93, the order is dropped to the bottom of the order of precedence on the Order Paper.

[*Translation*]

It being 7.44, the House stands adjourned until 2 p.m. tomorrow, pursuant to Standing Order 24.

(The House adjourned at 7.44 p.m.)

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