



CANADA

House of Commons Debates

VOLUME 135 • NUMBER 137 • 1st SESSION • 36th PARLIAMENT

OFFICIAL REPORT
(HANSARD)

Monday, October 19, 1998

Speaker: The Honourable Gilbert Parent

CONTENTS

(Table of Contents appears at back of this issue.)

All parliamentary publications are available on the
“Parliamentary Internet Parlementaire” at the following address:

<http://www.parl.gc.ca>

HOUSE OF COMMONS

Monday, October 19, 1998

The House met at 11 a.m.

Prayers

PRIVATE MEMBERS' BUSINESS

• (1105)

[*Translation*]

SALARIES FOR STAY AT HOME MOTHERS AND FATHERS

Mr. Guy St-Julien (Abitibi—Baie-James—Nunavik, Lib.) moved:

That, in the opinion of this House, the government should legislate to grant a salary to mothers and fathers who stay at home to care for their children.

He said: Mr. Speaker, on October 7, 1997, I tabled the following motion in the *Order Paper and Notice Paper*:

That, in the opinion of this House, the government should legislate to grant a salary to mothers and fathers who stay at home to care for their children.

I thank the Liberal member for Mississauga South, who seconded my motion today.

We have been promoting this idea, with the support of many Canadians, for several years. On April 28, 1998, I said in this House that Canadian and Quebec parents seem to have the best of intentions about sharing the job of raising children.

Canadians must recognize the contribution made by parents in raising their children and governments must give them the maximum support possible. It is my view, and that of many Canadians, that a guaranteed annual salary would be an important tool in the fight against poverty.

At the instigation of the Minister of Finance, an ad hoc Liberal committee was formed in April to examine possible solutions to the problem of unpaid work in the home.

In point of fact, the Income Tax Act discriminates against Canadian parents who choose to care for their own children, especially those who have large families.

An example is the Côté-Germain family of 1016 Quessey Street in Val d'Or, Abitibi, whose child tax benefit was cut by a whopping \$280 a month this year. Right now there are nine children in this family, and in a few months there will be ten. The eleven of them are relying on a single gross annual salary of \$55,000 and, to add insult to injury, are not entitled to a GST refund.

The Government of Canada's tax legislation does not take size of family into account. We should rethink our approach and draft legislation that is fair to Canadian families.

I would like to thank Beverley Smith of Calgary, who has worked for years with a group of Canadian stakeholders in support of salaries for women and men who stay at home to raise their children. For many years now, the people of Abitibi and Canadian MPs have known about my efforts to see mothers or fathers who stay at home to care for their children paid a salary.

I turn the floor over to my colleagues. Canadian parents want to hear whether or not you will be supporting my motion today.

[*English*]

Mr. Eric Lowther (Calgary Centre, Ref.): Mr. Speaker, I rise today to speak to the motion which has been presented by the hon. member for Abitibi. For many of the people watching it might be wise to read the motion:

That, in the opinion of this House, the government should legislate to grant a salary to mothers and fathers who stay at home to care for their children.

For many years, in spite of the concerned voices of many Canadian families and the intense lobbying work by many in this House including even some in the Liberal Party, the government has chosen tax funded support of only one approach to child care. That one approach is institutional day care, not parental care or extended family care, but only formal day care.

In the current budget I thought the Liberal cabinet and the finance minister might finally have heard parents who want the discrimination against their options of child care, including full time homemaker and parent, to stop. But they went in the other direction again. They increased the child care expense deduction

Private Members' Business

for the cost of institutionalized day care by up to \$2,000 more per child but did absolutely nothing to recognize the cost and value of other forms of care parents choose to provide. It is interesting that this is what they have done.

• (1110)

I have consulted a number of studies that point out how important parental care is to the long term emotional stability of children. Even without considering those studies, let us consider why the government cannot treat parents' choices equally. If the government will provide up to a \$7,000 deduction for institutional receipted care expenses, why can parents who choose other options not also be considered? This question has been asked again and again by parents and it was asked loudly after the current budget ignored them one more time.

Perhaps the motion on the floor of the House today which calls for parents to be employed by the government, i.e., the government would pay them a salary to be parents, is the Liberal government's best solution, but surely we can do even better. I appreciate the member's attempt to recognize the value of parental care in the motion. I truly hope it is a real start. However, based on the federal government's repeated determination to only subsidize day care, and it increased the tax breaks for it just eight months ago, there is little real hope that the pattern will change with the current government. Parents will continue to be told that through the tax system the only valuable child care is non-parental day care. That is tragic.

Let us assume somebody is listening and perhaps today's debate will influence the government to finally consider changes to bring in fair family tax reforms. The Reform Party has long called for fair family tax reforms.

Let us seriously consider the motion. It calls for the government to pay parents. Does this give parents the freedom to choose the child care arrangement that best works for them? Does it allow them to make that choice without discriminating tax treatment? Is it really simple?

I have had parents ask me these questions. How would this work? If parents work part time and only use day care a little bit and care for their children at home the rest of the time, do they get a salary for being stay at home parents? What if a grandparent or another member of the extended family looked after the kids when the parents were working and occasionally day care was used but three days a week mom was home for part of the day, what do they get?

There are some families where parents work alternative shifts. One parent is with the children in the day and the other at night and maybe there is an hour with a sitter. Do these parents qualify? They both work but they both stay at home with the kids.

Add to this that life is dynamic. Situations change because of illness, job changes, moves, et cetera. Child care arrangements within families may often change several times in the same year.

Picture trying to figure all this out on an already overly complex tax form. Does this not add more stress to the family? Maybe there is a better way. There is and I am going to get to that in a moment.

First let me ask are Canadian families not also concerned about their country and the overall prudent operation of the government? I think they are. Why then would they want to pay the high taxes that they pay? I should point out that the Liberal government has raised taxes 37 times since coming to power. Why would they want to pay these high taxes and have the government flow that money through Revenue Canada and only have Revenue Canada give some of it back to the same taxpayer? This is expensive bureaucratic manoeuvring. Where is the value added by flowing the money through Revenue Canada? Put a dollar in and get 75 cents back out. The bureaucracy burns up the rest.

Why not just leave the dollar with the taxpaying family in the first place? Save us all the money. That family pays less tax and has more disposable income now when it is needed. Other taxpayers are saved the expense of collecting dollars from and returning dollars to the same people.

The Reform Party, driven by its membership made up of thousands of Canadian families, has long called for fair family tax treatment when it comes to child care costs. Instead of just a child care expense deduction for day care, Reformers have long proposed a child care expense credit that would be available to all parents. This per child credit can be deducted directly from the tax the parents are required to pay thereby leaving the money and the child care choices with them.

• (1115)

If the family has no tax to pay, then the credit would be paid to them in the form of a refund. This way everyone receives equal monetary recognition for the costs of child care, regardless of the method of child care chosen. As well, there is no added bureaucratic cost flowing through Revenue Canada.

Finally, let us examine the concept of paying someone to be a parent. The proposal in this Liberal motion today would give the appearance that stay at home parents are employed by the state. In effect, parents would be hired using their own money. This is strange. Down the road would conditions be applied to the salary? Is it conceivable that parents would be required to meet some government set of parenting rules or risk losing the salary? Is that far-fetched? Perhaps, but why go down that road? History is full of examples of things that people thought would never happen, but they did. Do parents have children so they can be employed by the state? No. Parents have children to build a family and express their love.

It is better to recognize that there is a cost and a social contribution to raising the next generation of Canadians and all parents, regardless of the change in child care options chosen,

should be given the same degree of tax relief. There is no salary that appropriately addresses the interaction between loving parents and their children and it is inappropriate to try to set one.

In summary, it is good that this motion is a recognition of significant tax inequities and tax discrimination against homemakers. Unfortunately, this government, in typical fashion, also demonstrates an approach that increases government dependency and wasteful spending through an inefficient methodology. Instead, replacing the child care expense deduction with a fully refundable child care expense credit is a much superior means to addressing the current inequities in the tax structure. It would not be dependent on the method of child care chosen and it would reduce both family and government administrative overhead.

This approach to a fair family tax system for Canadian families, which the Reform Party has long advocated and developed, is simple, flexible and efficient. Most importantly, it is good for Canadian families and it is good for the children they care for.

[*Translation*]

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ): Mr. Speaker, I am delighted to rise on this motion on behalf of the people in the riding of Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques.

The motion reads as follows:

That, in the opinion of this House, the government should legislate to grant a salary to mothers and fathers who stay at home to care for their children.

My first thought is that the member for Abitibi—Baie-James—Nunavik has introduced an interesting subject for public debate, but that his position is either very naïve or out of touch with reality.

Everyone in Canada knows that family policy is a provincial responsibility. It is the responsibility of the Government of Quebec. Furthermore, the proposal by the Liberal member, a member of the majority, is totally contrary to the approach his government has taken in recent years.

We will recall that, in 1993, the electoral promises of the Liberals included a national child care service. In short, they said:

We must try harder—A Liberal government will create up to 50,000 child care spaces—

We are still looking for them. The project was cancelled. It was swept under the carpet. This is the first contradiction with the motion of the member for Abitibi—Baie-James—Nunavik.

In the meantime, the government responsible for family policy set up a \$5 child care service, which is so popular that they are looking all over for money to meet the demand. People in Quebec

Private Members' Business

gave some thought to finding the appropriate solution. It was put into effect and is working.

This is an example where the federal government and federal MPs should limit themselves to proposing interventions in areas of federal jurisdiction.

There may well be a certain amount of visibility involved. There may also be a real desire to improve a difficult situation, but I cannot say the solution proposed is the right one.

• (1120)

During their prebudget consultations throughout Quebec, Bloc Québécois members held information sessions and listened to what people had to say. Let me give you an example.

Take the case of a young couple who earned \$20,000 in a given year, or about \$10,000 for each person. They have three children. At the end of the year, they receive their income tax assessments, and are asked to pay \$500 and \$800 respectively. On the same day, they also receive a letter telling them they are allowed to invest \$10,000 in an RRSP. We are talking about a couple with three children and an annual income of \$20,000. To tell them they owe taxes and then say that they could have invested up to \$10,000 in an RRSP is adding insult to injury.

These are the real tax problems in Canada. They have to do with the indexing of tax tables. We must make sure that low income people can manage adequately, and not necessarily by having an additional salary, as suggested in the member's proposal.

The member for Abitibi—Baie-James—Nunavik is contradicting his own government. Let us not forget that, over the two mandates of this government, transfer payments to the provinces have been reduced by \$42.2 billion. In order to truly improve the plight of our families, would it not be better for the member for Abitibi—Baie-James—Nunavik to propose that the money be given back to the provinces, now that we will have budget surpluses? Is this not a much more pressing need, and would it not be a much more realistic solution to the problems being faced?

Here is another contradiction. The Liberal government reduced access to employment insurance benefits for women on maternity leave by implementing a reform that makes it much more difficult to qualify for benefits. On the one hand, they want to pay a salary to the spouse who stays at home, while on the other hand they make it harder to qualify, so much so that women on maternity leave can no longer qualify for employment insurance benefits. This is another contradiction that dampens the member's good will. I think there are other initiatives he could propose that would produce much more positive results.

Private Members' Business

There is the whole issue of pay equity. There is talk of paying a salary to the stay-at-home parent, but the government does not even comply with the rulings issued by its own tribunals, which provide that there must be equal pay for work of equal value. This principle was confirmed by a tribunal, and now the federal government is trying to find some way to avoid having to pay the amounts involved. They refused to settle out of court, a ruling was handed down and now they will not abide by it. This is yet another example of bad faith.

While the intention behind the motion of the hon. member for Abitibi—Baie-James—Nunavik is good, the solutions put forward are not first rate.

We in the Bloc Québécois are proposing constructive solutions, which I will outline again. First, to use the surpluses to restore social transfers to the provinces. If they get their share back, the provinces will be able, within their jurisdictions, to direct the funding where it is needed and to decide where it is best invested; as a result, individual citizens will have an adequate income to ensure the economic well-being of their families.

The second solution is to negotiate in good faith with the Government of Quebec so that its new family policy can be fully implemented. We also ask that the federal government withdraw its appeal before the federal court on the issue of pay equity in the public service and make changes to employment insurance to provide greater access to maternity leave.

The whole issue of income for stay at home spouses is a complex issue that must be examined thoroughly. We must seek the opinion of women's groups on this. We must consider solutions people put forward.

There is a problem that needs to be resolved. Traditionally, women are the ones who stay at home for thirty years or so. By the time they reach retirement age, they may be widowed, divorced, separated or what not, and find that they have to fend for themselves. But unlike women who have been on the labour market, they do not have access to a plan like the Quebec pension plan or the Canada pension plan.

With respect to social protection, we should give serious thought to ensuring that women do not find themselves in a difficult financial situation at that time in life. But the solution is not necessarily to provide a salary to stay at home parents. I think this whole issue needs to be revisited.

• (1125)

In conclusion, the hon. member for Abitibi—Baie-James—Nunavik has proposed a significant motion for ensuring that our families have a decent income. As far as solutions are concerned, he is disadvantaged by being a member of a government that has been unwilling to find solutions to problems and is now living with the results of its inaction, namely increased poverty in Canada. The

gap between rich and poor is widening. It is becoming increasingly difficult for families to survive as families.

There are no easy solutions to this problem, but there is a need for an overall strategy, a collective intervention strategy which will make it possible to find a satisfactory solution. This is why I wish to see a strategy that respects jurisdictions. If there is one instance where Quebec can show that it is working efficiently within a jurisdiction that belongs to it, it is the way it has defended social rights.

At the present time, there is someone in Quebec who wants to become premier and who has no concern whatsoever for providing people with social protection, and he has decided that Quebec needs to be nothing more than a market-based economy. It is my impression that Mr. Charest will be getting the very clear message that the people of Quebec want nothing to do with this model. They have developed another, and are capable of continuing to develop it.

This motion by the hon. member for Abitibi—Baie-James—Nunavik is a good starting point for reflection. He will need to see that it is debated further within his caucus so that we may all work together to focus the same amount of energy on overall solutions to poverty as there was on overcoming the deficit.

More original solutions must be found, and not at the expense of the poorest members of society, so that in 10 years from now when we are retired, we will be able to say we did our part in the battle against poverty.

[English]

Ms. Libby Davies (Vancouver East, NDP): Mr. Speaker, I am very pleased to rise in the House today to speak to the motion that is before us.

I would like to thank the hon. member for Abitibi—Baie-James—Nunavik for bringing forward this motion because it provides us with an opportunity to talk about a very important issue, that is, the role of caregivers who are primarily women in the home in our society. It is a very important issue that I think must be debated in the House.

We in the NDP believe that it is very important that the role of caregivers, primarily women working in the home, is recognized. Women working in the home are often portrayed negatively in a society that seems to place value only on economic pursuits. In fact, child rearing is the most important task that we face as individuals and as a society.

From that standpoint this motion is grounded on some important principles that we should be debating. One of those principles is that our children are our most valuable resource and those who care for children on a full time basis must be recognized as providing an important service to society. They are nurturing those who will shape the future of our society.

However, having said that I must point out that we have some concerns about this motion because it is put forward in a very simplistic way and does not give any context to the condition that we now find ourselves in of growing poverty, growing unemployment and fewer and fewer options for caregivers and parents who remain in the home.

For example, what safeguard is there that the salary that the motion refers to will be adequate to ensure that caregivers, who are mostly women, will have the options that women have been struggling for over the course of the last 100 years? I think the danger here is that the salary the motion refers to will be so far below the poverty line that it will serve the opposite purpose than that which is intended. Instead of adding to the value of the work that women do in the home, it could actually undervalue the important contribution that caregivers make. Instead of opening doors for women it could limit the options.

We only have to look at other issues of public policy and at how we treat caregivers in the home to see how we undervalue that work. This is where the danger lies in the motion. We only have to look at welfare policies. In most provinces welfare payments are way below the poverty line. Many people who are on welfare are women. They are raising children. They are struggling to pay rent and to meet the daily needs of food. We only have to look at the situation with the EI cutbacks which are forcing more and more women into a range of more and more limited options, if they can even claim EI.

• (1130)

We note from the changes in the regulations that less than 40% of workers who pay into UI, many of whom are women, are now no longer eligible. It is forcing those women back into poverty and back into a situation where they cannot meet the basic needs of raising their families. Those are the kinds of public policy decisions we have had that have really pointed the finger at the Liberal government as to what it really thinks about the role of women and caregivers at home.

We only have to look at pay equity and the disastrous course this government has embarked on in terms of denying federal civil servants what has rightfully been theirs for so many years. That struggle has gone on for more than 14 years. The member needs to go back to his own caucus and his own government to establish accountability and to point out the contradictions and the hypocrisy this government has put to Canadians in terms of policies that have actually penalized women and caregivers.

A program of affordable quality child care would truly provide women with meaningful options. At the same time it would ensure all children were given the necessary early education and care despite a woman's income. There is no question that families in Canada are under incredible pressure. Prolonged high unemployment, a labour market in which wages are stagnant and jobs are hard to come by, and massive cuts to social programs and public

Private Members' Business

services have made it more and more difficult for families to meet their own needs and the needs of their children. The fact is that affordable, accessible, high quality early childhood education and child care are critical components of an integrated strategy to meet the needs of families. Unfortunately this motion does not address that.

Child care performs many important functions in our society, functions that improve the quality of life for children and families, both for those who are poor and for those who are not. High quality child care and early childhood education ensure children are given important foundations necessary for healthy growth and development throughout the rest of their lives. Access to child care is a key source of equality for women because it allows women access to jobs, therefore improving their chances for greater economic equality. As such we should look at child care as an anti-poverty measure for Canada's children.

The sad reality is the Liberals and the Tories before them have not taken this issue seriously. The Liberals delivered the biggest blow to Canadian children by eliminating the Canada assistance plan which was the only source of federal funding for regulated child care in Canada. Under the Canada health and social transfer there is now no provision for federal-provincial sharing of subsidized child care. Therefore there is no incentive for provinces to provide more child care spaces. By eliminating the Canada assistance plan, the Liberals effectively cut \$350 million from federal spending on child care. This hurts poor women and children the hardest.

Canadians do care about child care. A national survey commissioned by the child care sector studies steering committee and conducted by Environics in May found that 89% of Canadians agree that high quality child care is an important factor in helping to ensure Canada's future social and economic well-being. Eighty-one per cent of those surveyed think the government should develop a plan to improve child care, and seventy-eight per cent would like to see government spend more money than it does now to ensure high quality care exists at fees families can afford. That is a very important matter in terms of accessibility. Despite promises to the contrary, this government has done nothing.

In the throne speech of the member's own party, the Liberals had the gall to say "one of our objectives as a country should be to ensure that all Canadian children have the best possible opportunity to develop their full potential". The truth is that while 1.4 million children participate in some form of paid child care, the organizations operate without the support of clear public policy and with little or no public funding. The shocking reality is that on average child care workers are paid less than zoo keepers. In 1996 the net average annual income of caregivers in regulated family child care was \$8,400.

• (1135)

That is the kind of value the Liberal government has placed on caregivers. I think it raises very serious concerns about where this

Private Members' Business

motion is coming from, that it is not connected to the reality of what has happened in Canada which has undermined the ability of families to provide care at home or to give options to women to improve their equality and to ensure there is early childhood education for children.

In 1993 the Liberals abandoned their 1993 election promise to create 150,000 new child care spaces. The 1997 platform does not even mention child care, so we have a travesty on our hands.

While we support the idea of remuneration for the important work mothers and some fathers do in the home, the real issue and the ideal is to have this become one component of a much broader comprehensive initiative centred around early childhood care and education, the equality of women and ensuring there are real options in the home as well as in the workforce to make sure we do not see a situation of growing poverty among children and families. It is to make sure we do not see a situation where women are denied EI benefits, where women are denied pay equity and where women are struggling, living below the poverty line caring for their children.

I urge the member to go back to his government and to point out the stark realities and the contradictions and the victimization that has happened to women and children of this country because of policies from the government.

[*Translation*]

Mr. David Price (Compton—Stanstead, PC): Mr. Speaker, the hon. member for Abitibi—Baie-James—Nunavik has long worked on this. He presented a similar motion in 1993, when he was a member of the Progressive Conservative Party. The only difference is that he referred only to women then. In five years, not only did he become a Liberal, but he now includes men too. I congratulate him on that.

The motion is a good idea, but it should be looked at more seriously. I think that everyone agrees the work done by parents who stay at home is important and should be recognized in some way or other. However, a guaranteed hourly salary of \$5.40 is not very realistic these days. The member must realize that his own government will never agree to his motion. But it is nice to dream.

If the member were serious, he would perhaps be looking at more realistic solutions. My colleague from Shefford introduced in this House a motion to index the child tax benefit, which was agreed to on division. Perhaps the member should try to convince his own government to introduce legislation consistent with his motion.

The government could perhaps think about investing more money in child care or about giving tax credits. More flexible work schedules could be established. The hon. member could also

pressure his own caucus to get the government to consider these proposals.

The cost of such a project could reach \$9 billion. I do not think the government is prepared to spend that kind of money. I thank the hon. member for proposing this motion, but, unfortunately, I do not think it is very realistic.

[*English*]

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, I am very pleased to speak to this motion today. I extend my congratulations to the member for Abitibi for taking the time, with all the issues he could have raised in this House, to put forward the family and investing in children as the issue he wanted to bring before the House and phrase it in a way that did not lock people into anything but rather gave us the opportunity again to talk about investing in children and the family.

● (1140)

There is no doubt that the Government of Canada has taken positive steps to invest in our children such as the increases in the Canada child tax benefit, cumulatively about \$1.7 billion of additional investment. Is it enough? No, but it is a start and we are working in the right direction.

This is not a debate about child poverty. This is a debate about the principle of how to invest in children so we improve the probabilities of better physical, mental and social health outcomes of children.

Dr. Fraser Mustard, the founder of the Canadian Institute for Advanced Research, came before the Standing Committee on Health, of which I was a member, in October 1994. Dr. Mustard provided us with substantive evidence that childhood outcomes were not a question of being rich or poor but rather of other factors related to the quality of care during the formative years of infancy.

That is a very important point. Poor people can raise very healthy, well adjusted children. Rich people can have very poorly developed children. It is not simply a matter of rich and poor. Poverty is an exacerbating factor, not a causal factor.

I have spent a lot of time on this issue and I want to share with the House some new research that has come out this year regarding why it is important to have direct parental care. It came out in a report that was completed in April 1998 and published in June 1998. It came from Dr. Christopher Ruhm of the University of North Carolina.

The study was of population data from 1969 to 1994, 25 years of population data. It looked at nine European countries, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Norway and Sweden.

The study is long but the conclusion is not. The conclusion is very important. Dr. Ruhm found up to a 29.1% reduction in infant mortality where paid maternity leave, direct parental care, was given for the first year of a child's life. That first year is very important.

The study does elaborate a bit. When he broke down the 29% of the reduction in infant mortality, Dr. Ruhm found more specifically that there was a 25% decline in post-neonatal deaths. That means the first year. Of the 29%, 25%, almost all of it, had to do with the first year of life. Eleven per cent of the total was for the period from age one to age five.

This is an issue of quality of care and it has to do with a lot of issues. One really important issue is breast feeding. There is a lot of research regarding the importance of breast feeding. In February of this year the president of the Canadian Paediatric Society, on behalf of the society said to Canadians that they wholeheartedly support the international guidelines set by the World Health Organization and UNICEF that breast feeding should be given for one year at least for the optimal health of the children during that first year.

That is not an insignificant amount. They indicated that about 1.5 million children in the world die each year because they are not breast fed. That is an outstanding statistic that members should keep in mind.

There is no question in my mind that it is important that we invest in children and it is not just a matter of throwing money somewhere and hoping something is going to happen. The issue is trying to improve the quality of care given to children during the formative years.

In the Carnegie task force study of 1994 entitled "Starting Points" the research observed that good physical and mental health, the ability to learn, to cope with stress, to relate well with others and to have a positive outlook were all rooted in the earliest experiences of life. They concluded that where, how and with whom children spend their early years of life are the most significant determinants of health.

When we consider the impact on the brain development of a child and the fact that 80% of the lifetime development of a human being's brain is complete by age three and that the issue of abstract reasoning, problem solving and general logic in a child's brain is all wired and established by age one, there is no question based on current research that the first year of life is where we should be investing in our children.

• (1145)

There have also been a number of other studies but I will not go into them because members have them on the record. Many initiatives have been brought forward in this place. There have been bills, such as Bill C-256 in the last parliament, on income

Private Members' Business

splitting between spouses so one could stay at home and care for preschool children.

There was Motion No. M-30 on the caregiver tax credit. It passed in this House in the last parliament. It proposed a caregiver tax credit for those who supplied care in the home to preschool children, the chronically ill, the aged and the disabled. It passed 129 to 63 in this House. I know who the 63 were and they opposed the motion on a technicality, of not supporting anything that involves spending money. The point is that when we had the debate in the House, member after member stood up during the three hours of debate and supported the issue that we have to support caregivers.

Some suggest that maybe this should go through the Income Tax Act. I will give one example of why this should not go through the Income Tax Act. It has to do with farm mothers. Under the Income Tax Act a woman working on the family farm is not considered to be working. Therefore she does not qualify for the child care expense deduction or any other deduction because she has no earned income. To do it through the Income Tax Act would be discriminatory against every farm mother in Canada.

It also does not address lone parent families. If the lone parent cannot work and there is a benefit through the Income Tax Act and there is no earned income, there is no way the lone parent could benefit from anything through the tax act.

The best approach is to go back to something we had earlier. It was called the family allowance. The family allowance was an allowance for parents because they had children.

Child care costs exist for no other reason than the fact that the child exists. Parents who provide direct parental care also have real costs in raising their children.

These are some important points which we should really take into consideration when we consider a motion like this one. This issue transcends partisan politics. Some issues are brought up by private members in good faith. They are not motivated by partisan politics, not motivated by trying to rattle somebody's cage, but motivated because those members are prepared to stand in this House and declare what their interests are and to declare to their constituents that they care about family and children.

Again I want to congratulate the member for Abitibi—Baie-James—Nunavik. The member has done this House a service by raising again that investing in children and the family is the dollar best spent by Canadians. I know that this is an issue which is shared by many people in this House. I hope that as we get more and more opportunities in this place to talk about investing in children and not just about child poverty but the poverty of physical, mental and social health, we will see that directing some sort of a benefit to our children is in fact the best thing for our children.

Private Members' Business

Mr. Lynn Myers (Waterloo—Wellington, Lib.): Mr. Speaker, I am pleased to rise in the House today to discuss this very important issue. I have to say at the outset that I have some serious reservations about the hon. member's motion. I ask the question, would it improve the lives of Canadian children more than the current initiatives undertaken by the Government of Canada and our provincial and territorial partners?

It may be helpful at this time to consider the initiatives presently under way to help give our children every opportunity to develop their full potential as Canadian citizens. I am sure that is what the hon. member is hoping to adopt if his motion in fact were to proceed and go forward. I commend him for his initiative.

Some of our hon. colleagues have already outlined the effectiveness of the Canada child tax benefit and other measures that benefit families with children. I would like to talk a little about the national children's agenda. I will begin by briefly outlining the positive history of the development of this agenda.

In January 1997 at a meeting of the Ministerial Council on Social Policy Renewal, federal, provincial and territorial government officials agreed to work together to develop a national children's agenda. This agenda was confirmed as a priority for government in the September 1997 Speech from the Throne. To quote from that speech "Federal, provincial and territorial governments will work together to develop this broader agenda for children, including clear outcome measurements by which to gauge success".

• (1150)

Further confirmation to the high priority given to the national children's agenda was evident in the publication of "Securing our Future Together" and again at the December 1997 meeting of first ministers. In fact the development of the national children's agenda to date is a superb example of what can be accomplished when we work in partnership.

The national children's agenda has a broad scope. The government and its partners recognize that the full development of our children cuts across many sectors: health, social services, justice, and education to name a few. It involves participation at many levels of authority.

In a February 1997 speech to the Ottawa-Carleton Board of Trade, the Prime Minister said that the national children's agenda will be "an effective, modern, truly national approach to benefits and services for children and for families".

At the same time, the government and its partners are not about to reinvent the wheel. The national children's agenda will build upon efforts already under way by federal, provincial and territorial governments, community groups, business and voluntary sectors,

child care professionals and of course families themselves who have the greatest responsibility for their children's welfare.

One of the major provisions of the national children's agenda is that it will act as a springboard for future and further initiatives. It will be a magnet that will draw partners together to continually enrich the provisions under that agenda.

Some people may ask why a national children's agenda is necessary. There is strong evidence including scientific research which shows that what happens to children when they are very young shapes their health and well-being throughout their lives.

We need the national children's agenda because unfortunately some Canadian children are especially vulnerable in today's rapidly changing world. We know that although children in many families experience a great deal of love, others experience abuse and neglect and suffer from physical and mental health problems. We need then to pay particular attention to family difficulties to ensure that these disadvantaged children have the chance to get a good start in life.

Many people and levels of government are already involved in helping Canada's children grow into healthy and well adjusted adults. There is however widespread recognition that no one individual or organization can meet all the child's needs. That quite frankly is why we need a national children's agenda. We need a truly comprehensive and complementary approach to ensure that there is no wasteful duplication of services and to ensure that no child falls between the cracks. That is very important for all of us as Canadians.

Some of the national children's agenda initiatives have already been announced, such as the national child benefit. The learning readiness indicators are another priority which is being worked on. A lack of readiness to learn can harm a child's chances of fulfilling his or her potential. Data from the national longitudinal survey on children and youth indicates that up to 15% of all Canadian children who begin school may not in fact be ready to learn. Learning readiness indicators also will help us to measure the readiness of our children to learn. That will enable us to assess just how well we are doing at giving our children the very best possible start.

Under the national children's agenda the Government of Canada will also expand the aboriginal head start program to cover First Nations children living on reserves. Begun in 1995, aboriginal head start already helps First Nations, Metis and Inuit children living in urban centres and large northern communities to prepare for school. This initiative responds to the report of the Royal Commission on Aboriginal Peoples which underlined the importance of extending corresponding assistance to First Nations children living on reserves.

Private Members' Business

The national children's agenda will establish centres of excellence for children's well-being. This also is important to note. The purpose of these centres will be to help us understand and respond to the physical and mental health needs of children and to understand the critical conditions for healthy development.

This represents an overview of the national children's agenda. I would ask the hon. member for Abitibi—Baie-James—Nunavik to support this agenda and other measures mentioned today and to work with the government to implement them before we take on the massive legislative changes necessary to adopt his motion.

• (1155)

I believe we should take one approach and evaluate the results before trying another. I appreciate the intent of the hon. member's motion but I am unable to support it at this time.

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.): Mr. Speaker, it must be abundantly obvious to everyone sitting in this House that we need more time to debate this very important issue.

I am very thankful that I have the opportunity as someone who has helped to develop Reform's family issues policy to be able to address this motion for a very brief time this morning.

I want to immediately let everybody know where I am coming from. Caring for our children is the most worthwhile and important task anyone in this country can perform. I think we all agree on this. I have been listening to the debate and we may not agree on the solution but we do agree that this issue is very important and needs to be talked about in this House.

There is one thing that I have not heard very much talk about and which needs to be discussed. Whenever we talk about developing a program such as this one, we have to first ask what the costs will be. I am talking about money but there are also justice, education, health care and social costs such as welfare that need to be factored in when we develop a program like this one.

I have studied this for quite some time. If, as we have advocated many times, we were to run this through the tax system and recognize child care in that way for those parents who wish to stay at home and take care of their children, the reduced justice costs, education costs, health care costs and social costs would more than pay for any program.

One of the things that disturbs me and actually surprises me is that members who have been talking about this have not told us what the costs would be if we simply paid out a certain sum of money for child care to the parent.

The second point I would like to make is incentive. Every time we have a government program there is going to be an incentive of some kind or another built in and that needs to be analysed. If we were to simply pay out the money through another large govern-

ment program, what kind of an incentive would that give? Would a small percentage of people abuse it and have children simply for the sake of having children rather than having them because they wish to raise the next generation?

Finally, the devil is in the details. What regulations would accompany this? When the state gets involved and interferes in family affairs, problems will come down the road. We will run into problems unless parents take care of their children as they wish rather than as the state dictates.

In conclusion, the highest quality of child care is given by parents who care for their children because their motive is love. Unless that is happening, we are going to have problems. That is why we need to run this through the Income Tax Act, income splitting and so on.

Because of the importance of this issue, I would like to ask for unanimous consent to make this a votable motion so that we can debate the issue further.

The Speaker: At any time members can appeal to the House for unanimous consent. Does the House understand the request made by the member?

Some hon. members: Yes.

The Speaker: Does the hon. member have permission to put the motion?

Some hon. members: Agreed.

Some hon. members: No.

[*Translation*]

Mr. Guy St-Julien (Abitibi—Baie-James—Nunavik, Lib.): Mr. Speaker, it is interesting to hear members from the other parties here. It is true that I can continue the debate this morning on family, mothers, fathers and, particularly, children. A number of members from all parties in this House have put forth ideas this morning.

• (1200)

It is important for the government to realize that members from all parties are here today to find solutions for families and children.

I said during my speech that we must respect all governments, including the provinces. But the important thing today is the ideas expressed by members. We should take the time at some point to discuss the motion put forward by the hon. member opposite seeking the unanimous consent of the House to continue the debate.

All the members who spoke this morning should table motions relating to their speeches. The issue must come back before the House, on behalf of all stakeholders in Canada, including Beverley Smith and all the groups that work for families, for mothers and

Government Orders

fathers. It is important that we find solutions. It is also important that the government listen to families.

The Speaker: It being 12.03 p.m., the hour provided for the consideration of Private Members' Business has now expired and this item is dropped from the order paper.

GOVERNMENT ORDERS

[English]

PERSONAL INFORMATION PROTECTION AND ELECTRONIC DOCUMENTS ACT

Hon. John Manley (Minister of Industry, Lib.) moved that Bill C-54, an act to support and promote electronic commerce by protecting personal information that is collected, used or disclosed in certain circumstances, by providing for the use of electronic means to communicate or record information or transactions and by amending the Canada Evidence Act, the Statutory Instruments Act and the Statute Revision Act, be read the second time and referred to a committee.

He said: Mr. Speaker, I welcome this opportunity to address the House regarding Bill C-54, the personal information protection and electronic documents act.

With the advent of the new information economy, Canadians are finding new ways of connecting to each other, to markets, to governments and, indeed, to the world. All Canadians have a stake in the new knowledge based economy which brings with it changes that profoundly affect all of our lives.

Canada's success in the 21st century depends increasingly on the ability of all Canadians to participate and succeed in the global knowledge based economy. To ensure that participation we must move quickly to provide Canadians with the necessary access, skills and confidence.

Bill C-54, the personal information protection and electronic documents act, is a significant step toward achieving these goals. In very significant and practical ways it will help build the confidence of Canadians in a field that will be key to Canada's prosperity in the 21st century.

The bill addresses three issues to help Canadians fully exploit the true potential of the Internet as a medium of information and commerce. The proposed legislation would protect the personal information of Canadians in their dealings with private sector organizations. It would create an electronic alternative for doing

business with the federal government. It would provide a legal footing for electronic records and secure electronic signatures.

[Translation]

The bill demonstrates leadership in building the information society. It will make it both easier and more secure for citizens to deal with the government electronically, when they choose to do so.

Already, the federal government has pioneered the use of the Internet as a means to improve service to Canadians, increase efficiency and lower costs. Many of the federal government's transactions with the public—from filing for patent protection to the provision of information on any number of subjects—can now take place electronically.

Much more can be done if we update federal statutes and regulations to capture the opportunities presented by the Internet. Many existing statutes and regulations often specify that information must be given "in writing," or "signed." Such references can be interpreted as restricting transactions to paper only, and as precluding the electronic provision of information.

• (1205)

[English]

In fact, the Department of Justice has found that more than 300 federal statutes contain references that appear to limit electronic service delivery.

Bill C-54 allows us to make existing statutes and regulations compatible with an electronic environment. It will enable us to provide an electronic alternative to the transmission of information on paper.

With regard to the operations of the federal government it addresses very real needs in three specific fields.

Bill C-54 gives federal departments, agencies and boards the authority to decide how requirements in existing statutes and regulations can be satisfied by electronic means in place of paper. Since the integrity and reliability of electronic transmissions must be ensured, provisions to foster the practical development and implementation of secure electronic signatures are a key component of the bill. A federal department, agency or board must be technologically and operationally ready before it offers its services to the public via electronic media. The time required to attain readiness will undoubtedly vary.

Accordingly, each federal body will be given flexibility and have the discretion to apply the new law and do business electronically when it is fully up to speed and has both the technological and operational capabilities necessary to do so.

Electronic technology is affecting evidence presented to Canadian courts in ever increasing ways. Bill C-54 will clarify how the

courts assess electronic documents and recognize electronic signatures, give recognition to notices and acts published electronically by the Queen's Printer and give official status to the electronic version of the consolidated statutes and regulations of Canada.

I would like to stress that the creation of an electronic alternative does not mean the federal government is doing away with the more traditional methods that it uses to communicate with Canadians. People will not have to throw out their pens and paper and typewriters or be forced to communicate exclusively over the Internet. Rather, we are enabling the federal government to accommodate a way to do business that is more and more popular with Canadians through electronic means. Canadians increasingly have demonstrated that they want to do business electronically, not just with their governments but with the private sector as well.

Electronic commerce conducted over the Internet is currently estimated at about \$45 billion Canadian. However, exponential growth is forecast, with e-comm revenues expected to reach \$600 billion Canadian by year 2002. This is a reflection of the skyrocketing growth of the Internet. The Canadian Federation of Independent Business has found that the number of small businesses with Internet access doubled in just one year between 1995 and 1996.

[*Translation*]

Building of an environment where electronic commerce can flourish is a key component of the government's commitment to ensure that Canadians can take advantage of the opportunities offered by today's connected and global economy. We want to establish Canada as the world leader in electronic commerce by the year 2000.

For electronic commerce to flourish in Canada, the first requisite is clear: a predictable and supportive environment wherein citizens, businesses and institutions can feel comfortable, secure and confident. All of us, consumer, business and government alike, need to feel confident about how our personal information is gathered, stored and used. The protection of our personal privacy is a basic right which Canadians cherish.

To safeguard privacy, however, there is a significant challenge to be met. In the electronic age, every time we make a transaction we leave a "data trail," traces that can be compiled and assembled to provide a detailed record of our own personal histories and preferences.

• (1210)

[*English*]

There is a risk that these records may be sent across provincial and national borders, or sold, reused or integrated with other databases without our knowledge or consent.

Government Orders

Consider just some of the ways in which Canadians already can and do use the Internet. We already use it to shop and to plan vacations from our homes. We use it to do banking from home. We use it to correspond with family and friends wherever they may be in the world. We use it to read on-line magazines and to participate in discussion groups. All of these uses can unavoidably reveal traces of personal information.

As consumers and citizens we need to know that we have some control over our information and be assured that it enjoys a basic level of protection. Bill C-54 will provide this protection. It addresses the need to safeguard personal data by establishing a right to the protection of personal information. It sets clear rules for how that information will be collected and used and disclosed in the course of commercial activities.

In January 1998 the departments of industry and justice released a public discussion paper entitled "The Protection of Personal Information—Building Canada's Information Economy and Society". This paper outlined the various issues which must be addressed in the development of legislation to protect personal information and it sought input from Canadians.

Canadians consistently expressed concerns about their privacy in light of the new technologies, particularly with regard to the control of personal information. Canadians have told us that they want legislation that is light, flexible and effective and that provides meaningful recourse for consumers. They support building on existing instruments, especially the national standard for the protection of personal information of the Canadian Standards Association, and they told us that they wanted independent oversight, someone to investigate complaints and ensure compliance.

In the development of the legislation before us the CSA standard was a particularly relevant avenue to explore.

[*Translation*]

It is a set of ten fair information principles. They address the ways in which organizations should collect, use, disclose and protect personal information. They also concern such things as accuracy and security safeguards; the need for an individual's knowledge and consent regarding information collection; and measures to provide organizational accountability.

The CSA standard was developed in the early 1990s, through a broad consultative process that included representatives from the public sector, business, consumer advocacy groups, labour and others.

[*English*]

The legislation before us will require organizations to comply with all 10 fair information principles of the CSA standard for the protection of personal information. Furthermore, compliance with the legislation will be overseen by the privacy commissioner of

Government Orders

Canada. The privacy commissioner's role will include receiving and investigating complaints and mediating disputes. Unresolved disputes can be taken to the Federal Court of Canada for final resolution.

At the present time in Canada the protection of personal information in the private sector can, by and large, best be described as sporadic and uneven. Many industries are not subject to any rules at all concerning the collection, use and disclosure of personal information. The rest are covered by what the privacy commissioner of Canada has called a patchwork of laws, regulations and codes. The result is that protection is incomplete and, quite possibly, inconsistent. This situation is no longer acceptable.

• (1215)

In our consultations regarding privacy, Canadians told us over and over again that they were very concerned about having consistent protection across Canada for their personal information.

Canadian business raised similar concerns about consistency and the need for a single set of rules to ensure a level playing field.

To address these concerns the legislation will apply first to the federally regulated private sector. Three years after coming into force it will apply more broadly, covering virtually the entire private sector, except where a province or territory has passed similar legislation. Where and whenever organizations are subject to such provincial or territorial law they would be exempted from the application of the federal law by order of the governor in council.

[Translation]

Bill C-54 also has the great advantage that it builds upon the existing CSA voluntary measures. It is designed provide a regime that is simple, yet effective, consumer friendly, not overly burdensome for industry, especially small and medium sized enterprises, cost-efficient and with a minimal administrative burden, and, in conformity with Canada's international agreements and trade obligations.

Canada needs new legislation to protect privacy. Legislation must strike a balance between the right of individuals to have some control over their personal information and to have access to avenues for effective redress, and the need of industry to collect and use personal information as a vital component of success in the information economy.

[English]

The legislation before us strikes that balance. It addresses both the business need to gather, store and use personal information and the consumer need to control the collection of information, to be informed about how that information will be used and to be assured that the information will be protected.

Bill C-54 will help build the consumer trust and market certainty needed to ensure that Canada is a world leader in electronic commerce and the global information economy.

Information privacy is crucial for a number of reasons. First and most basically, it is related to a series of other rights and values, such as liberty, freedom of expression and freedom of association. Without some control over our personal information our ability to enjoy these fundamental rights may be hindered.

Moreover, in the new information economy information is a valuable commodity that can bring jobs, prosperity and higher levels of customer service. This reality, along with other key factors, is creating mounting pressure to collect and use personal information more broadly than ever before.

Canadian citizens are right when they ask for adequate privacy protection in the new digital economy. The legislation before us will help to provide that protection. It addresses both present and future challenges, and I am confident that it will receive justly deserved support from the House of Commons.

Mr. Werner Schmidt (Kelowna, Ref.): Mr. Speaker, I rise to discuss Bill C-54, which I believe goes in the right direction. Some very good points have been made in the bill. The minister's statements of a moment ago illustrate the significance of electronic commerce in Canada and virtually the entire world. We need to recognize and accept that, and I think we all do.

The problem I see with this bill has to do with what is really being done here. It is not as if electronic commerce developed yesterday. It has been with us for quite some time. It has existed for at least 13 years in terms of doing business, in terms of consumer shopping, and we have had ATMs for a number of years. It is almost as if suddenly something has happened, that it is recent and has happened just now, but it has not happened just now.

• (1220)

We need to recognize that this is really a catch-up system, and for that I want to commend the government. This bill will make it possible to use some of the modern technology, to do some of the filing that needs to be done electronically and to get information and things of that sort.

Perhaps there are some people who wonder: What is this electronic commerce anyway? What are we really talking about?

We are talking about the business of making transactions via telecommunications systems using computer technologies. It is almost as if computer technologies and telecommunications are separate. I do not think one could exist without the other. The telecommunications industry depends upon computers and computers depend upon the telecommunications industry. The two are very much involved.

Government Orders

How big is electronic commerce? It is big. The minister just indicated to us some of the dimensions of the electronic commerce industry and we know they are true. It looks like there will be not only a tenfold increase, but a manifold increase. Nobody knows exactly how fast this electronic commerce area is going to grow.

Why is this an issue today?

First of all, we have many laws in Canada covering paper transactions and paper commerce. Paper transactions are founded on the notion and the awareness of boundaries: provincial, federal and international. Laws and taxes are applied within these boundaries and there are agreements as to which law or tax has precedence in cross-boundary transactions.

However, traditional boundaries do not exist on the Internet. Therefore, legal rules and consumer protocols become unclear, especially when the consumer is not even aware that they have crossed a traditional border in making a transaction.

Which law or tax then applies? Can the same law be applied to the electronic world as is applied to the paper world? This is a fundamental question because it raises the kinds of principles which ought to govern legislation with regard to electronic commerce.

This bill is not complete and I think the minister would agree that it is not complete. It is a good beginning, but it is only a beginning.

We have to be very careful that in this beginning we do not chart a course that ends up with errors of some kind. We have to be very careful that we choose the right course at the beginning.

We use electronic commerce to transfer funds in banking, to pay our bills and to access automatic teller machines. We use it in the operation and in the guidance of trucks, ships, planes; vehicles which are in the air, on land and at sea.

The global positioning system, for example, is strictly an electronic mechanism. Satellites such as RADARSAT make a very significant contribution to electronic commerce. What does it do? It provides information, for example, about what is happening to the ice caps. It also inventories and gives information almost immediately about the moisture conditions in various parts of the world.

What are some of the issues involved? The minister said that one of the big issues is privacy. Yes, privacy is a major issue, but I would like to raise another issue before I speak about privacy, and that is the integrity of the information.

Integrity means that we can have trust and confidence in the information that is made available to us by electronic means. For example, can we be assured that what we think is happening is actually happening? Is the money being transferred from my bank account to somebody else's bank account as it ought to be? Is my

account being credited or debited as it ought to be? Will the person receive exactly what it is they thought they were buying via the Internet or the telephone?

Verifying signatures is a very significant issue as well.

• (1225)

The public information cryptography issue is involved. The business of recognizing the public key infrastructure on cryptography is something that this bill wants to control. We need to ask ourselves the question: To what degree can or ought the government be able to control the various encryption methods and systems?

Earlier this year there was a discussion regarding the type of policy the government should pursue with regard to encryption. There was a lot of resistance to this particular issue. A policy statement was finally drafted. I believe there are some good aspects to this particular policy. However, I would like to ask whether the provisions in the legislation before us are consistent with the provisions of the policy on encryption.

For example, one of the elements in this encryption policy states that Canadians are free to develop, import and use whatever cryptography products they wish.

The government will not implement mandatory key recovery requirements or licensing regimes. The government encourages industry to establish responsible practices, such as key recovery techniques for stored data. The government will act as a model user of cryptography through practices of the Government of Canada public key infrastructure program.

The policy indicates that Canada will take into consideration the export practices of other countries and the availability of comparable products when rendering export permit decisions. The export permit application process will be made more transparent and procedures will be streamlined to ensure the least regulatory intervention necessary.

If the issue is to ensure that the integrity of information from one business to another business is indeed safe, secure and private, that is one thing. However, if the issue is government intervention and the ability to intervene, to read, to uncover and to break through the encryption that is used by businesses to do their business, then all privacy will be destroyed.

I think the policy suggests that the government will not do that. However, the issue is that it is not protected in this particular legislation. This legislation does not say that the government may not or the government shall not get into the encryption systems that various industries may use in doing their business.

I would like to deal with encryption a bit further. Someone may ask: What is encryption? It is actually a code. Someone who does not know the code cannot uncover the message. We must ensure

Government Orders

that a message which is designed to reach a particular destination only reaches that destination.

We know that the Internet is accessible by many. That message, once it is put on the Internet, can be retrieved by virtually anyone unless it is encrypted. The person who receives the message must either decipher what the encryption is or have the key that gets them into the message immediately. There are many people who are pretty sharp at discovering encryption systems.

We need to accept that the new laser technology and the application of the laser technology is one that we need to look at carefully. There are experts in this field who say that if one human being has created a code another human being can decrypt that code. Dr. Paul Corkum of the National Research Council makes the statement that unbreakable codes for secure information transfer can be based on the basic structure of light.

When we enter the field of laser technology we are dealing with a complicated issue. Nevertheless, Dr. Corkum makes the unequivocal statement that unbreakable codes for secure information transfer can be based on the basic structure of light.

Nowhere in this legislation is there reference to unbreakable codes or the use of encryption codes being limited to business, government or anything of the kind.

● (1230)

If we are to have privacy we must be absolutely sure that if someone wishes to encrypt a message the message can be encrypted to the degree that no one else can understand it except those for whom the message was destined in the first place.

We need to recognize not only the need for privacy but another area in the legislation which has to do with privacy. It has nothing to do with encryption but it has something to do with the provision of privacy of information. I refer to the beginning of the bill. In division 1, which is headed "Protection of personal information", subclause 5(2) says:

The word "should" when used in Schedule 1, indicates a recommendations and does not impose an obligation.

"Should" is a guidance and not an obligation. Let us go to schedule 1 and have a look at what is there. In section 4.2.3 it states:

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

The purpose should be stated. It continues:

Depending upon the way in which the information is collected, this is can be done orally or in writing. An application form, for example, may give notice of the purposes.

This is a possibility. It should be there, but it is not a requirement that it be there. However, the next section, which is section 4.2.4, states:

When personal information that has been collected is to be used for a purpose not previously identified, the new purpose shall be identified prior to use.

Is that not an interesting contradiction or at least an implication of confusion? In the first instance it is not obligatory that the purpose be stated, but if it is stated and it is changed then there is a requirement that the individual be notified. If we wanted to protect ourselves and wanted to be flexible, we would simply never state the purpose. Then we could do whatever we wanted because section 4.2.4 would not apply.

There are some interesting questions about what is being done and being proposed in the legislation. As the committee deals with it, I hope it will be in some detail and that some of the weaknesses will perhaps be rectified.

We need to look as well at the conflict of interest issue. In the bill there is no statement about the use of private information in a conflict of interest situation. I refer particularly to the application forms currently in vogue and used by certain banking institutions in Canada.

Until very recently an application form to do business, for example with the security branch of a bank, contained the name. Underneath there was very tiny print stating: I hereby allow or give permission to this bank to use the information given for trading securities to be used in other parts of its operation.

We know that banks today own trust companies and insurance companies. Some of them are health insurance companies and life insurance companies. They have investment dealers and clearly they have the banking institution. Is it not interesting that a bank which collects information to trade securities may use it in other parts of its operation?

Let us suppose one has a loan in the particular bank and an insurance problem. Is it not interesting that individuals may suffer ill health which as a consequence, at least in the mind of the bank, places in jeopardy their ability to repay the loan?

Information was collected for the purpose of doing trading only in a particular bank. Yet the bank is now able, through its insurance branch, to transfer the information. That insurance branch may and will, if it owns an insurance company, have transactions with other insurance companies and may trade information. The potential for a conflict of interest is very real.

● (1235)

It is interesting that although one has given voluntary permission to the bank to use this information and suddenly withdraws that permission, the bank reserves the right, in very tiny print, to close one's account with 30 days notice.

Government Orders

There are some very interesting issues. Compliance is granted by giving permission, but it is used in a way that was never intended, or the customer never believed it would be used in such a way. The action is unilateral on the part of the financial institution to close the account if the individual suddenly chooses to withdraw access to the information for a purpose other than the one for which it was intended originally.

I now wish to move to the interdependence between electronic commerce and traditional or other commerce. Electronic commerce cannot exist without a traditional infrastructure for moving things and people. For example, a service may be ordered through the Internet but the product or service must be delivered. A contract must ultimately be signed and become operational. Funds must actually be moved from one state to the other.

It is not just the ability of being able to do electronic commerce. There is an interdependence between electronic commerce and regular or traditional kinds of commerce. This requires an infrastructure that is ready and able to meet the requirements, one of which is speed.

Time delivery is all very well if it is in a beautiful computer and it has to be delivered, for example, on September 30 of a particular year at one o'clock. However, if the truck does not get there it does not help. There is no relationship. If the relationship is not there and it is not working, there are backlogs and queues and things break down.

We need to recognize that there needs to be a back-up for intercommunication. We need to trace the trail. If something goes wrong we need to know where it went wrong, why it went wrong, who is responsible and how can it be fixed. It involves all kinds of aspects. It involves many people and things. We need to know where are the airplanes, the satellites and the rockets on land. Will it be done by foot, by truck, by rail or by any other method? The situation on the sea is similar.

It is not just the business of controlling electronic commerce. It is also the matter of developing adequate human resources. The number one requirement in the whole business of electronic commerce is the ability of personnel. Ultimately people will make the system go. They need the ability to use electronic commerce information.

They must know how it works. They must understand how it works. Then they must expect to be able to apply it. There must also be confidence and faith in the integrity of the information. All else depends on it. Because it is so fast and because it allows transborder transactions very easily, errors are multiplied and magnified if they occur.

There also must be integration. We need to recognize the interconnection of nations, the interconnection of industries and the interconnection of people. There will be a tremendous requirement in the ability of management to integrate what appears to be

separate and disparate parts into a corresponding and working whole.

It really does something to me when I hear our Prime Minister answer the question about how far the dollar has to sink before we become alarmed. The minister has often talked about the issue. The Prime Minister, the senior minister in the country, is the one who should know. He is the one who is asked this question because it is fundamental to our economy, to electronic commerce and to any other commerce. He answers that the problem is market decisions. He answers that either it is floating currency or monetary policy under Canadian law like in most of the countries managed by the Bank of Canada. According to him it is the way the system operates. It is never the Prime Minister; it is the Governor of the Bank of Canada who makes these daily decisions.

• (1240)

The Canadian economy is functioning very well. We reduced the deficit from \$42 billion to a surplus that was billions of dollars for the first three months. In spite of strikes at GM, in construction and in the paper industry in Quebec, unemployment did not go up. It remained at 8.4%. We have around 1% inflation.

A few weeks ago there was a report for the first time in a long time that activity in Canada had been higher than in the United States. It is a very positive sign. The monetary policy of the Canadian government is made by the governor of the bank under the Bank of Canada Act.

We need to do better. What can we as parliamentarians learn from the complications of electronic commerce and from the need to protect the privacy of individuals and to do business successfully and well? We need to learn about a couple of issues. We need to recognize that our ability to do things has been magnified manifold. That means the responsibility of doing it right is greater than it has ever been. We also need to recognize that one error can cause many other errors and have a far broader impact than was the case before.

Above all we need to recognize the need for integrity and leadership in the country. We need to know more. The bill is not sufficient. It is a good beginning but is not a leadership document. If anything it is a document that catches up to where industry has been for the last 10 years. We need leadership. We need to understand the significance of what we are doing. We need to be confident. We need to have an attitude of co-operation, humility and self-control. We need to recognize, as never before, the absolute necessity and the centrality of integrity, truth and honesty in whatever we do.

It is not good enough for the Prime Minister to try to explain the value of the Canadian dollar and its fluctuations the way he does. It is not good enough for the Minister of Finance to say we have a surplus while recognizing full well that the surplus is built on sand. In fact it is not even good sand. It is shifting sand because it is built

Government Orders

on the revenues collected for the EI program rather than on the management of the finances of the country.

We need to tell the truth. The Prime Minister, the Minister of Finance and the rest of the ministers need to tell the story the way it really is. If they do not it will not be long, particularly with the transfers across borders, with e-commerce and any other mechanisms available to us, that the truth will be known. Where is the confidence going to come from when in fact we recognize that the Minister of Finance has not told us the truth?

Where is the confidence when we recognize that we do not have a balanced budget, that it is a concoction of numbers which makes it look as if it is balanced but is not really balanced? This is dangerous. If there ever was a time for us to learn from a bill, it is this one which is at the cutting edge. It does not provide leadership but it is at the cutting edge, and for that I commend the minister.

• (1245)

We need to recognize, however, that within this lies the seed of our undoing if we do not recognize the need for integrity of information, integrity of communication of the people of Canada and integrity within the civil service of Canada so that the ministerial position, the government's position and the position of the bureaucrats are identical, and that government can be there with integrity so that we can depend on what it tells the people and base our future direction on that. That is what we need to learn from legislation like this.

[*Translation*]

Mrs. Francine Lalonde (Mercier, BQ): Madam Speaker, for very many years now—as I am going to document—Canada has been waiting for legislation on the protection of personal information, privacy legislation relating to the private sector. The bill we have before us this morning is titled as follows:

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

The problem with this bill is that it is not a bill addressing the protection of privacy. My colleague has just referred to the need for leadership, and the Minister of Industry has spoken of his desire to take a lead role by introducing this bill in the House of Commons.

Where he was expected to show leadership was not only in protecting consumers involved in electronic commerce—and even here we need to look at how much protection they have, because it is far from sufficient—but also in protecting privacy.

Privacy is a fundamental right. In 1983, Canada enacted privacy legislation relating to government bodies coming under federal

jurisdiction. The Charter contains certain provisions, but the minister himself has acknowledged that this protection is sporadic and uneven, and no longer acceptable. This situation is no longer acceptable.

The leadership in privacy protection came from Quebec. Since 1984 Quebec has had legislation, effective legislation, to protect personal information in the private sector. That legislation has proven itself. We would have expected to see it used as a model, because it is the only legislation based on experience and know-how. It has not had the catastrophic results some were predicting in the private sector.

Now more than ever, when private information can be collected and collated without an individual's knowledge, transmitted, sold, used for all sorts of reasons, with impunity, or just about, except in Quebec, what we would have expected from the minister was a bill with some teeth.

• (1250)

That is what we are going to ask him for. And we are going to take this opportunity not just to talk about the importance of the right to privacy, but also to get some information across. Because, all too often, members of the public, who are not just consumers of commercial services, but people living in the real world, faced with a plethora of intermediaries collecting potentially erroneous information and selling it or using it for their own or other purposes, deserve much more.

Members will tell me that, if Quebec's legislation is so effective, it can go on being effective, and Quebecers should decry the fact that Canadians cannot count on a better law. But it is much more complicated than that, because not only does this bill fail to provide sufficient protection for the public's privacy but, as it now stands, it undermines—yes, undermines—the protection Quebecers enjoy under Quebec's legislation. And that is even more unacceptable.

I will give clear and documented examples. Right now, under Quebec's legislation, an Eaton's employee in Montreal has access to his personal file held by his employer, even if this personal information is kept in Toronto. With Bill C-54, this request for access becomes part of a interprovincial access request. Thus, since it is not part of a commercial transaction, according to the interpretation in the bill as it now stands, and given the recourses available, that employee will no longer be entitled to access.

Let us consider another example: at the present time, if a person undergoes a medical examination for insurance purposes, the results of that medical are recorded by an American organization with a branch in Toronto. At this time, the client has the right to access his records. Since this will no longer be part of a commercial transaction, there is a good chance that right will not continue.

Government Orders

This is not taking into consideration the type of recourse that is in the federal legislation. I will come back to this point a little later.

We have read the minister's press releases which intimated that the Quebec legislation would apply in its entirety. Yet this is not at all what we see in the bill, in a number of aspects. Clause 27 gives all of the power to the governor in council, or to put it more simply, to the government, for deciding whether or not a provincial act will apply in whole or in part. I think it is worthwhile reading this clause, although it is couched in the curious language used in bills.

It states:

27(1) The Governor in Council may make regulations—

(d) if satisfied that legislation of a province that is substantially similar to this Part applies to an organization, a class of organizations, an activity or a class of activities, exempt the organization, activity or class from the application of this Part in respect of the collection, use or disclosure of personal information that occurs within that province.

• (1255)

It is all very well for the law in Quebec to be the law in Quebec, the governor in council can decide what part of the law applies or does not apply within the province involved.

This provision is shocking. I could say we are used to this, but it is more than that. This is serious. In the very area the minister wants to open up, electronic commerce, there are a number of players, including a major one, our neighbour, the United States. We know that, in the United States, and this is one of the problems we will talk about, the government wants to let business regulate itself.

Then there is the European Union. Canada wants to establish a free trade zone with it. A meeting to this end is being held here right now. The European Union has already established guidelines that are very much along the same lines as the law in Quebec, in fact so much so that it had planned not to authorize any business links except with Quebec, because the other provinces and the United States could not properly guarantee the protection of the personal information of the people of the European Union. This issue of effectively and efficiently guaranteeing personal information is more than a Quebec-Canada dispute. It is far more than that.

I must underscore, and perhaps members will think excessively so, the fact that Quebec was really at the forefront in formulating clear, readily implemented and effective legislation—unlike the federal one—which meets the criteria of the European Union.

Had the minister wanted to demonstrate the leadership he is claiming, he should have adopted these principles, not because they are our principles or because Quebec is involved, but because this is the sort of protection the people of Quebec and of Canada are

entitled to expect. Instead, Quebecers' rights are being infringed. And Canadians do not have enough protection, not in the least.

A number of the provisions in this bill fall short, but one involves the reduction of Quebec's rights and that is the one concerning all the provincial provisions. Under Quebec law at the moment, as I was saying earlier, an individual working in Quebec can access his record, wherever it is, or a person having a medical examination can see his records, wherever they are.

From now on, it will no longer be the case, since all the provisions that go beyond provincial jurisdiction will be subject to federal legislation. One might wonder whether federal legislation will provide the same protection. The answer is no. When it comes to information that is not of a commercial nature, the act is vague, to say the very least.

• (1300)

The core of Bill C-54 is a standard, a CSA national standard that bears a number and that was approved in a totally different legislative context by the standards board, in consultation with the telemarketing board and another body whose name I forget, as well as with consumer representatives.

While this self-regulating project is commendable, particularly since it originated with the private sector, it is also full of conditions. There are a number of very important provisions for people on the information needed to create their files, and on the use of these files, that are full of conditional "may".

The act provides that these conditions may be overlooked. The problem is that all this is extremely confusing. What can a person do when he or she is refused access to his or her file?

Under the federal act, the person may file a complaint with the privacy commissioner, who then conducts an investigation. Fine. We hope he will have the proper means to do so. The commissioner may attempt to resolve the complaint through mediation. Fine. If a solution can be found, great. But what happens if no solution is found? This is what people want to know.

What happens is that the person must go to court. The commissioner can take it upon himself to go to court, but this is not automatic. The person, even assuming he or she has the means to do so, cannot do it. He or she cannot directly take his or her complaint to a court at the beginning, because he or she must wait for the commissioner's report.

There is question of means involved. There is a delay, because the person must wait for the commissioner's report. First of all, there is a degree of confusion in the drafting of the legislation, a lack of clarity that surprised even the experts from what they told me.

Government Orders

This means that, instead of the legislation the minister promised, one that would be user friendly—he described it as simple yet effective—where users may not always be commercial services consumers but are citizens, the legislation before us is not simple to use and, on the face of it, certainly not effective, except when good will is involved and mediation may suffice.

We agree it will work that way some of the time, but legislation is required when the government has to say where it stands, on whose side it is, the unco-operative business or the citizen; the government does not side with citizens unless the commissioner himself decides to go to court. Do members have any idea what this means?

This bill will disappoint a great many people. I for one might say I understand the minister may be feeling stuck between the United States on the one side and the European Union on the other, but his primary duty as minister is to reassure the people of Canada and Quebec that the current level of protection will be maintained.

• (1305)

It is not the role of Canada to undermine the protection they are currently afforded. It is not to reduce the level of protection but to increase it because, as a country, together with other countries—and I have never found it so sad that Quebec was not one—it could push to have all countries adopt compatible rules, to reassure the public. But the public will not be fooled and no one will believe that a meaningless piece of legislation will provide consumers across Canada and Quebec with greater protection against American companies. There is a real problem.

An OECD conference was held in Ottawa on the initiative of the Minister of Industry, and I congratulate him on this. One thing came out very clearly at this conference, however. Right now, 80% of e-commerce is U.S based, 80% of it in business.

When it comes to the defence of consumers and the public, governments should sit up and take note. Many have said so. I was pleased to hear that the Canadian Federation of Independent Business does not want it forgotten that consumers are not just individuals, members of the public, but also small and medium sized businesses, which do not have the wherewithal of big business, and which are also in a David and Goliath situation, much worse in fact, as things now stand.

This bill is extremely disappointing. It fails to give citizens the protection they are looking for. The Internet is not just a place where business is transacted, and cannot be divorced from civil society.

Telemarketing was debated in this House. We saw that the government wanted to clamp down on businesses engaging in deceptive telemarketing, by requiring them to state very clearly over the telephone who they were and the purpose of their call. We wanted to amend this to apply to the Internet as well, and now we

are looking at a bill on e-commerce. This provision remains completely vague in the bill. But members of the public wishing to use this medium—which is just a medium, and not another way of life, as the OECD recognized—will increase their use of it only if they are truly protected.

The first step is protection that is not just partial, not just aimed at e-commerce, but real protection of privacy. Then we can consider it further, but first there will have to be international agreements.

Yes, we are waiting for Canada, the country we are depending on, to show some leadership, but not without first reassuring the public.

Successive Liberal governments have repeatedly promised real legislation, legislation that would protect privacy. In 1982, the then communications minister, Francis Fox, said that the next step with respect to privacy legislation would be to extend the principles governing the protection of privacy to the federally regulated private sector.

• (1310)

In March 1987, the Standing Committee on Justice and the Solicitor General endorsed this recommendation in its report entitled “Open and Shut: Enhancing the Right to Know and the Right to Privacy; a Review of the Access to Information Act and the Privacy Act”. Quebec embarked on a similar process which resulted in 1994 in the passing of its current legislation.

In his 1996-97 annual report, the privacy commissioner saluted as a fundamental and highly significant event the undertaking by then justice minister Allan Rock to enact before the year 2000 a bill protecting privacy in the private sector in a real and effective fashion. What happened next?

In 1996, the industry minister himself promised an umbrella bill on the protection of privacy in response to the Information Highway Advisory Council’s report. I stress that the member for Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques moved a motion which was unanimously approved providing that all crown corporations be subject to the Privacy Act, but not all of them are.

In April 1997, the Standing Committee on Human Rights adopted a report entitled “Privacy: Where Do We Draw the Line?” recommending that the current act be replaced by one applying only to parliament and to all government agencies as well as to private sector entities under federal jurisdiction.

Today the minister is tabling a bill to promote electronic commerce by protecting personal information. I will not read the full title again. This is sad and woefully inadequate. This bill will not meet the desired goals and will actually weaken the current

Government Orders

rights of Quebecers while recognizing the efforts by the private industry in its own code, which contains many conditions.

We have to demand that the federal government give proper protection, not one that is so limited, so minimal, and in many cases inexistent, because of the nature of the procedure, of the conditions and of the confusion and also because of the power of the governor in council, who can even change the content of the legislation to adjust to the changing standards of private business.

We cannot let this bill go unnoticed. We cannot be content with saying that we would like to see many more provisions included in this bill. This was to be such an important piece of legislation, but, should it pass without amendments, it will create more problems than it will solve in the long run.

The Bloc Québécois and all governments in Quebec, of whatever political stripe, have always very strongly supported the principle of respect for privacy and personal information. The Parti Québécois and the Liberal Party did so again, recently, in a review of the legislation. We are deeply committed to this principle, and that is why we cannot agree with this bill to promote electronic commerce, because it does not meet its stated goals, and does not protect the needs of citizens and consumers.

• (1315)

[*English*]

Mr. Nelson Riis (Kamloops, Thompson and Highland Valleys, NDP): Madam Speaker, I am happy to rise today to join in the debate of Bill C-54, the personal information protection and electronic documents act.

Today's debate may be the beginning of perhaps one of the most important debates in the House for many months as we begin the discussion of virtually a new form of commerce, a form that is already beginning but a form of commerce with dimensions that are somewhat awesome, the whole issue of electronic commerce.

I will refer to what could be exploding as a new way of doing business. At the recent OECD conference in Ottawa it was suggested that electronic commerce transactions totalled about \$4 billion in 1997. Within another three years from now that could accelerate to nearly \$400 billion. In Canada it could reach as high as \$13 billion within that short period.

We are talking about a totally new way of doing business, a complete transformation of commerce not only within Canada but all the other nations with which we do business. On a business level there are tremendous implications and on a personal level tremendous implications, and of course that is what the debate is all about. We are going to hear the term e-commerce, electronic commerce, a great deal in the next few weeks and months.

Recently the House has heard much discussion of the transfer of vitally important information. Rather than discussing the danger-

ous transfer of cabinet secrets in public places such as airplanes or gymnasiums, today we are gathered to discuss a transfer of a different type of information, the electronic variety. The bill before us aims to support and promote electronic commerce by increasing Canadians' confidence in online transactions, providing protection for personal information that is collected, adjusting the legal framework of the electronic environment and providing an alternative means for the federal government of providing valuable government services.

It is fair to say that Bill C-54 is part of a much larger overall strategy to make Canada an international leader in the growing realm of electronic commerce. The debate today is timely because if there is one role that Canada can play it is to widen the debate on future electronic commerce within our borders and beyond. At this point it would appear that Canada is playing a leadership role.

I want to talk about some of the contents of the bill and outline some of the reservations my colleagues in the New Democratic Party and I have with the bill. I begin by discussing the phenomenon of electronic commerce in the information age. A variety of commentators from all sorts of disciplines have commented on the increasingly important role electronic commerce is playing in the lives of everyday citizens.

Recently the chairman and CEO of Bell Canada, Mr. Jean Monty, told delegates at the Ottawa OECD conference: "What we are witnessing today is the birth of a new economy, a new economic order that is based on networks and chips". This electronic transfer of information has changed the way humans interact with each other and for this reason it is the subject of great importance and we would be wise to consider very carefully any decisions we take. That is why I say the bill is really the first piece of direct legislation that says something about this whole new issue of electronic commerce.

• (1320)

First, it may be helpful to discuss the very definition of electronic commerce itself. If we are to adapt a broad understanding of the concept of e-commerce we will see that it includes two very different types of transactions. One type, which has proven quite successful in this country, involves the exchange of information through closed networks. This would include such systems as those used for debit cards and credit cards. As I say, Canada is recognized as a world leader in developing the infrastructure for these kinds of closed networks.

Other types of transfers are those conducted through open networks such as the Internet. This type lags far behind its closed network counterpart for numerous reasons which I will examine in a moment.

Perhaps it would be useful to outline very briefly what e-commerce is and how it works. In the friction free ideal of electronic

Government Orders

commerce, a typical catalogue order for example would happen like this. A consumer would fill in an order form on a computer and file it through the Internet directly to their retailer's computer system. The system would immediately process the information to create a shipping weigh bill, a packing list and would be electronically charged to one's credit card. A likely low paid warehouse employee might then prepare the shipment and deliver it to the loading dock, but other than that the human element is removed.

In other words, a job that perhaps would involve four, five or six people would now be handled by a single person and likely one who would be relatively low paid, removing any need for data processors, bookkeepers, shipping clerks and others. These types of jobs would become automatically redundant.

When one starts to think about the online world a certain minister comes to mind. Just as the solicitor general has had some difficulty lately maintaining the security of his department's private information, so does the Internet in ensuring the confidentiality of important matters.

Canadians have demonstrated a lack of faith in the minister as a result. This is similar to the reservations Canadians also have about entrusting their own personal information in cyberspace. It is our job as legislators to address these concerns adequately.

The Internet remains mainly an intimidating world for most Canadians in which trade relations are purely developed and people cannot be certain of the ways in which confidential information is being handled. Business as well as consumers are often unsure exactly with whom they are dealing, whether payment measures are secure and just what the legal frameworks are for these types of transactions.

The Internet for most Canadians remains as a sort of computer wild west where law and order at the moment is relatively poorly represented and in some cases not represented at all and one enters at one's own risk. Many parents are reluctant to establish these Internet accesses because of well founded fears that the online environment has become a haven for those who traffic in such horrible issues as child pornography.

Business as well as consumers have been clamouring to build confidence in terms of building measures with this electronic commerce for some time. I think it is fair to say that Canadians do not want cyberspace to be lawless. Proof of this can be found in the recent controversy surrounding Mr. Zundel's events in British Columbia.

One part of the bill which attempts to tackle people's reservations about trade on the information highway is the section on privacy rights. The bill adopts a set of guidelines developed by the Canadian Standards Association for using, gathering and disclosing the personal information of Canadians.

At the present time the federal Privacy Act deals strictly with information that is collected by the public service. Bill C-54 goes further than this. After a period of three years the guidelines for the handling of personal information will apply to all commercial transactions. For example, the bill would force companies to obtain the consent of individual Canadians in order to collect personal information. It would force them to only use this information for the purpose for which it was collected.

Under the bill people would be granted access to the information held about them and would also have the right to make changes to it when there are inaccuracies in the information regarding their personal financial holdings and other relevant personal information.

• (1325)

Bill C-54 significantly strengthens the office of the privacy commissioner and allows Canadians a means of recourse against those who abuse confidential personal data. New Democrats support these provisions in principle and feel they are long overdue. With the rapid manner in which information can be transferred in today's world it would be reassuring to know that individuals do have some control on this information as it relates to them personally.

In order that Canadians can feel confident enough to engage in electronic commerce, common guidelines for the handling of personal information are totally essential. They would benefit business as well as the piece of mind of the consuming public.

The other prominent feature of this legislation that attempts to remove the fears of Canadians is the discussion of security features such as secure electronic signature which would now be recognized by law. More noticeable, however, is the absence of any discussion on encryption technology. I know my hon. friend across the way is very interested in encryption technology, as we all are, in terms of what we this can do for the whole privacy issue. At first glance this appears to be an adequate solution to addressing security concerns. However, the way the government is going about this raises some very serious concerns about our future.

Cryptography technology allows users to encode information then pass it along the Internet; in other words, use various codes to codify information being passed along so that others, without knowing that code, would have a difficult or impossible time deciphering what it is all about. This can be used to encode all sorts of information such as credit card numbers, medical records and private correspondence. In itself it is a good thing. Unfortunately this legislation has adopted a completely hands off approach in the area licensing encryption software. This government has indicated no concern about licensing this type of software. It has not demanded any sort of access mechanism that would allow it to intercept and decode these kinds of messages.

Government Orders

I fear that the government has forfeited any means whatsoever of policing the Internet when it comes to these critical matters. For example, the privacy commissioner would have little power to actually see whether personal information is being mishandled and transferred illegally. The privacy provisions of the bill seem to be weakened by the rather hands off approach to cryptology.

Also, law enforcement agencies might see their ability to thwart child pornography traffickers severely curtailed as a result of this omission. Similarly, without any source of access mechanism, cryptology technology will possibly play into the hands of organized crime and the perpetrators of corporate sabotage.

The fact that government will allow any type of cryptology technology will serve only to increase the security fears of Canadians using this system. The thought that the RCMP and other police forces will be basically powerless to investigate Internet abuses is obviously something of great concern. This is really a violation of the peace and good government principle on which this nation was formed. It will do little to make Canadians feel more secure.

It is true that the Internet presents a very difficult medium to regulate. However, Canadian law enforcement agencies must be permitted to fulfill their basic obligations to protect the public. Barbara Roche, Britain's parliamentary undersecretary of state for small firms, trade and industry, stated recently that governments must not lose sight that electronic commerce is at heart a human issue.

The point is that people risk being hurt if any encryption is not regulated. In this area the government has shirked its responsibilities to protect our citizens of all ages by taking this hands off approach.

Other countries have expressed serious opposition to unrestricted cryptology, including the United States, France, Russia, Australia and New Zealand. Clearly there exists some international consensus as to the dangers of allowing any sort of cryptology products to be used. I wonder why the government has chosen to ignore this concern. An opportunity to co-operate with other nations on this security issue seems to have been missed as a result of this omission. I hope the government will see fit when this legislation moves through the House to change that and enable Canada to join with these other nations to control the misuse of cryptology products.

Bill C-54 attempts also to establish the federal government as a responsible and model user of the Internet as a tool for delivering services. With this in mind, many federal statutes have been examined to see whether the references to means of collecting information were limited only to paper. The result that nearly half seem to indicate that paper transactions are the only legal means of sharing information is worth noting.

• (1330)

Bill C-54 attempts to adjust or apply current laws so that there is an electronic alternative for transmitting appropriate information. In principle, when asked to only say that this is a good proposition, it would offer Canadians access to a new and faster means of communicating with their government bodies regarding important services.

The government believes that by acting as a role model it can stimulate a substantial increase in the use of technology in all realms. A quick glance at the current electronic commerce situation reveals that Canadians are far from embracing the Internet. In many cases this is because they simply cannot afford to. Even if we assume that about 30% of Canadians have some sort of access to the Internet, which may be just the fact that they have connected computers at their schools, we must acknowledge that the other three-quarters of the country are presently in the dark.

I noted some statistics the other day, which are not much more than serious estimations. Approximately 13% of Canadians had home Internet access in 1997 and I suspect that number probably has not changed much. We are talking about a relatively small number of Canadians. We recognize Canadians are world leaders in access to the Internet so we can see this is just the beginning for this technology. This affords Bill C-54 an excellent opportunity to do the job correctly.

Many Canadians in rural areas have begun to voice concerns. They foresee exorbitant increases in the cost of local phone services in their areas in the near future. We have all been hearing from rural Canadians. With the competition between existing phone companies they are concerned with what we have known for many years as cross-subsidization. Charges levied on long distance charges and related charges provide phone companies the ability to keep rates relatively low in rural areas. That is now coming under some question.

Will people living in rural Canada have reasonable phone rates and therefore reasonable access to services such as the Internet? How can a farmer in rural Saskatchewan be expected to invest in a second line for Internet purposes if these service charges are not kept affordable?

It seems that the government has put the cart before the horse on this issue. In order for electronic commerce to work, New Democrats believe all Canadians must be given an opportunity to get on board this new technology. Otherwise we risk creating a future society of information haves and information have nots.

One of the concerns that was raised in the commentary at the recent OECD conference in Ottawa was the development of a select technological elite not only in the world of commerce but in the world in general. There would be people with access to the Internet with a sophisticated knowledge of computer use and there would

Government Orders

be a vast majority of people who would be marginalized and would have neither access nor that type of knowledge.

Small and medium size businesses have complained that the costs of participating in electronic commerce are simply prohibitive. Ideally, electronic commerce would provide an excellent means for small businesses to expand their market reach but unfortunately many cannot afford the fees charged by banks for setting up secure on-line ordering services. The costs are keeping electronic commerce in the big leagues. Small businesses will be put at a competitive disadvantage unless this issue is considered.

Industry Canada has addressed this issue with the community storefront program which helps many small businesses become on-line merchants. However we believe that a significant expansion of this program will be absolutely crucial in order to ensure the equitable growth of electronic commerce for the big players as well as the small players. The present program is good but certainly is not good enough at its present stage.

There is another important issue surrounding electronic commerce. Very drastic economic changes will take place should this type of on-line trade take off the way governments and others predict. It is impossible to deny that when electronic commerce becomes a more popular means of conducting business, thousands of Canadians will risk losing their jobs.

Jeremy Rifkin, the American expert on the future of work, concluded in his recent book that adverse effects of electronic technology will have major impacts on Canadian society and other societies around the world. There is a danger that electronic commerce will eliminate whole types of workers. Those at risk are a diverse group, everyone from stockbrokers to call centre operators to shipping clerks in warehouses. A society in which there is a large pool of unskilled labourers with no work and a small compact group of informational elite is not a desirable outcome.

• (1335)

I see my time is quickly wrapping up. We have a number of other concerns which I do not have the time to elaborate on but my other colleagues will. It is clear at this point that we oppose the legislation in its present form as being somewhat short on the details required.

Mr. Sarkis Assadourian (Brampton Centre, Lib.): Madam Speaker, I have a short question to ask the hon. member from the NDP.

The member made a statement that everyone must have access to the Internet but the member did not indicate who was going to pay for it and how the program was going to be paid for. We all like to have services but we have to come up with a way to pay for them and who is going to pay for them.

Mr. Nelson Riis: Madam Speaker, I am pleased to hear that my colleague was paying attention.

That is exactly the point I was making. As we develop this technology option in terms of electronic commerce, it is imperative upon us as legislators that all Canadians have access to this crucial service of the future. At the moment the way the legislation is in this bill, this is not taking place. Small businesses tell us that they are unable to take full advantage of the service because of the cost.

As I said earlier we do not have to look far to find out how we can go about it. I refer to the community storefronts program which was introduced to assist small businesses in particular but also medium size businesses in accessing this type of technology for market development.

We will have to ensure that this program is expanded in all regions of the country. There was an announcement just the other day by Bell Telephone indicating its intention particularly in the province of Ontario to provide this type of technology option for the small and medium size business sector.

Our job is to ensure that these opportunities, as we move into this new form of doing business, are available to all Canadians, consumers and businesses alike.

Mr. Sarkis Assadourian: Madam Speaker, I did not receive the answers to my questions of who is going to pay for it, how we are going to pay for it and how much it is going to cost to make Internet available to everyone in Canada. I ask the member for a short answer.

Mr. Nelson Riis: Madam Speaker, I appreciate my hon. friend has asked for a short answer. There are some things in life that simply cannot be answered in a snappy, quick way and this is one of them.

My friend makes an important point. This is something we cannot rush and that is what we are saying. I think all the speakers I have heard so far, including those from the government side, have indicated a concern that we take this step by step to ensure it is developed properly.

It is fair to say that some countries are dealing with this in a creative way. For example as of September one country took the unprecedented decision to provide every child in the country with a laptop computer as part of the infrastructure for their education. It is a relatively small and a relatively wealthy country.

The point is that if we are going to address this whole issue of including all Canadians in the information culture of the 21st century, we have to take some bold steps as a country and as a parliament. We have to acknowledge the fact that there is an elite in our country that has access to the Internet and the sophisticated computers that are required, but also a vast majority currently are not hooked into the Internet and do not have computer technology expertise.

We have a challenge as legislators as we move into the e-commerce of the 21st century. All Canadians should have the opportunity to participate. In other words there should be equal opportunity to participate in e-commerce.

• (1340)

Mr. Jim Jones (Markham, PC): Madam Speaker, today we begin the process of crafting legislation to catch up with technology.

If Canada is truly to become a cyberspace world leader and carry the title of most connected nation, government must conduct itself accordingly. Indeed if a balance is struck between the privacy of Internet users and the legitimate marketing efforts of Canadian businesses, we could face a situation where Canada is the world leader in e-commerce importing.

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

It should come as a surprise to nobody that Canada is poised to be one of the world leaders in e-commerce. Unlike almost every other nation in the world, our massive geography has dictated that we seek innovative solutions to draw our population closer. This should not be lost on my colleagues in the House today.

Bill C-54 is the first step in developing an e-commerce structure. In many ways it is the 21st century equivalent of the first spike. The Internet continues to grow exponentially with implications for every Canadian business, government department and indeed every Canadian resident.

It will be a privilege for me to work with my colleagues on the industry committee in a diligent and non-partisan effort to achieve responsive legislation. However, this issue goes well beyond the boundaries of the industry department. Just as the Y2K bug impacts every facet of government and what we try to accomplish in this House, so does the Internet.

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

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

Government Orders

its logical conclusion would see government treat this very carefully so as not to allow the fledgling Internet commerce industry to falter. Possibly this is legitimate advice but there are other ramifications to this.

There are industries that are immune to Internet competition. When a family in Markham decides they want to have a Saturday night barbecue, it is unlikely they will turn to the Internet to supply their hamburgers. It is probably reasonable to assume that given the choice, most people would rather step into the warmth and smell of a bakery to buy their rolls than to order on-line.

Many consumer choices remain which can be reviewed and ordered in a visually pleasing format on a computer screen. Perhaps the message here is that the butcher and the baker are safe but the candlestick maker should beware. There is no doubt that my analogy is simplistic but it does lead me to the discussion of the pending showdown between downtown and cybertown.

Incentives are a very intricate balance in the marketplace. Some are intrinsic such as the desire to be self-employed. Others can be nurtured through regulations such as those that favour the use of tax implications. The important issue to note is that there are artificial incentives created by legislation. It is almost certain that an equal and opposite disincentive is created as well. The job of legislators should be to determine what is a disincentive and debate it rationally.

Recently the federal revenue minister announced that the government is not interested in creating new taxes for e-commerce. I wish to commend him for that position. Canadians have spoken loudly and clearly that they do not have the stomach for any new taxes. Instead we should be looking for ways to cut taxes. The question we must ask ourselves is how we apply existing tax legislation in a fair, predictable, revenue neutral fashion.

• (1345)

At the present time a situation exists whereby online retailers, set up in Prince Edward Island as an example, ship to other provinces like Ontario. They are not required to collect sales taxes. Instead consumers are responsible to remit their own sales taxes to the provinces in which they reside.

This may come as a shock to the revenue minister so I ask him to brace himself, but by and large these taxes are not being remitted. It is not an insurmountable problem. Time and time again Canadian industry has shown its willingness to comply with the necessary regulations which allow government to collect the revenue needed to provide the services Canadians demand.

At issue is the interim situation. There appears to exist a marketplace where those who open storefronts, employ sales clerks and pay commercial property tax will also have to endure a competitive disadvantage. They are required to collect sales taxes that their online competitors need not collect. I suggest that this situation be addressed sooner rather than later. There should not

Government Orders

exist a timetable for when tax regulations will be fair. Fairness must remain an inherent fundamental.

I have dealt with a purely domestic Internet tax issue, so now I turn my attention to taxation and the international marketplace. At the recent OECD e-commerce ministerial conference held in Ottawa much of the focus was on the principles of e-commerce taxation.

There was fundamental agreement in five areas. They included the following. The first was neutrality. This would see that taxation would seek to be equitable and fair as it pertained to both e-commerce and traditional forms of commerce. The next was efficiency. This would target compliance to ensure that it would meet the dual objectives of limiting costs in administration. Next came certainty and simplicity. This would ensure that taxation levels and collection procedures were transparent and predictable. Then came effectiveness and fairness. This would limit the potential avoidance and evasion and guarantee that the right amounts of tax were collected at the right time. Finally there was flexibility. This provision was included to assist legislators in the attempt to keep pace with emerging technology.

Fair minded, far reaching in their scope, even highbrow, all these terms could be used to describe these principles. The dilemma is that taken together the principles seek to equalize a world of incongruent tax regimes. Perhaps they could be implemented in a single nation state or even negotiated for a long term phase-in within the realm of a free trade agreement. However this is not the world we live in today.

Quite frankly there is no international formula for taxation that could possibly balance the playing field. If we were trying to negotiate such a treaty we would be beginning a long arduous process which would entail all the same pitfalls as currently are being encountered with the MAI. How do we respond to this?

The House is charged with the duty of protecting and fostering Canadian interests. As far as I can see we have to choose to be a player in a liberalized trading world or we can follow the path of protectionist policies, a trail that most assuredly leads to a dead end.

The Progressive Conservative Party, as the author of the greatest, most successful free trade agreement in the nation's history, is not about to turn its back on free trade. However we must be realistic about the competition that exists out there.

The cold reality is that Internet commerce cannot help but be brutally efficient. Price comparisons will be performed in a matter of seconds, eliminating what used to be an entire Saturday of window shopping. Price as a determinate will become the overriding decision maker on the Internet. When we understand this and couple it with our knowledge of our completely uncompetitive

situation, when we compare our tax system to our neighbour's to the south, the situation is a serious one.

If the success story of the Ontario provincial government has not provided the Minister of Finance with enough evidence that tax cuts create growth, perhaps the uneven environment may spur him on. By and large regulation of the Internet has been a failure in every jurisdiction that has tried to overstep the boundaries of common sense.

• (1350)

On November 23, the CRTC will begin hearings into what kinds of regulations, if any, are needed for new media and the Internet. The commission has been vilified for this and has been accused of empire building. The Progressive Conservative Party believes that this is exactly the kind of exercise we must engage in. Certainly that is not to say we will support any move to censor the Internet. In fact quite the opposite is the case. The private sector must determine what the future holds for the Internet. However the public sector has a role to play in facilitating the debate.

One of the realities we must accept is that the Internet is expanding at a rate which far exceeds our ability to respond with legislation. The biggest impediment to any regulation is the fact that rules can only be imposed through national laws. Yet the medium itself is global in scope. Therefore government will have to rely on the private sector to produce new technology which individuals can use to access or eliminate specific Internet content as they see fit. Government's role will be greatly curtailed in the exercise.

The expansion of this technology that was originally devised as a research tool for academics has surpassed all of us. Recently an IBM executive referred to the phenomenon as a digital revolution and labelled its impact as being no lesser in scope than that of the industrial revolution. Like the industrial revolution the Internet and e-commerce have the ability to change the way business is done, the way governments are organized, and the way economies are structured. The major difference though is that this revolution is happening 10 times faster than the industrial revolution. Beyond that the Internet is doubling in size at a rate measured in months rather than in years.

I am certain that the CRTC will generate many worthy submissions and be provided with volumes of advice. However it seems clear that any attempts to control levels of Canadian content on the net would result in abject failure.

Instead it is time for government and the Canadian industry to work together in this pioneering venture. As model users of how the Internet can be adapted to the needs of Canadians we will have the greatest impact. Uniformity of policy from nation to nation will become a much touted idea. By responding early we have the

greatest opportunity to leave a lasting Canadian imprint on this emerging technology.

The challenge before us is no less than monumental. Perhaps the most daunting realization we have to come to as legislators is the elimination of our influence. Instead of imposing our will we will have to become more proactive in our spheres of influence. The days of paying lip service to providing incentives must come to an end. There is no way to legislate others to invest in Canada. Thus we must back up our knowledge based economy with incentives and access to capital, something which the industry minister failed to do when he recently tabled the revamped Small Business Loans Act in the form of Bill C-53.

Recently the Liberal newsletter, otherwise known as the *Toronto Star*, offered up some free advice on how these incentives might be implemented. The suggestion was that the Income Tax Act be amended to provide incentives for Canadian businesses to advertise on Canadian Internet services.

Whether this suggestion has merit or not is a point for debate. However the overriding principle that we need to grasp and incorporate is the need to pursue e-commerce legislation with an eye to the carrot and not the stick.

The OECD estimates that by the year 2003 e-commerce transactions will reach \$1 trillion, a number so large in scope it represents 54% of the U.S. direct marketing sales industry. Governments and business need to develop solutions which will make this bulging phenomenon available to all.

Computer costs have come down dramatically in recent years. However personal computers are still out of the reach of many households. If this gap is not addressed now, it will only result in a larger chasm in the future.

● (1355)

One of the greatest reasons for the rapid growth of the Internet is its ability to allow expression which goes right to the heart of what it is to be alive, to be human. Knowing this we cannot accept that some might be disenfranchised.

This is not a subject which should fill us with fear. Predictably many in the union movement have reverted to their Luddite ways and decried the potential loss of jobs. There is no basis for such fears. Instead the reality is that many new high salary positions have been created and in fact remain unfilled as demand continues to outstrip supply. These same positions are ones which traditionally have not leant themselves to trade union affiliation. Perhaps those in the labour movement who engage in such fearmongering should examine their own motivations. It seems that job losses are not their greatest worry but instead it is their own influence which worries them.

S. O. 31

Other issues that need to be addressed include law enforcement for serious egregious offences which are committed over the Internet. Bill C-54 begins to deal with this issue in its amendments to the Canadian Evidence Act. The proposed amendments would create an admissible provision which defines electronic signatures. This will make it difficult for online fraudsters to lurk behind some perceived anonymity. It is also my hope that this provision will assist in the identification of hate promoters that will continue to permeate the Internet.

This issue will continue to be revisited as long as this virus continues to exist in Canada. Whether it is on line or otherwise it strikes me as ironic that tools such as the Internet, which has so much power to unite the planet, continues to provide a haven for blatant distorters of truth. I call on all my colleagues in the House to work together so we can begin the process of eliminating this plague.

Copyright infringements are a serious concern which cannot be successfully addressed by one nation. Canada needs to show the same leadership on this issue as we have exhibited in the past when it comes to protecting creative capital. A point that we all need to be reminded of, plain and simple, is that copyright violations are theft and there is a victim.

The head of the digital crime unit, the Federation Against Software Theft, FAST, recently confirmed that Internet crime is growing. The Internet is a primary tool used for software theft. It is also used increasingly for the distribution of counterfeit software and other intellectual properties such as music. It is imperative that we give law enforcement officials all the tools they need in this battle.

I have spoken to some very large picture issues regarding e-commerce. Now I would like to turn my attention to the specific provisions of Bill C-54.

The Speaker: I think that this would be an opportune moment to intervene because the member is just getting into his last points and will have the floor right after question period.

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

STATEMENTS BY MEMBERS

[English]

STUDENT WEEK OF ACTION

Mr. Peter Adams (Peterborough, Lib.): Mr. Speaker, last week students from Peterborough joined students across Canada in the Student Week of Action.

S. O. 31

Across Ontario students are concerned with the actions of the provincial government which have cut funding to educational institutions and deregulated tuition fees. The result of this has been a dramatic increase in student costs.

Our government caucus on post-secondary education and research supports actions by the federal government designed to help ease the burden placed on students. Through millennium scholarships, Canada study grants, tax free RRSP withdrawals, RESPs, tax relief on student loans and increased funding to the granting councils, the federal government is helping to bridge the gap to a good education. We are doing this because we know that education is the key to future prosperity.

I lend my support to students speaking out against the actions of the Ontario government and urge all provincial governments to follow the example of their federal counterparts.

* * *

APEC SUMMIT

Mr. Jim Abbott (Kootenay—Columbia, Ref.): Mr. Speaker, in 1980 when the Prime Minister was Canada's justice minister he said "There are many people in this land protected in normal society but these rights can disappear very rapidly". How bizarre.

The Prime Minister forecasted his own actions 18 years ago. He has made the rights of Canadians disappear rapidly. There is clear evidence the Prime Minister and his office worked aggressively to suppress Canadians' charter freedoms of speech, expression and association at the APEC meetings in Vancouver last year. At hearings currently in process he is funding over \$2,000 an hour of legal protection for himself while he instructs Canada's solicitor general to deny \$1 of funding for protesters.

● (1400)

The solicitor general who is supposed to be Canadians' protector shamelessly is the protector of the Prime Minister. Shame on the Prime Minister, shame on his servants and especially shame on the solicitor general who has abandoned Canadians. He allows the Prime Minister to act as a—

[Translation]

The Speaker: The hon. member for Ahuntsic.

* * *

THE LATE RIGHT HON. BRIAN DICKSON

Ms. Eleni Bakopanos (Ahuntsic, Lib.): Mr. Speaker, today, I would like to speak in memory of one of our most distinguished legal minds, the former Chief Justice of the Supreme Court of Canada, the Right Honourable Brian Dickson, who passed away last Saturday, at the age of 82.

He sat on the Supreme Court of Canada from 1973 to 1990, and became chief justice in 1984, a position he held until 1990.

[English]

Before joining this country's highest court he sat on the Manitoba bench. He also served his country heroically in World War II. He made a lasting contribution to the law and played a critical role in developing jurisprudence under the charter of rights and freedoms.

He will be remembered as a jurist of keen intellect, discerning judgment and great integrity. He will be missed by all who had the honour of knowing and working with him. This is a sad loss for all Canadians.

I know all parliamentarians will join me and the government in extending condolences to his family and friends, and our respect for a great jurist and a war hero who served his country well.

* * *

NATIONAL SPORTS CENTRE

Mr. John Cannis (Scarborough Centre, Lib.): Mr. Speaker, this past weekend I had the privilege to represent the Minister of Canadian Heritage at the Athletes Can conference in Vancouver in British Columbia to announce the creation of the National Sports Centre, greater Vancouver.

With this partnership program, the federal government and Sports Canada are contributing \$250,000 in 1998-99 and \$350,000 for every year thereafter.

The unique feature of the Vancouver Centre will be its delivery of coaching development services and its partnership with Victoria National coaching institutions.

Of interest is that the centre will also become part of the National Sports Centre of British Columbia, which will co-ordinate programming among five existing centres and two national sports centres in Vancouver and Victoria.

By investing in these programs we are not only supporting our athletes today but supporting an investing in our youth today and our athletes of tomorrow.

* * *

GOVERNOR GENERAL'S AWARD

Ms. Jean Augustine (Etobicoke—Lakeshore, Lib.): Mr. Speaker, I rise today to pay tribute to five women who received in 1998 the Governor General's Award in commemoration of the persons case.

The Governor General's Award was established in 1979 to mark the 50th anniversary of the persons case. It represents a salute to the famous five who were successful in challenging our political

traditions and allowed for the admission of women into the Senate of Canada.

This year's recipients of the Governor General's Award are Jacqueline Sicotte Bétque, Alice Brown, Claire Haggtvelt, Stella-Maria Zola Gule-LeJohn and Phyllis Seymour. These five remarkable women have carried on in the footsteps of the famous five whom we are honouring this month, women's history month.

Today's recipients join the ranks of the famous five by fighting for women's right to vote, for equal treatment of women on family farms, for safe havens for women who experience abuse and providing us with a real picture of women's lives in Canada.

* * *

THE SENATE

Mr. Leon E. Benoit (Lakeland, Ref.): Mr. Speaker, today is the day that Albertans vote for the people they want to represent them in the Senate of Canada.

The Prime Minister has done everything he could to deny Albertans this democratic right. He strong armed the provincial Liberals into not running candidates. He has called Alberta's Senate election a joke. He appointed his own senator part way through the process, thereby giving Albertans his version of the Trudeau salute.

He twisted reality by saying that a constitutional change would be required to appoint an elected senator. He levelled all his guns at Albertans to try to stop us but he has failed.

Today hundreds of thousands of Albertans will vote to send two senators in waiting and a clear message to this Prime Minister. Each one of those Albertans who gets out and votes today clearly has more respect for democracy than the Prime Minister and all his cronies put together.

* * *

WOMEN'S HISTORY MONTH

Ms. Sarmite Bulte (Parkdale—High Park, Lib.): Mr. Speaker, October was designated women's history month by the federal government in 1992. I rise in celebration of women's contributions to Canadian history and Canadian society.

• (1405)

Women's history month coincides with the annual commemoration of the persons case of 1929. Five Canadian women fought for and won recognition of women as persons under the British North America Act. This gave them the opportunity to be appointed to the Senate.

In the words of Nellie McClung, one of the famous five women who fought and won that historic case almost 70 years ago, people must know the past to understand the present and face the future.

S. O. 31

It is for this reason that we celebrate women's history month every year. Each October we recognize women's past achievements to instil a sense of pride in our historical origins and to provide role models for other women across the country.

It is an honour to rise and celebrate with Canadians the difference women have made in the past—

The Speaker: The hon. member for Lanark—Carleton.

* * *

THE LATE RIGHT HON. BRIAN DICKSON

Mr. Ian Murray (Lanark—Carleton, Lib.): Mr. Speaker, I draw to the attention of the House the passing of the Right Hon. Brian Dickson, former chief justice of the Supreme Court of Canada.

Mr. Dickson was named to the supreme court in 1973 and was chief justice from 1984 until his retirement in 1990. He led the court during the period when the charter of rights and freedoms was presenting new challenges to our legal system. Mr. Dickson was known as a strong supporter of minority rights. Many regarded him as the greatest chief justice ever to preside over the supreme court.

Brian Dickson was also a war hero and was grievously wounded during World War II while serving with the Royal Canadian Artillery. He continued to contribute to public life in Canada right up until his death.

I am proud to have counted him among my constituents and am grateful for all he gave to Canada during his lifetime and the enduring legacy he left to this country.

* * *

THE CABINET

Mr. Gurmant Grewal (Surrey Central, Ref.): Mr. Speaker, let us talk about the Prime Minister's secret code of conduct for his cabinet.

It calls for the Prime Minister to defend his solicitor general for freely and publicly discussing his department's investigations even though it ruins them.

The secret code authorizes the finance minister to spend the EI surplus, greedily siphoning it away from workers and employers.

The code calls for the finance minister to fire a public servant for exposing the mismanagement of the CPP.

The secret code sanctions the firing of the government's own fishery committee chairman because he gutted too many fish stories.

The code obligated the health minister to deny compensation for all victims of tainted blood. It safeguarded the Liberals when they cancelled the Somalia inquiry, kept the Krever inquiry in court and flip-flopped on the helicopter deal.

S. O. 31

The Liberal cabinet's secret code of conduct is no secret to those Canadians who are victims of this cold hearted government—

The Speaker: The hon. member for Pierrefonds—Dollard.

* * *

[Translation]

JULIE PAYETTE

Mr. Bernard Patry (Pierrefonds—Dollard, Lib.): Mr. Speaker, last night, in Montreal, astronaut Julie Payette was chosen Person of the Year at the 15th Gala Excellence organized by the newspaper *La Presse*.

We want to salute the courage shown by this young astronaut determined to succeed in a career that requires a lot of strength, where “you can never fail, never make a mistake”, as she put it herself. She has every reason to be proud of this honour bestowed upon her.

I also want to congratulate all the other recipients who receive similar encouragement in various areas, from the arts to literature, business and sports.

We hope these awards will inspire our young people to follow in the footsteps of the people who were honoured last night.

* * *

[English]

CANADIAN COAST GUARD

Mr. Peter Stoffer (Sackville—Eastern Shore, NDP): Mr. Speaker, it is becoming increasingly obvious that the merger of the coast guard and the Department of Fisheries and Oceans has been absolutely disastrous.

In the past several years tens of millions of dollars have been cut from the Canadian Coast Guard, severely limiting Canada's search and rescue capabilities. By next April a further \$55 million will be cut from the coast guard.

After the Swissair disaster the men and women of the coast guard did yeomen's work. Their competence in extremely difficult circumstances made all Canadians extremely proud and demonstrated why the coast guard requires adequate funding.

Now these brave men and women are getting pink slips and tied up ships. With a coastline as long as Canada's, this is scandalous. The coast guard will not be able to do its job without the proper tools and adequate resources.

What does the government plan to do next, contract our search and rescue requirements to the United States?

[Translation]

ANDRÉ O. DUMAS

Mr. Michel Guimond (Beauport—Montmorency—Côte-de-Beaupré—Île-d'Orléans, BQ): Mr. Speaker, I want to pay tribute today to André O. Dumas, who received the McKee Award at the annual meeting of the Canadian Aeronautics and Space Institute, held recently in Calgary. Mr. Dumas is the second francophone to receive this award in more than 70 years.

This honour recognizes his remarkable contribution to the aviation and aeronautics industry.

• (1410)

Mr. Dumas started his career as a pilot with the Royal Canadian Air Force during the Second World War. Among other responsibilities, he also held for more than 10 years the position of regional administrator for Transport Canada in Quebec.

We are also grateful to him for his contribution to the development of the Air Cadets in Quebec. Always eager to get involved, he sat on the Mirabel Regional Development Commission to come up with an action plan based on the airport infrastructure.

The Bloc Québécois wishes to extend its most sincere congratulations to André O. Dumas.

* * *

CENTRES OF EXCELLENCE

Mr. Claude Drouin (Beauce, Lib.): Mr. Speaker, this past October 15, our government announced a \$41 million investment over the next four years in three networks of centres of excellence, the Canadian Arthritis Network, the Geomatics for Informed Decisions Network and the Mathematics of Information Technology and Complex Systems Network.

Such an investment will be of particular benefit to Laval University, which houses a sizeable number of researchers in these fields, but it will also have a significant impact on Canada as a whole, through the presence of our top researchers and their partners in the universities, government and the private sectors.

We must not forget that Laval and the Quebec City area have played a role of excellence in geomatics for 10 years, and provide support to the network through research infrastructure and a pool of top-notch human resources.

* * *

[English]

DEPARTMENT OF NATIONAL DEFENCE

Mr. David Price (Compton—Stanstead, PC): Mr. Speaker, Interlinx, a company in my riding, received a cheque from the

Department of National Defence dated September 11, 1998 for the sum of \$1,182.56. Interlinx does not have an invoice for this fee and has in fact done no work for the Department of National Defence.

As the defence committee studied quality of life issues last year it became apparent that the Department of National Defence cannot afford this type of wasteful management. Yet the Prime Minister found \$14.5 million to build a new armoury in his riding.

It is important that the Canadian public and members of the Canadian Forces at all levels are confident that resources are managed properly and not being wasted.

How many more cheques have been sent out? What assurance is there that this type of wasteful management will not happen again? To answer these questions to Canadians' satisfaction, I have written to the auditor general to request an internal audit of the Department of National Defence.

I will return the wasted money to the minister this afternoon after question period.

* * *

FAMILY SERVICE CANADA

Mr. Mac Harb (Ottawa Centre, Lib.): Mr. Speaker, I would like to pay tribute to Family Service Canada, a national charitable organization with a mandate to promote the well-being of families in communities.

This organization provided full services in counselling to more than 400,000 Canadians. This year it launched a national initiative called images of families. Canadians of all ages are encouraged to send photos or stories capturing a moment in the life of their family. Details can be obtained through Family Service Canada.

Volunteers, staff and members of Family Service Canada are to be commended for being there for our children, our country's most valuable resource.

* * *

[Translation]

1998 NOBEL PEACE PRIZE

Mr. Daniel Turp (Beauharnois—Salaberry, BQ): Mr. Speaker, the Bloc Québécois wishes to pay tribute to 1998 Nobel Peace Prize laureates John Hume and David Trimble.

These two workers for peace have earned this distinction through their leadership culminating in the signing of the Good Friday agreement, which lay down the foundations for a lasting peace in Northern Ireland.

For John Hume, the Nobel Peace Prize is a recognition of his peace-minded and democratic battle for peace in Northern Ireland. For David Trimble, it is a tribute to a risk-taker who opted for the

route of reconciliation as well. This Nobel Prize is none too soon in coming, and is richly deserved.

Peace in Northern Ireland is richly deserved. Thanks to John Hume and David Trimble, the people of Northern Ireland have a new peace, but through the Good Friday agreement they have also given themselves the right to be masters of their own fate, the right to choose their own political status. They have restored freedom to Northern Ireland.

* * *

[English]

PROGRESSIVE CONSERVATIVE PARTY OF NEW BRUNSWICK

Mr. John Herron (Fundy—Royal, PC): Mr. Speaker, it is a pleasure to state that today is a great day for democracy in the province of New Brunswick.

The Progressive Conservative Party of New Brunswick is on the eve of having three members elected to the legislature in Fredericton. Those candidates are Everett Sanipass, Brad Green and our leader Bernard Lord.

Today will represent the first day of Bernard Lord's entering into the legislature in Fredericton. It will be the first day of a long electoral career.

Congratulations on Bernard Lord's victory today.

ORAL QUESTION PERIOD

• (1415)

[English]

APEC INQUIRY

Mr. Preston Manning (Leader of the Opposition, Ref.): Mr. Speaker, the government has at least six high priced lawyers defending it at the APEC inquiry, but the students who were pepper sprayed currently have none. According to the solicitor general this is fair.

Is the Prime Minister's idea of fair play giving one side of the APEC inquiry a team of high priced lawyers and the other side simply a blast of pepper spray?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, there is a commission that has been established under the law of this parliament. It is a commission that looks into the interests of those who have a complaint. It has been done many times.

There is a lawyer working for the commission who is helping the witnesses and the complainants air their complaints. The police and the government being challenged have a lawyer to defend them. But there is no complaint against the students. They are the ones complaining and they can make their case. If they have problems as witnesses, the lawyer in charge—

Oral Questions

The Speaker: The Leader of the Opposition.

Mr. Preston Manning (Leader of the Opposition, Ref.): Mr. Speaker, every crook in this country can usually count on getting legal aid from this government. Even murderers and rapists like Clifford Olson and Paul Bernardo received legal aid. There is no law and there is no convention that stops the government from giving help to the students at the APEC inquiry.

Why is it that criminals can get legal aid from this government but legal protesters cannot?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we are not accusing the students of anything. It is the students who are complaining about the work of the police. That is what is happening. We are not, as the Leader of the Opposition is, comparing the students with criminals. They are not criminals. They are making complaints against the police. The commission is willing to help them if they have problems with their testimony before the commission.

Mr. Preston Manning (Leader of the Opposition, Ref.): Mr. Speaker, the Prime Minister is wandering around in circles. Surely it is self-evident that it is not fair play when we have an inquiry and one side has at least six high priced lawyers and all of the resources of the Government of Canada behind it and the other side has nothing.

Will the Prime Minister stand up in this House and say that he thinks that is a fair deal?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, again I want to repeat that there is no complaint against the students. They are not accused of anything. They are the ones complaining against the activities of the police and against the activities of the government. The students have made their complaints.

There is a law of parliament that was passed to permit every complainant to be heard, but complainants in front of any corps of police in Canada do not ask for lawyers. Complaints are made and the commission looks into the validity of the complaints on behalf of the people of Canada.

Mr. Jim Abbott (Kootenay—Columbia, Ref.): Mr. Speaker, I spent the last two weeks at the APEC hearing in Vancouver and I can tell the Prime Minister that there is absolutely no sense of balance. I saw the first student have his testimony completely twisted and warped by a process that only a veteran crown prosecutor can do.

How in the world can the Prime Minister say it is fair that he is siccing high priced lawyers on these students?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, commission counsel said “The commission can and will take

extra measures to ensure that the protesters who cannot afford lawyers are dealt with fairly. We are there to make sure they are treated fairly and that is what we will do”.

There is no complaint against the students. They are the ones complaining against the police. Of course the police want to defend themselves because they are the ones being accused. No one is accusing the students of anything.

Mr. Jim Abbott (Kootenay—Columbia, Ref.): Mr. Speaker, the Prime Minister should spend one day at the inquiry to discover exactly how unbalanced this process is. The difficulty is not only will the students not get a fair hearing, but the RCMP themselves will be seen as taking part in a tainted and slanted process.

I ask again: Will the Prime Minister fund the students as they should be funded? Would he appear at the inquiry without proper legal counsel himself?

• (1420)

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I just explained the process. There is a law of parliament that was created to help any citizen in Canada who has a complaint against the police to complain without having to hire a lawyer. That is why we established that commission. When somebody complains about the activities of the police, it is normal for the police being accused to defend themselves, but there is absolutely no accusation against any student.

[Translation]

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, politically speaking, the Solicitor General is being kept on life support by the Prime Minister. Unfortunately, that still does not prevent him from making bad decisions.

Is the Solicitor General not refusing to pay the legal fees of the students who filed a complaint in the “Peppergate” affair because he is afraid of losing control over the investigation and because he is afraid the conclusions reached by the commission of inquiry will be totally different from what he anticipated three weeks ago?

[English]

Hon. Andy Scott (Solicitor General of Canada, Lib.): Mr. Speaker, absolutely not. In fact the Public Complaints Commission has distinguished itself for many years in its capacity to do justice, to be fair to complainants and so on. That is exactly what it is doing in this case.

A request was made. I considered it and decided against providing funding.

There are many tribunals of this kind which operate throughout government. It is very important that Canadians have access to an informal process to lay these kinds of complaints and I have every confidence in the Public Complaints Commission.

*Oral Questions**[Translation]*

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, on one side, there is the government and the RCMP, the accused, with a dozen lawyers paid for by the taxpayer. On the other side, there are the students, who filed the complaint, who were roughed up, arrested and deprived of their rights and who cannot afford a single lawyer.

Does the Prime Minister not think the government's behaviour in this matter is not verging on the indecent and immoral?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I repeat, there is no charge against the students. No one is accusing the students of anything. No charge has been laid in court against the students as a result of the demonstration.

They were the ones who filed a complaint against the police, and the law provides for a commission to protect all the witnesses.

Mr. Richard Marceau (Charlesbourg, BQ): Mr. Speaker, this government is trying not only to control and manipulate the ongoing investigation into the events at the APEC conference but also, and this is serious, to control and manipulate its coverage by the media. That is why a complaint was filed with the ombudsman at the CBC and the journalist relocated.

Does the Prime Minister realize that, by engaging in behaviour that is totally unacceptable from a government, he is bringing discredit upon all political institutions?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, an ombudsman has been appointed, and former CBC chairman Patrick Watson, who is also a journalist, stated, and I quote:

[English]

"I am not troubled by this because the ombudsman is independent and will try to determine the facts. This complaint procedure is far better than trying an end run to put pressure on a journalist". I am quoting Patrick Watson. We did not call the president of the CBC. He wrote to the ombudsman, who can take a complaint from this gentleman anytime he has a problem.

[Translation]

Mr. Richard Marceau (Charlesbourg, BQ): Mr. Speaker, the House no longer has confidence in the Solicitor General, the RCMP no longer has confidence in him and neither does the public.

Does the Prime Minister not realize that, by adamantly defending his Solicitor General, he is actually fuelling public cynicism about politicians in general?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, a commission has been established by the Parliament of Canada to investigate public complaints against the police.

Complaints were filed, as they regularly are, and the same procedure is followed regardless of who files a complaint against the RCMP. That is how things are done.

As regards the CBC, its former chairman said that the thing to do was to go to the ombudsman. I know the Bloc seldom has reason to complain about the CBC.

• (1425)

[English]

Mr. Svend J. Robinson (Burnaby—Douglas, NDP): Mr. Speaker, I have a question for the Prime Minister. The RCMP describe pepper spray as stronger than tear gas or mace, an inflammatory agent causing severe burning, contraction of the eyes, bronchial spasms, gasping for breath, gagging and nausea.

This weekend I was asked by the mother of one of the UBC students pepper sprayed at APEC why the PM keeps joking about her daughter's pain. Will he apologize to her and all of the students for his shameful and arrogant insensitivity? How does the Prime Minister answer that mother's question? Will he apologize.

[Translation]

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the police are accountable to the commission for the techniques they use. I do not know whether or not there are consequences. All sorts of techniques were used in the past. Apparently, this was a new one I did not even know about. The member suggests that an individual may have been hurt. If she is still in pain, I apologize.

Instead of using baseball bats or other weapons, the police are now trying to use more civilized methods and that is why they also had towels to help out.

[English]

Mr. Svend J. Robinson (Burnaby—Douglas, NDP): Mr. Speaker, the question was not about RCMP techniques, it was about the Prime Minister's jokes.

I will repeat the question to the Prime Minister. This weekend I was asked by the mother of one of the UBC students who was pepper sprayed at APEC why the Prime Minister keeps joking about her daughter's pain. Will he apologize to her and to all of the students for his shameful and arrogant insensitivity?

Will the Prime Minister now stand in his place, do the right thing and apologize for those disgusting jokes?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I am ready to apologize if some damage has been caused. I have no problem with that.

Oral Questions

The police technique to maintain order is not a domain that I know much about. If they used le gaz lacrymogène and other things that they decided to use—

Some hon. members: Oh, oh.

The Speaker: If the Prime Minister wants to continue his answer, he has time.

Right Hon. Jean Chrétien: Mr. Speaker, I want to categorically say that if this lady is suffering because of the activities of the police, I apologize. That is it. What more does he want? But if the hon. member, rather than trying to score political points, would let the commission do its work, the people of Canada would know all the truth.

Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC): Mr. Speaker, the student complainants will have no one sitting at counsel table at the APEC inquiry.

Taxpayers are shelling out for at least three lawyers to protect the Prime Minister's interests at this inquiry, even though he is not a witness nor under subpoena.

Pepper sprayed students have been denied this request. The commission itself, the member for Vancouver Quadra and the Liberals' own B.C. wing have urged the Prime Minister to do the right thing.

Why does the Prime Minister get a blank cheque for his legal team at this inquiry while the students themselves get blanked?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the law provides that commission counsel is there to represent the interests of the complainants. They do that for any Canadian who has a complaint against the RCMP.

If a witness feels they need help with their testimony, counsel for the commission has said that he is there to help, and he has the resources to make sure they have the help they need. That is the way the commission was established.

But in no such complaint in the past—

• (1430)

The Speaker: The hon. member for Pictou—Antigonish—Guysborough.

Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC): Mr. Speaker, by the Prime Minister's answer, he does not understand the process. This is like saying that you are going to rely on a judge at an inquiry.

The Prime Minister has legal representation because he knows he risks becoming the focus at this inquiry. In fact it was the government itself that requested this spring that lawyers be present at the inquiry.

Why is this same government refusing legal funding for the students? How can it justify footing the bill for the RCMP and the

PMO while at the same time denying it for students? Where is the basic impartiality, equity and fairness in this process?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, there is no accusation against any students.

An hon. member: Just throw them in jail.

Right Hon. Jean Chrétien: No, no. There is no accusation. Therefore they are not being attacked by anybody. The RCMP is being attacked. Some people in my office have been asked to testify because members of parliament claimed that they are responsible.

Let the commission do its work and we will know if it is appropriate or not appropriate for the RCMP to use pepper spray. It is the commission that will tell us. Let it do its work.

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, the Prime Minister says that no one had a complaint against the students. Obviously he sure had a complaint against the students when he ordered them pepper sprayed at the APEC conference.

Some hon. members: Oh, oh.

The Speaker: The hon. member for Prince George—Bulkley Valley.

Mr. Dick Harris: Mr. Speaker, I would like to ask the Prime Minister why is he unwilling to give one single nickel to the legal case of the students when he is willing to spend hundreds of thousands of dollars to save the sorry butts of himself and this government? Why is that?

Hon. Andy Scott (Solicitor General of Canada, Lib.): Mr. Speaker, as I said, the decision not to fund the complainants was mine.

It was important in terms of the original intention of the public complaints commission as it was established some 10 years ago, to make sure that ordinary Canadians have access to an informal process, not unlike a large number of similar administrative tribunals throughout government. It was on that basis I made that decision. I communicated that to the panel.

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, we will have to check the black box in the airplane to see what the real thoughts are over there.

The fact is that Canadians are entitled to certain fundamental principles of justice in this country. They are accustomed to it and they deserve a fair hearing free from political interference. I think both sides should get fair legal representation. Canadians expect some sort of justice, not some sort of Suharto kangaroo court in this country.

My question is for the Prime Minister. Show trials may work in Indonesia but what is—

Oral Questions

The Speaker: The hon. solicitor general.

Hon. Andy Scott (Solicitor General of Canada, Lib.): Mr. Speaker, as I said, I have every confidence in the public complaints commission. It has a 10-year history. It is well regarded internationally. The public complaints commission will get to the truth.

* * *

[Translation]

EMPLOYMENT INSURANCE

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ): Mr. Speaker, Statistics Canada's unemployment survey confirms one thing: 6 unemployed workers out of 10 are not receiving EI benefits.

Now that the numbers are out, what does the minister have to say to the 60% of unemployed workers who cannot rely on the EI system?

Hon. Pierre S. Pettigrew (Minister of Human Resources Development, Lib.): Mr. Speaker, what the survey showed is that 78% of workers who have had some sort of connection with the labour force during the previous year are covered by the EI system.

What the survey showed was that the number of unemployed workers actually receiving benefits was not an indication of the system's effectiveness.

• (1435)

What the survey showed was that workers who do not qualify for EI are those the system was never intended to assist in the first place.

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ): Mr. Speaker, the minister can try to dazzle us with his survey but one fact remains: 6 unemployed workers out of 10 are not receiving EI benefits.

What is the rationale for an EI system whose main purpose is to create surpluses for the government, rather than provide benefits for unemployed workers?

Hon. Pierre S. Pettigrew (Minister of Human Resources Development, Lib.): Mr. Speaker, the EI system covers 78% of Canadians who have some connection with the labour force. What the member is saying is that the EI system should cover people who have never been employed, for instance.

People who have never been employed are not covered by the EI system. People who have voluntarily left their job, without justification, are not covered by the system, nor are self-employed workers.

The member should wake up to the fact that the system is doing what it is designed to do.

* * *

[English]

THE SENATE

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, over the weekend the Minister of Intergovernmental Affairs came to Alberta with a message to deliver. That message to Albertans was that the Senate election that is being held today was a waste of taxpayers' money.

My question is for the real deliverer of that message, the Prime Minister. What does he think is a bigger waste of money, Alberta's democratic Senate election or the present current useless Senate?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we voted here on this side in favour of an elected Senate while members opposite were campaigning against it.

Hon. members opposite should deal with the real preoccupation of the people, having an equal Senate, a representative Senate, but they are not dealing with it.

It is like during the last referendum. When members on this side were in Montreal trying to convince people to keep Quebec in Canada, the Leader of the Opposition was talking with the U.S. ambassador, telling him that he had a plan to split Canada even before the—

Some hon. members: Oh, oh.

The Speaker: The hon. member for Calgary Northeast.

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, the Prime Minister has again slapped Albertans in the face.

Ninety-one percent of Albertans want an elected Senate. Both Premiers Klein and Bouchard want to change this country. Premier Klein wants to hold a good faith vote on an elected Senate. Premier Bouchard wants to hold a vote on separation to break up the country.

Why does the Prime Minister treat Premier Bouchard's negative initiative with more respect than Premier Klein's positive one?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I dealt with it. We are for an equal, elected and effective Senate, something that members opposite do not want, because the minute they have an election, the number of senators will never be equal.

The Leader of the Opposition does not seem to understand what I was talking about. While we were debating to keep Quebec in Confederation during the referendum, the leader of the Reform Party was calling U.S. Ambassador Blanchard telling him that he had a plan on the division of Canada's federal debt following a separatist victory. Is that not shameful?

Oral Questions

[Translation]

EMPLOYMENT INSURANCE

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ): Mr. Speaker, the Minister of Finance announced that the government has decided to use the federal budget surplus to reduce Canada's debt. However, a significant part of the surplus comes from the employment insurance fund.

• (1440)

In making this decision, is the Minister of Finance not saying that he has decided to have Canada's debt paid off primarily by those who earn \$39,000 or less a year, that is the workers who are the main contributors to the employment insurance fund?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, I clearly said that no decision had yet been made.

One thing is clear: tax cuts will certainly benefit the lowest paid workers, the same way that our last budget benefited 400,000 people who used to pay taxes and no longer do so.

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ): Mr. Speaker, the federal government always says it is keeping a close eye on the provinces, to make sure the money transferred to them is used specifically for the purposes intended.

How can the government impose this requirement on the provinces, when it is using the employment insurance fund as it pleases, without taking into account the purposes for which contributions were made by businesses and workers?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, what I said in my economic statement is that the government was very pleased with the provinces' initiative, whereby if transfer payments are made for health, the provinces are prepared to guarantee that the money will indeed be used in the health sector.

* * *

[English]

THE SENATE

Ms. Val Meredith (South Surrey—White Rock—Langley, Ref.): Mr. Speaker, the Prime Minister called the Alberta Senate election a joke. He refused to allow Liberals to run a candidate. He sabotaged the event by appointing his choice to the Senate two weeks before today's vote. But when Quebec has its provincial vote on separatism, the Prime Minister will not dare call it a joke or try to sabotage it.

Why the double standard? Why does he treat Quebec voters with respect and has absolutely no regard for the wishes of Albertans?

Hon. Stéphane Dion (President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs, Lib.): Mr. Speaker, it is incredible that the Reform Party is comparing the debate about the secession of Canada and the debate about how to improve an important institution, the Senate of Canada.

The reform of the Senate of Canada must be a comprehensive one, not a piecemeal one that would be bad for all Canadians, including Albertans.

Ms. Val Meredith (South Surrey—White Rock—Langley, Ref.): Mr. Speaker, Canada frequently sends observers abroad to monitor foreign elections to make sure that they are truly democratic. However the Prime Minister in Canada is more than willing to engage in a very non-democratic practice of appointing party hacks as federal legislators.

Is the Prime Minister prepared to develop a truly worthwhile millennium project, a Canada where all federal legislators are elected?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we were for that and the Reform Party was against it. I think that the Reform Party would be well advised to read the letter that Senator Roche wrote last week giving a plan to try to have an elected, effective and equal Senate in Canada and to do it in a rational way.

The way it is being done in Alberta, the Conservative Party has no candidate, the NDP has no candidate, the Liberals have none provincially and federally. There is only the Reform Party with candidates because the other parties knew that it was something that would not work.

* * *

[Translation]

EMPLOYMENT INSURANCE

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, my question is for the Minister of Human Resources Development.

Last week was Poverty Week in Quebec, and the Minister of Finance celebrated it by confirming that the government had no intention of reforming the EI system in order to improve the situation of the unemployed and will continue to dip into the surplus to pay down its debt.

Is the minister aware that one good way to battle poverty is to enhance workers' access to employment insurance, so that people who have paid into it do not end up on welfare when they are laid off?

Hon. Pierre S. Pettigrew (Minister of Human Resources Development, Lib.): Mr. Speaker, I totally agree, which is why I note that close to 80% of laid-off workers are covered by the employment insurance system, as this morning's Statistics Canada report shows very clearly.

• (1445)

There are other ways of fighting poverty as well, which is why our government created a national child tax benefit specifically to combat poverty where it counts most, with the children who constitute our future.

* * *

[English]

ACTION PLAN FOR FOOD SECURITY

Mr. Larry McCormick (Hastings—Frontenac—Lennox and Addington, Lib.): Mr. Speaker, last Friday we commemorated World Food Day. Some time next year there will be six billion people on this earth. In a world that produces enough food to feed every man, woman and child, more than 800 million people do not have enough to eat.

Could the minister of agriculture please tell me what the government is going to do?

Hon. Lyle Vanclief (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, the Government of Canada, along with 186 other nations, has promised to cut in half the number of undernourished people in the world by the year 2015.

The response from the government is Canada's action plan for food security which I launched in Toronto on Saturday. It is a national plan involving all levels of government as well as the non-governmental and volunteer sectors. It calls for activities and initiatives both in Canada and abroad.

We will be putting a bureau in place later this fall in order to monitor and to conduct the process in the years to come.

* * *

ABORIGINAL AFFAIRS

Mr. John Cummins (Delta—South Richmond, Ref.): Mr. Speaker, the Nisga'a treaty significantly changes the relationship between the Nisga'a people, their neighbours, the Government of Canada and British Columbia.

The treaty represents a fundamental change in the constitutional arrangements in Canada and has resulted in a call for a referendum by the B.C. Liberal Party.

When will the minister join B.C. Liberals and call for a referendum on the Nisga'a treaty?

Hon. Jane Stewart (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, our position on the constitutionality of the Nisga'a agreement has clearly been made in the House and in other areas.

As it is now before the courts it is inappropriate for me to comment further.

Oral Questions

Mr. John Cummins (Delta—South Richmond, Ref.): Mr. Speaker, the Constitution states that treaty rights include rights that now exist by way of land claims agreements or may be so acquired. Thus the Nisga'a treaty becomes part of the Constitution.

Will the minister accept B.C. Premier Clark's logic that a change to constitutional arrangements is not a change to the Constitution, or will she accept the will of the people of B.C. and the B.C. Liberal Party and call for a referendum on the Nisga'a treaty?

Hon. Jane Stewart (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, the opposition would do well to read the Constitution of Canada.

We believe firmly in section 35 of the Constitution and will protect it.

* * *

APEC INQUIRY

Mr. Bill Blaikie (Winnipeg—Transcona, NDP): Mr. Speaker, my question is for the Right Hon. Prime Minister.

There are two things the Prime Minister does not seem to get. We are asking him to apologize for his joke, not for the pepper spraying itself but the joke about the pepper spraying. Second, the commission itself requested funding. Presumably the commission has some notion of its own mandate.

Could the Prime Minister take this opportunity to heal the wound that he has created between himself and the students, apologize for his jokes and respect the commission's request for funding of the students?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, a lot of people were making jokes on Saturday night about pepper, not only me. That is part of debate.

I said that if this lady has suffered something because of this abuse by the police it will be judged by the commission. I apologized to her on behalf of the police, but let us find out if it was appropriate for the police to use pepper spray or not.

I am not an expert. This is why we have a commission to look into that. As I said earlier, if the commission needs more funding it will be made available.

* * *

MULTILATERAL AGREEMENT ON TRADE

Mr. Bill Blaikie (Winnipeg—Transcona, NDP): Mr. Speaker, I will give up beating a dead horse and go to the Minister of International Trade on another matter having to do with the government's insensitivity toward a global economy that has no regard for human rights.

The minister of trade knows that France has pulled out of the MAI talks because it found them to be a completely inadequate framework for multilateral talks. Will the minister of trade now do

Oral Questions

the same and tell the House of Commons that Canada finds this process to be inadequate and will not be participating in the negotiations at the OECD?

Hon. Sergio Marchi (Minister for International Trade, Lib.): Mr. Speaker, what the supplementary question has to do with the first question beats me and everybody else.

We have said very clearly that Canada will only sign the right deal when it comes along. Six months ago we agreed as a member of the OECD to a six month reflection or a six month pause.

• (1450)

We also agreed that we would rejoin in October to have a take note and a take stock debate. We think that is appropriate. We will be there.

If it is the end of the road, Canada will not lose any sleep over it. If we can continue to put in place a regime of investment rules, that is also good for Canadian companies.

* * *

APEC INQUIRY

Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC): Mr. Speaker, the solicitor general said moments ago that he has faith in the public complaints commission. How can it have faith in him? This commission reports directly to the solicitor general who then in turn reports to the Prime Minister.

The solicitor general has compromised this process without regret or responsibility. Did the solicitor general further undermine the APEC inquiry by discussing his decision not to fund the students with the Prime Minister's Office?

Hon. Andy Scott (Solicitor General of Canada, Lib.): Mr. Speaker, as I mentioned earlier in response to another question, a whole series of departments is affected by this. There are many tribunals throughout the government that might be affected by this precedent setting decision. Consequently there were broad consultations before I made my decision.

Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC): Mr. Speaker, I guess that is yes.

The solicitor general should not have made the decision about the APEC funding in the first place. He breached his oath of office when he spoke at length about the APEC hearing in a public place. The taxpayers are funding spin doctors, lawyers and the solicitor general to cover for the Prime Minister while the students have no legal defence.

In light of this incestuous Liberal conflict of interest, will the Prime Minister remove the cloak of political interference, fire the solicitor general and bring in a new and objective minister?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the answer is no.

We want the commission to look into the matter as quickly as possible, listen to all the witnesses and make a report that will be made public to everybody, not only to the solicitor general or me but to the whole system, the press and all members of parliament. Everybody will be in a position to judge the activities of the police and the quality of the report of the commission.

* * *

ABORIGINAL AFFAIRS

Mrs. Judi Longfield (Whitby—Ajax, Lib.): Mr. Speaker, the government's aboriginal head start program is helping to ensure a healthy start to life for all off reserve children.

The 1997 throne speech and the 1998 budget committed to an expansion of this project on to the reserves. Could the Minister of Health tell parliament when on reserve children could participate in this very worthwhile project?

Hon. Allan Rock (Minister of Health, Lib.): Mr. Speaker, the question is a very timely one. In 1995 the government began the aboriginal head start program. Since then it has helped tens of thousands of children in aboriginal communities, but it has only been available in urban centres.

I am pleased that after question period today in Centre Block I will be able to announce that we will commence immediately to receive applications to fund aboriginal head start programs on reserves to help thousands more aboriginal children to get a good healthy start in life.

* * *

ROYAL CANADIAN MOUNTED POLICE

Mr. Randy White (Langley—Abbotsford, Ref.): Mr. Speaker, the government has a \$14 million shortfall in the RCMP budget, \$8.5 million of which is in British Columbia.

The RCMP has been told to stop using its boats and planes. It has been told to ban overtime and to cancel all training, among other things. The results have been disastrous.

The Liberals squander hundreds of millions of dollars weekly that could have easily funded this, so it is a political decision and not a financial one.

Why is it that Royal Canadian Mounted Police operations are considered a royal pain in the butt to the Liberal government?

The Speaker: Maybe we could focus on another part of the anatomy the next time.

Oral Questions

Hon. Andy Scott (Solicitor General of Canada, Lib.): Mr. Speaker, given this is the 125th anniversary of the RCMP, we have all had occasion this year to speak of our pride in that institution.

Like all government agencies, the RCMP is going through a period of restraint. How it exercises restraint is an operational issue. I have every confidence in the management of the RCMP to do that in a way that is in the interest of the safety of Canadians.

* * *

• (1455)

[*Translation*]

MULTILATERAL AGREEMENT ON INVESTMENT

Mr. Benoît Sauvageau (Repentigny, BQ): Mr. Speaker, my question is for the Minister for International Trade.

France withdrew from the OECD negotiations on the MIA, for the same reasons as were used by the Bloc Québécois during the debate on this matter in Canada: that it is being negotiated in the wrong forum; that it does not respond to the legitimate concerns raised in relation to social, labour and environmental standards; and that it does not have any provision for cultural exemptions.

Does the government intend to withdraw immediately from MAI negotiations and to propose that they be resumed under the WTO?

[*English*]

Hon. Sergio Marchi (Minister for International Trade, Lib.): Mr. Speaker, I suggested six months ago—and I am happy the Bloc Québécois shares in that—that the ultimate end game of putting in place rules for investment in the way we have rules for trade is that they need to take place at the World Trade Organization. We said very clearly to the OECD that this was just the beginning of the road.

We should attempt to go as far as we possibly can and then we should pass on the baton to the World Trade Organization. That is where the rules of trade are and that is where the family of nations is. I am happy to have the Bloc Québécois support the government's position.

* * *

[*Translation*]

EMPLOYMENT INSURANCE

Mr. Yvon Godin (Acadie—Bathurst, NDP): Mr. Speaker, the Minister of Human Resources Development kept telling those who were criticizing the employment insurance reform to wait for the report.

Well, the minister can no longer hide behind the report because 58% of unemployed Canadians are not eligible for benefits. Entire families are suffering today because of the Liberals' reform.

With a \$20 billion surplus in the EI fund, what is the minister waiting for to make employment insurance more accessible?

Hon. Pierre S. Pettigrew (Minister of Human Resources Development, Lib.): Mr. Speaker, we certainly do not want to make unemployment more accessible to Canadian workers; on the contrary, we want to make the job market more accessible to Canadians.

What the study that was made public this morning showed very clearly is that 78% of workers who have some sort of connection to the labour force and who have not left their jobs without just cause are covered by the employment insurance system.

As for those who are not covered, it is because they have not worked long enough, or maybe because they have never worked and have never paid EI premiums.

* * *

[*English*]

TAXATION

Mr. Scott Brison (Kings—Hants, PC): Mr. Speaker, payroll taxes are a barrier to jobs. They raise the cost of labour and create a disincentive for firms to create jobs. These are the past words of the finance minister who knew that due to the law of supply and demand high payroll taxes killed jobs.

Despite this the minister is now prepared to change the EI law to maintain artificially high payroll taxes. Will the minister also be repealing the law of supply and demand or will the Canadian jobless have to wait?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, I said that increasing payroll taxes would cost jobs. That is exactly what the previous Conservative government did, which is why when we took office instead of allowing them to go to \$3.30 as the Conservatives wanted we froze them. Then every year after we took office we brought those premiums down.

* * *

TRADE

Mr. Bill Graham (Toronto Centre—Rosedale, Lib.): Mr. Speaker, my question is for the Minister for International Trade. In October 1997 the Prime Minister expressed an interest in extending our free trade arrangements to include the four countries that belonged to the European Free Trade Association.

Would the minister please advise the House of the status of those negotiations?

Hon. Sergio Marchi (Minister for International Trade, Lib.): Mr. Speaker, I thank the member for his question. It is true that after the Prime Minister announced it last year Canada began official negotiations with the European Free Trade Association last

Privilege

Wednesday. This is a group of four European countries that has two-way trade of almost \$6 billion with Canada.

After obtaining the thumbs up from consultations over the summer months with Canadians, this may be the first free trade agreement across the Atlantic. It is something we look forward to and that we embrace with full enthusiasm.

* * *

ROYAL CANADIAN MOUNTED POLICE

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, over the past week I had the opportunity to meet with dozens of police officers in my riding. Despite assurances from their superiors to the contrary, these front line police officers inform me that there will be an increased safety risk to British Columbians and to themselves caused by the budget cutbacks. These cuts are much more than fiscal restraint as the solicitor general indicated.

• (1500)

Will the solicitor general commit immediately that his government will provide the RCMP with the necessary funds to get the planes back in the air, get the boats patrolling offshore and get the police back on the streets?

Hon. Andy Scott (Solicitor General of Canada, Lib.): Mr. Speaker, as I advised the House, there are no fewer RCMP officers on the streets as there have been before. The reality is I have been advised by the commissioner of the RCMP that there is no risk to public safety. We are talking about a period of restraint as many departments are going through. I have every confidence in the RCMP's capacity to give Canada the same police protection they have for 125 years.

The Speaker: Colleagues, I have received notice of a question of privilege.

* * *

PRIVILEGE

CANADIAN MILLENNIUM SCHOLARSHIP FOUNDATION

Mr. Randy White (Langley—Abbotsford, Ref.): Mr. Speaker, I rise today on a question of privilege in regard to an issue which I thought was before you in a previous question of privilege raised by the member for Calgary—Nose Hill on February 26, 1998. I contributed to that question of privilege and I have been awaiting a response. I have been informed that you will not rule because the issue of the question of privilege of February 26, 1998 was about the appointment of Mr. Landry to the Canadian Millennium Scholarship Foundation.

While the member for Calgary—Nose Hill did bring up the matter of the appointment of Mr. Landry, her second point during

her presentation was, and I quote from *Hansard* of February 26, 1998 "There is no legislation before the House setting up this foundation. Nor has the budget announcement allocating \$2.5 billion in revenue to the foundation been allocated".

Mr. Speaker, I was hoping that this second point would be enough for you to rule on, even though the first point was no longer an issue. However it appears that I need to bring up the second issue as a separate point which I am doing today. I would also like to address new evidence regarding this issue, which I will be putting on record and which will be tabled today.

• (1505)

In the recent auditor general's report to parliament, he confirmed that the government accounted for the \$2.5 billion Canada Millennium Scholarship Foundation in the 1997-98 year even though there was no legislation establishing that scholarship nor any recipients of funds. Doug Fisher's article in the *Ottawa Sun* of October 18 states:

The AG noted how the government, in defiance of normal accounting practices, charged the costs for harmonizing the GST and PST in the maritimes (\$961 million), for the Canada Foundation for Innovation (\$800 million), and for the Millennium Scholarship Foundation (\$2.5 billion), to current years, when the actual spending would not take place until later. (In doing so, the government showed contempt for parliament, which had not yet voted for all the initiatives for which moneys were being set aside.)

The auditor general, the media and the public are all engaged in a discussion of this issue and are judging it as contempt. I am getting a little more than frustrated as this discussion continues without this House resolving the question of contempt. We cannot make a further mockery of this place by having this debated and judged by the public and the media as contempt. The place for that debate is in this House and nowhere else.

Mr. Speaker, the member for Calgary—Nose Hill recounted all the sins of the government in her presentation on February 26, 1998 which I will only touch on very briefly here this afternoon because you have those facts before you. They are important because they establish a dangerous pattern that must be addressed by this House.

The member argued that the government and its departments are making a habit of mocking the parliamentary system. She pointed to a recent incident raised by the member for Prince George—Peace River regarding the Canadian Wheat Board. That member pointed out that the Speaker was asked to rule on a similar complaint on March 9, 1990 regarding a pamphlet put out by the government concerning the GST.

Again on March 25, 1991 another complaint was launched on a similar issue. The member for Fraser Valley made a progressively stronger case on October 28, 1997. This led to the Speaker's ruling which contained a strong statement and a very strong warning.

The Speaker of this House, you Mr. Speaker, said on November 6, 1997 “the Chair acknowledges that this is a matter of potential importance since it touches the role of members as legislators, a role which should not be trivialized. It is from this perspective that”—and it continues—“this dismissive view of the legislative process, repeated often enough, makes a mockery of our parliamentary conventions and practices”.

The member also pointed out that an earlier warning of the Speaker had been ignored since the ruling of November 6, 1997 additionally stated “I trust that today’s decision at this early stage of the 36th parliament will not be forgotten by the minister and his officials and that the department and agencies will be guided by it”.

On February 26, 1998 the member for Calgary—Nose Hill asked you “How many times must we put up with this sort of mockery of our parliamentary system and disrespect for the Speaker before we take action?” Mr. Speaker, I am asking you again, how many times must we put up with this sort of mockery of our parliamentary system and disrespect for the Speaker before we take action?

As you said on November 6, the dismissive view of the legislative process repeated often enough makes a mockery of our parliamentary conventions and practices. The government by its actions has demonstrated its contempt for parliament. The auditor general has acknowledged these actions and the media has passed judgment on these actions.

It is time this House decided on the issue or it will arise time and time again I am sure. Mr. Speaker if you rule this to be a *prima facie* question of privilege, I am prepared to move the appropriate motion.

Hon. Don Boudria (Leader of the Government in the House of Commons, Lib.): Mr. Speaker, without speaking on this too long, the Chair will recognize what was said some months ago on this very issue.

● (1510)

It will be remembered that at the time the government had made an announcement in the media to obtain input and participation from Canadians in what was hoped to be then at the legislative level, the millennium scholarship fund as an organization. Of course, no one was asked to actually function until the legislation was put in place and therefore no infringement occurred. I remember that the hon. member raised a similar question in regard to the Canada pension plan fund in that the government had prepared in advance for a structure to be created, which is only normal.

Finally, there is the whole question being asked by the hon. member about whether or not it is appropriate for the government to set aside funds for future expenditures. In business that principle is called encumbrance of funds. In other words there must be an

Privilege

assurance that an expenditure is not undertaken until it is ascertained that it can actually be funded.

Obviously, the disbursements pursuant to that fund have not been made yet. We have not arrived at the millennium scholarship fund period, but we have of course earmarked the funds to ensure that the moneys are available so that funding is not spent without our having the money. It is a prudent way to manage. We have a history of prudent management in this government. We have a history of doing things in the way that does not strangle the taxpayers or increase the burden upon the taxpayers. We are prudent managers.

I thought the hon. member should at least point out that the government is attempting to be wise in its handling of taxpayers’ money and not to spend money it does not have. Were we to do the opposite, the member and others would be the first to remind us that we did not have money set aside for a planned future expenditure. Of course, we are planning and putting moneys aside. We are not spending first and then worrying later about how we will pay for it.

The Speaker: First, let me set the stage. There was a point brought up by the hon. member for Calgary—Nose Hill in February. A specific date was mentioned.

● (1515)

I took the two points as being part of one. That particular point, because of obvious reasons, because Mr. Landry has passed away, I consider to be a moot point.

Today the hon. member brings forth what I will consider to be a separate question of privilege that he wants me to look at. I have had advice from at least one member. Perhaps there are others who will want to give me advice on this specific question of privilege. I would be willing to entertain them for a little while. After that I will make a decision as to how I am going to handle it.

The hon. member for Calgary—Nose Hill on the specific question of privilege brought up by the House leader of the opposition.

Mrs. Diane Ablonczy (Calgary—Nose Hill, Ref.): Mr. Speaker, it was my intention and understanding that I raised that point as the most important element of the question of privilege I raised; that is, this government is moving ahead on the expectation that the House will make certain decisions which have in fact yet to be placed before the House. The point I was making is that that is a violation of the rights and privileges of members of the House and also, and perhaps even more importantly, a violation of the democratic process which we are all here to uphold.

I have heard nothing in response to the issue I raised, which I have just laid out, which the opposition House leader has just laid out and which you have identified as well. I think as Speaker you have let the House know how seriously you take this situation that

Routine Proceedings

government must not disrespect the process of this House and the democratic process in the way it operates.

Mr. Speaker, we look to you to make a ruling and to help government keep its decision making and its announcements in proper order in light of the process and the role of this House.

Mr. Nelson Riis (Kamloops, Thompson and Highland Valleys, NDP): Mr. Speaker, I want to add two points to the points made by the House leader for the official opposition. First, it is important that we always maintain the supremacy of parliament in terms of initiatives taken by the government. We have seen in the past when government enthusiasm has surpassed the parliamentary process from time to time and I think we have to acknowledge that.

The second point is to differentiate between the budget process and the points raised by my hon. friend, the House leader for the official opposition. Often when budget initiatives are presented legislation and policy are announced, effective at that particular point, knowing full well that the appropriate legislation and bills will follow. This is not a similar situation and I think we have to distinguish between these two types of announcements.

The Speaker: I thank you for your advice. As I put it in place in the first section, that was a moot point. I consider this to be a different point that the hon. House leader for the opposition has brought forth. I take the information and I take the advice in the spirit in which it was given to help me to make a decision which is good for the House.

I am going to take this under advisement. I want to refresh my memory about everything that was said in this particular case and then I want to revisit this particular question of privilege and come back to the House.

ROUTINE PROCEEDINGS

• (1520)

[English]

REFORM PARTY'S ANTI-PROFITEERING ACT

Mr. Gurmant Grewal (Surrey Central, Ref.) moved for leave to introduce Bill C-442, an act to prohibit profiteering during emergencies.

He said: Mr. Speaker, I have the honour and privilege to once again rise on behalf of the people of Surrey Central to introduce my private member's bill, an act initiated by the Reform Party to prohibit profiteering during emergencies.

The purpose of the bill is to prohibit persons from engaging in profiteering in respect of essential goods, services and resources

during emergencies that seriously endanger the lives, health, safety and property of persons in Canada.

In British Columbia we know that the lower mainland is prone to earthquakes. Our nation may be facing a year 2000 computer breakdown crisis. We have seen tremendous floods in Manitoba, Ontario, Quebec and some parts of Atlantic Canada have most recently experienced a crippling ice storm.

During the ice storm we heard reports of increased prices for gasoline, diesel fuel, batteries, water, generators and so on.

I hope all members of this House will take note of what will be accomplished by this bill and find it in their hearts to abandon their political stripes and support my bill.

On behalf of my constituents I present this bill.

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

* * *

[Translation]

CANADIAN HUMAN RIGHTS ACT

Ms. Diane St-Jacques (Shefford, PC) moved that Bill S-11, an Act to amend the Canadian Human Rights Act in order to add social condition as a prohibited ground of discrimination, be read the first time.

(Motion agreed to and bill read the first time)

[English]

Mr. Randy White: Mr. Speaker, I have a motion for which I seek the unanimous endorsement of the House. I move:

That this House call on the government to provide financial assistance for legal costs incurred by the protesters involved in the RCMP complaints commission hearings into the APEC affair.

I table that motion and seek unanimous consent.

The Acting Speaker (Mr. McClelland): The House leader of the official opposition has requested unanimous consent of the House to introduce the motion.

Mr. Nelson Riis: Could he read the motion again, Mr. Speaker?

The Acting Speaker (Mr. McClelland): There has been a request to read the motion again. It reads as follows:

That this House call on the government to provide financial assistance for legal costs incurred by the protesters involved in the RCMP complaints commission hearings into the APEC affair.

• (1525)

Mr. Nelson Riis: Mr. Speaker, first I want to congratulate my hon. friend for bringing this motion forward at this rather appropriate and special moment.

I want to say on behalf of the New Democratic Party that we support this initiative and would give our unanimous consent.

The Acting Speaker (Mr. McClelland): I made a big mistake. We should have had the consent of the House to accept the motion before there was any debate on the motion. Therefore, we are going to take a step back now and ask for the unanimous consent of the House to accept the motion as presented. Is there unanimous consent?

Some hon. members: Agreed.

Some hon. members: No.

[*Translation*]

Mr. Paul Crête: Mr. Speaker, I rise on a point of order because it seems to me that the motion had been accepted and should be debated in this House. First, you—

[*English*]

The Acting Speaker (Mr. McClelland): With respect, the motion was not accepted. It would have had to have been accepted unanimously.

* * *

[*Translation*]

PETITIONS

INDONESIA'S CHINESE COMMUNITY

Mr. Jacques Saada (Brossard—La Prairie, Lib.): Mr. Speaker, I am pleased to present a petition signed by thousands of Canadians who want to draw attention to the major problems faced by Indonesia's Chinese community, a minority which is subjected to various forms of abuse and whose physical safety and economic security suffer as a result.

[*English*]

THE FAMILY

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, I have two petitions to present today. The first petition has to do with the family.

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.

The petitioners also agree with the National Forum on Health that the Income Tax Act does not take into account the true cost of

child care expenses for those who provide care in the home for preschool children.

The petitioners therefore call on parliament to pursue initiatives to eliminate tax discrimination against families who decide to provide care in the home to preschool children.

ALCOHOL

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, the second petition is on the subject matter of alcohol.

The petitioners would like to draw to the attention of the House that the consumption of alcoholic beverages may cause health problems and that fetal alcohol syndrome and other alcohol related birth defects are 100% preventable by avoiding alcohol consumption during pregnancy.

The petitioners therefore call on parliament to mandate the labelling of alcohol products to warn expectant women and other persons of the dangers associated with alcohol consumption.

YOUNG OFFENDERS ACT

Mr. Roy Bailey (Souris—Moose Mountain, Ref.): Mr. Speaker, I am pleased today to submit two petitions signed by individuals in my constituency, as well as by people from across Canada.

The first petition calls on parliament to significantly amend the Young Offenders Act. There are hundreds of petitioners calling for this.

MARRIAGE

Mr. Roy Bailey (Souris—Moose Mountain, Ref.): Mr. Speaker, the second petition requests that it be enshrined in the Marriage Act and spelled out very clearly that marriage is a voluntary union of a single, unmarried male and a single, unmarried female.

NUCLEAR WEAPONS

Mr. Norman Doyle (St. John's East, PC): Mr. Speaker, I want to present a petition signed by 32 residents of St. John's East.

The petitioners are requesting that parliament initiate and conclude by the turn of the century an international convention which will set out a binding timetable for the abolition of all nuclear weapons.

The petitioners wish to state that the continuing existence of nuclear weapons is a terrible threat to the health and survival of the human civilization and the global environment and that the surest way to eliminate the threat is to do away with nuclear weapons. The petitioners are requesting parliament to initiate and conclude by the year 2000 an international convention that will set out a binding timetable for the abolition of all nuclear weapons.

Routine Proceedings

• (1530)

[Translation]

BILL C-68

Mr. Jean-Guy Chrétien (Frontenac—Mégantic, BQ): Mr. Speaker, through petitions, many residents of Saint-Méthode, notably Fernand Lachance, say they oppose Bill C-68.

They suggest that the federal Liberal government spend the hundreds of millions of dollars put aside for firearms registration on more efficient measures to reduce violent crime and enhance public safety, for example by increasing the number of police officers.

[English]

BILL C-225

Mr. John Richardson (Perth—Middlesex, Lib.): Mr. Speaker, I rise today to present a petition signed by 70 of my constituents regarding Bill C-225.

JUSTICE

Mr. Howard Hilstrom (Selkirk—Interlake, Ref.): Mr. Speaker, I rise today to present a petition with thousands of names with regard to the release of violent criminal offenders.

Petitioners are asking for changes to the Bail Reform Act to make this a safer country. They basically request parliament to amend legislation to impose harsher penalties for crimes of violence and that release not be quite so quick.

BILL C-225

Mr. Howard Hilstrom (Selkirk—Interlake, Ref.): Mr. Speaker, I have a second petition with regard to Bill C-225, an act to amend the Marriage and Prohibited Degrees Act and the Interpretation Act.

The petitioners want to maintain that a marriage is a voluntary union between a man and a woman.

ABORTION

Mr. Howard Hilstrom (Selkirk—Interlake, Ref.): Mr. Speaker, the last petition is with regard to the convention on the rights of the child, a United National convention. The petition is with regard to abortion.

The petitioners request that parliament support a binding national referendum at the time of the next election and that the decision as to whether this should be state funded be put to voters.

MULTILATERAL AGREEMENT ON INVESTMENT

Mr. Nelson Riis (Kamloops, Thompson and Highland Valleys, NDP): Mr. Speaker, I have a petition signed by a few thousand people from right across Canada who are in opposition to the multilateral agreement on investment.

That the government is back at the table today in Paris and not taking the lead of France and walking away would, I am sure, upset these folks. They point out 101 reasons the government should be walking away from these MAI negotiations.

CRUELTY TO ANIMALS

Mr. Nelson Riis (Kamloops, Thompson and Highland Valleys, NDP): Mr. Speaker, in the second petition individuals from Quebec are concerned that although there are a lot of grave offences caused against animals, there has been no record of any court ever taking them seriously.

The petitioners are calling for serious penalties for people who cause pain and harm to animals and they suggest an educational program to help judges understand the seriousness of this offence.

[Translation]

BILL C-68

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ): Mr. Speaker, I have the honour to table a petition signed by 50 constituents from my riding. The petitioners ask that Parliament repeal Bill C-68 and redirect the hundreds of millions of tax dollars being wasted on licensing responsible gun owners and registering legally owned guns.

They ask that the money be applied instead to such measures as more police, more crime prevention programs, more suicide prevention centres, more women's crisis centres, more anti-smuggling campaigns and increased resources for fighting organized crime and street gangs.

* * *

[English]

QUESTIONS ON THE ORDER PAPER

Mr. Peter Adams (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, Question No. 118 will be answered today.

[Text]

Question No. 118—**Mr. Philip Mayfield:**

With respect to pressure-treated lumber: (a) what chemicals are approved for use in treating pressured lumber/wood; (b) what are the accepted levels for each of these chemicals used to treat this lumber; (c) what testing procedures has the federal government established to ensure companies use satisfactory levels; and (d) what has the government done to ensure there are ample health safeguards from these materials both before and after installation?

The Hon. Allan Rock (Minister of Health, Lib.): Chemicals considered to be pesticides are used in the pressure treatment of wood products, such as telephone poles, railway ties and consumer lumber products. Scientific information is reviewed to determine whether risks for a wood treatment chemical are acceptable or unacceptable. If risks are acceptable, the wood treatment product

is registered, with an approved label, under the Pest Control Products Act.

In addition, Health Canada also has the authority to undertake the periodic reassessment of all registered products and to conduct an up to date safety assessment. The result of this assessment is to decide if continued use is acceptable. Wood treatment products used for pressure treatment are presently undergoing such a safety reassessment in a joint project with the U.S. Environmental Protection Agency. This reassessment is targeted for completion in 1999.

(a) At present, there is a variety of chemicals used for wood preservatives or treatments which are registered and, therefore, approved for pressure treating lumber. They include pentachlorophenol, creosote, copper chromated arsenicals, borax based products, and products based on the common household disinfectant active ingredients called quaternary ammoniums with copper. These chemicals vary in how effective they are in protecting wood and are selected for use according to the intended use of the wood product.

(b) Acceptable levels of use are determined as part of the assessment of risk and performance conducted by the Pest Management Regulatory Agency in Health Canada before a product is approved for use. As part of the performance assessment process, Health Canada determines the lowest amount of chemical that can be used to effectively protect the wood. The selection and verification of the lowest needed amount helps to ensure that risk of exposure is, in turn, the lowest possible. In considering the appropriate level of use, Health Canada also relies, in part, on Canadian Standard Association standard 080, which outlines the amount of chemicals used in order to maintain the structural integrity of certain wood products, for example, telephone poles. The Pest Management Review Agency reviews product performance data against this standard as part of the assessment process. Specific values for use are contained on the product label and in the Canadian Standard Association standard 080.

(c) 1. Provincial regulatory programs have the authority and regular opportunity to monitor activities related to wood treatment.

2. Environment Canada and Health Canada have worked co-operatively in the development of technical recommendation documents, TRDs, that would foster a best practice approach to the use of wood treatment chemicals.

3. Federal regulatory activities are largely based on complaints and incidents requiring investigation.

(d) Before a wood treatment chemical can be used in Canada it must be registered, or approved for use, under the Pest Control Products Act. In order for it to be registered, the chemicals undergoes a safety assessment that includes considerations of possible effects and exposure to the chemical. These effects are

Routine Proceedings

considered for those involved in the treatment process as well as those using the treated wood. Furthermore, health risks are considered for all new products as well as those that are currently being reassessed.

Labels on registered products include information regarding personal protection, to be observed in the handling of treated wood at the time of treatment as well as the time of post treatment. Additional labelling information includes prohibitions specific to the handling, use and disposal of treated wood. For example, it is not permitted to burn treated wood due to the possibility of releases of toxic materials during burning.

Health Canada is responsible for protecting the health of Canadians who use wood treatment chemicals and the resulting treated wood. These chemicals undergo an extensive safety assessment process prior to being made available to the wood treatment industry. As part of the safety assessment process, the safety of those involved in the treatment industry, as well as users, both industrial and consumer of treated wood products is considered. Health Canada is currently engaged in a reassessment of these products with its U.S. colleagues which will address health safety considerations associated with these products.

* * *

[English]

QUESTIONS PASSED AS ORDERS FOR RETURNS

Mr. Peter Adams (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, if Question No. 126 could be made an order for return, the return would be tabled immediately.

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

Some hon. members: Agreed.

[Text]

Question No. 126—**Mr. Reed Elley:**

With respect to cancer and cancer research in Canada, what has the government determined to be: (a) the incidence and fatality rates for breast cancer within the female population expressed as a percentage of all Canadian women; (b) the incident and fatality rates for prostate cancer within the male population expressed as a percentage of all Canadian men; (c) the total amount of federal tax dollars put towards breast cancer research in the last five recorded fiscal years; and (d) the total amount of federal tax dollars put towards prostate cancer research in the last five recorded fiscal years?

Return tabled.

[English]

Mr. Peter Adams: Mr. Speaker, I ask that the remaining questions be allowed to stand.

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

Some hon. members: Agreed.

*Government Orders***GOVERNMENT ORDERS**

• (1535)

[*English*]

**PERSONAL INFORMATION PROTECTION AND
ELECTRONIC DOCUMENTS ACT**

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

Mr. Jim Jones (Markham, PC): Mr. Speaker, I have spoken to some very key issues regarding e-commerce. Now I turn my attention to the specific provisions of Bill C-54.

In many ways this bill is a starting point. As such we have only chance to get it right the first time. Many of the bill's components as they deal with the compilation, storage and release of personal information are merely an attempt to give legislative teeth to what was previously a voluntary code.

Privacy is a sacred trust that we often take for granted in this country. That is a good thing. The seamless implementation of privacy regulations should really come about unnoticed by Canadians. If this is the case then the confidence which exists before the legislation comes into effect has been preserved for the future. I do not want to be misunderstood. It is not my desire to hide any portion of the legislative process. However, I am sure I echo the sentiments of many when I suggest that none of us wants a repeat of the negative option billing fiasco we witnessed in the cable industry not that long ago.

Representation has been made to many of us from stakeholders in this process. As I said, we need to ensure that a balance is struck between the legitimate marketing efforts of business and the right of privacy that we all enjoy. If there is an error to be made one way or another let it be resolved that we err on the side of personal privacy.

The other components of Bill C-54 are general housekeeping sections that will move us along the road to becoming a model user of the Internet as a country.

I look forward to working with the other members of the industry committee as we begin reviewing this important first step in e-commerce.

Mr. Walt Lastewka (Parliamentary Secretary to Minister of Industry, Lib.): Mr. Speaker, I thank the member for Markham for

his words on this bill. I know that in his previous life he was very much involved in computers and in the computer industry.

As we move forward on this bill some people have said that it is not enough. Some people have said it should do more as far as making rules and restrictions. Caution also has to come forward on Internet, rules and privacy. We do not want to stop innovation but we want to move in a certain direction.

The member mentioned there will be a lot of debate in the industry committee and by all colleagues in this House to make sure the bill has a balanced program and moves forward.

I would appreciate if the member for Markham could say a few words on moving forward and looking at future innovation. This is a global and we have to proceed with caution.

Mr. Jim Jones: Mr. Speaker, I thank the hon. member for his question.

This is an area that is changing rapidly because of advancements in technology. Technology almost on a monthly basis is becoming more powerful. It is also becoming a lot more functional in capabilities. At the same time there is a tremendous reduction in costs.

One of the things I hear from the industry is that we have to watch that this is not just another tax grab as we move forward in regulating the Internet e-commerce area. What the industry wants to see is business taxes as usual.

If we as a country think we are an island we are wrong. We are going to see that this is probably one of the biggest paradigm shifts in this century. If Canada does the right things and truly can be one of the leading countries on Internet, we are going to position ourselves well for the 21st century.

• (1540)

[*Translation*]

Mr. Pierre de Savoye (Portneuf, BQ): Mr. Speaker, the Liberal member for Markham is very knowledgeable on information technologies issues, judging from the comments he just made.

I would also like to mention that I started to work in this field in 1972. I worked in education and I have been a consultant for many years in Quebec, in Canada and internationally.

As a matter of fact, before being elected to this place, I was working on an MBA with a major in information technology. I was also the president of the Association de sécurité informatique du Québec. Accordingly, I am very familiar with security of information issues and I am especially interested in a bill like the one we are now debating.

I am especially interested in this debate since I had the privilege, in 1992, to present a brief, on behalf of the Association de sécurité

en informatique du Québec, to the National Assembly, which was examining a bill to protect personal information in the private sector. That bill has now been enacted. It was passed four years ago, but it goes much further than what the government is now proposing.

Unfortunately, the government has only gone halfway and protected only in part personal information held by the private sector, i.e. information that is given in a commercial context. This is not the only type of information transmitted by computer. Thanks to the Internet, it is now much easier to provide information to recipients scattered around the globe.

I would like my colleague from Markham to tell us whether he believes that this bill should be much broader in scope, that it should in fact go as far as what has been done in Quebec instead of stopping halfway, because it has to be closely scrutinized. What does my colleague from Markham think about the fact that, if Bill C-54 is adopted without amendment, Quebecers will lose rights that they have gained through the legislative process over the last four years?

It would be very difficult for Quebecers to go back to the way things were four years ago before the Quebec government passed legislation in the leading-edge area of electronic commerce.

Would my colleague from Markham agree to see to it that the industry committee amends the bill so it goes as far as the four-year-old Quebec legislation? I await his answer.

[English]

Mr. Jim Jones: Mr. Speaker, I thank my hon. colleague from the Bloc for his question.

He raises some good points but the bill specifically addresses e-commerce and how it relates to e-commerce. Also, from an e-commerce and Internet standpoint it relates to the jurisdictions of the federal government.

I do not know the Quebec privacy bill put forward but I would hope that over time this legislation on privacy and the regulation of the Internet, et cetera, will be a seamless integration between the federal government and the provinces. That is what will make the Internet and e-commerce grow.

[Translation]

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ): Mr. Speaker, I am pleased to be able to take the floor to expand on the question asked by the member for Portneuf.

Yes, for four years now, Quebec has had specific legislation on the whole question of protecting personal information.

Government Orders

The question I would like to ask to the member is about electronic commerce and protecting personal information. We think that this bill does not strike the necessary balance between these two topics. We are evolving in a new area of law, a new field that is expanding very fast. We must ensure that we develop good practices that will guarantee adequate protection of personal information.

The minister himself, in a press release, pointed out that there was such a law in Quebec and that there could be delegation. Unfortunately there is no such guarantee in the bill.

• (1545)

Does the member not think that it is important to have this spelled out clearly, for Quebec or any other province wishing to enact an appropriate law, especially when that legislation is similar to the one in Quebec? Also, does he not agree that it is necessary to have a way to amend the law—that without this amendment, among other things, this bill is not good enough to pass as it now stands?

[English]

Mr. Jim Jones: Mr. Speaker, I thank the hon. member of the Bloc Party for his question.

As I said earlier, I am not familiar with the privacy bill in the province of Quebec. For electronic commerce to grow, for the Internet to grow and for people to have confidence in doing business on the Internet since all transactions will be seamless, over the long haul we have to make sure there is a seamless integration of laws in this area in both the federal jurisdiction and the provincial jurisdiction.

Perhaps Bloc members would give me a copy of the Quebec privacy act. I would like to take a look at it. When we going through committee stage I am quite sure we will be open minded in this area.

Mr. Alex Shepherd (Durham, Lib.): Mr. Speaker, it gives me great pleasure to share my time with the member for Waterloo—Wellington. I am pleased to debate Bill C-54, the personal information protection and electronic documents act. That is quite a mouthful for those of us in the House and for those listening today.

Paper transactions are time consuming, and in business and commerce time is money. This also applies to individuals. As people are able to use the Internet facilities more quickly, it will allow them more time to conduct other affairs in their lives.

Canada is in the unique position of being at the forefront of the evolution of e-commerce. It is much like the invention of the assembly line. It is a new process with which we can compete and win because of our history in embracing communications technology.

Government Orders

It is no secret that Canada is a vast country, the second largest country in the world. We are also the ones who fostered and promoted the invention of the telephone. Canada has the highest standing in post-secondary education enrolment in the world. We are ranked number one in knowledge workers by *World Economic Forum*. No longer is geographic size a liability. Indeed from B.C. to Newfoundland we are but microseconds away.

What is the advantage of e-commerce? What are we talking about? How does it relate to people in their communities today? Here are some very interesting statistics.

A recent OECD report noted that airline tickets had a cost of \$12 when processed by conventional means via a travel agent. Over the Internet this cost is reduced to \$1.50, which is an 87% savings. Electronic banking reduces those costs by 89%. Simply paying bills over the Internet reduces the cost by 70%. Some may wonder why our banking fees are not even lower than they are today because of the significant savings the banking industry has been able to glean. It might also tell us something about its profitability over the last few years.

This rapid change is not without its liabilities. Travel agents will obviously have to adapt to this new economy. Maybe even the banks. Many people have suggested that some of the people providing bank services in the future may not be banks today.

Amazon.com is the third largest book retailer in the United States with sales of \$5.5 billion. It conducts business over the Internet where there is no waiting in line, no time consuming wait for that elusive book. This will have a tremendous impact on book retailers. I noted in today's papers that Chapters, the *Globe and Mail* and others plan to do the same.

• (1550)

Canada has currently a 5% share of transactions over the Internet. When we say 5% it does not sound like very much, but we have to realize that in the context of our per capita population it is the second largest per capita concentration in the world, second only to the United States.

Canadians have been quick to embrace the Internet. As many members have also mentioned, we are not just talking about Internet. We are also talking about intranets within corporate enterprises and other forms of electronic commerce such as bank cards. However I am talking almost exclusively of the evolution on the Internet.

There is a liability to using the Internet. In a recent Nielsen survey of CommerceNet it would appear that 16% of those who use the Internet today are willing to use it for commercial transactions. In other words, there is a large group of people using the Internet for their own personal benefit or to find out corporate information.

Indeed our government is big on promoting the Strategis site which helps small and medium size businesses make contacts with each other and find out about government services. Less than 16% of these people will actually use the Internet to conduct commerce. There is a general fear concerning privacy issues.

How many of us have been asked for our Visa card number over the Internet and how many of us have refused? There is a problem. People ask what will happen to their number when it is injected into the electronic system. Who is taking it? Who is using it? What other uses can they make of it?

We can all think of abuses. Many people worry about their own privacy and information. If Canadian businesses and consumers can take the lead in this area, it will clearly give our business community a competitive advantage in the world. Let us think of what a great advantage it would be to our business community if people throughout the world could say they can trust Canadian businesses because they have a system of rules and rules enforcement that respect Internet transactions.

Many people have stated that governments should keep their hands off the Internet. There is a great feeling among Internet users that it should be a laissez-faire sort of evolution. It is very much akin to at least the stories, if not the reality, of the opening up of the west. We opened up the west before we actually brought in law and order. Of course it was a rough and tumble place. I believe that is exactly where the Internet is today. It is a rough and tumble place without enforceable laws. It is necessary to have a framework to which we can all relate and appreciate to utilize the vast power of the Internet.

There is one issue which goes outside the e-commerce point for a minute. I know some other members have interjected their concerns about other forms of privacy over the Internet. There is a major concern, more so in the United States than in Canada, about medical records.

There is a form of Alzheimer's that can be predicted at a very early stage. In other words at a very early stage it can be predicted that a person will actually get that type of Alzheimer's later in life. There is a major concern that if insurance providers and employers could get access to that kind of information they may well make decisions based on it. Something as absurd as 18 year olds applying for a job and being predicted as getting a form of Alzheimer's when 70 years of age may result in them not being employed or not being insurable.

We must couple that with the fact that the province of British Columbia has computerized all the medical records. Suddenly we start to see where the problems of using information technology can lead.

I know the bill does not specifically address that issue, but it does enforce and balkanize the use of the privacy commissioner to

Government Orders

ensure, at least as it relates to e-commerce, that there is protection for the common consumer.

• (1555)

The whole issue requires a significant amount of leadership. Part of the bill ensures that the procurement mechanism of the federal government will be open to e-commerce.

I will be addressing a business group in my riding tomorrow morning. They have already asked me some questions but I am sure they will ask how small and medium size businesses can get in on the procurement mechanisms of government. This is the very fundamental way they can do it. They do not have to be big to get access to the procurement mechanisms of government. Indeed most of the legislation deals with interprovincial trade. Hopefully the provinces and the territorial governments will all work together to ensure that this can be advanced.

We mentioned very quickly the encryption technology. This is a very big concern for a lot of people in Canada. There is an agreement to which Canada has been a signatory called the Wassenaar agreement. Part of the process of the agreement was in recognition that encryption could also work the other way around. Some members have talked about the fact that we can use encryption technology to conduct criminal activity. It was this agreement that put restrictions on the actual sale, export and purchasing of encryption technology. It is clear that we will have to modify our orientation to that agreement if we are to flourish in using encryption for the positive side of that equation.

In conclusion, I was very proud to take part in the OECD meeting on e-commerce which took place a couple of weeks ago in Ottawa. It is amazing that all the members I talked to, whether they were from Norway, Sweden or Japan, had the same problems. That is why we have an inside track at the starting gate. I think Bill C-54 will very much keep us ahead of the pack.

[Translation]

Mr. Pierre de Savoye (Portneuf, BQ): Mr. Speaker, Bill C-54 obviously deals with electronic commerce. Its primary purpose is not the protection of privacy, but electronic commerce and in that context, the bill supports electronic commerce while protecting privacy.

As I said a few minutes ago during the speech of one of my colleagues, this bill is incomplete and this fact was stressed by the government member a few moments ago. He mentioned, for instance, medical information, to which I would add legal as well as tax information.

The Internet involves much more than the communication of mere business information. It contains information of all kinds which can and do indeed travel 24 hours a day and concern individual citizens of Canada and Quebec. This information which

is not of a commercial nature is not covered by this bill, and there is the rub.

Does the government member not recognize that the bill is incomplete and what changes does he suggest so that it provides the same protection Quebeckers already enjoy?

[English]

Mr. Alex Shepherd: Mr. Speaker, I am delighted to respond to the question, but I do not know if the comment about the bill being incomplete is appropriate. I think there are places for that.

The bill, which is a lengthy one, addresses many areas of evidential law and affects a number of basically commercial trading arrangements within Canada. Whether we want to bootleg that kind of issue on top of this one is a question of whether it is appropriate.

I have listened to members of the Bloc talk back and forth about their concerns of how this will apply. As I understand the bill it does not apply to Quebec because Quebec has an existing privacy law which is exempted from the bill in the first place. Therefore, I do not really understand why there is such a big concern. Earlier I heard one member say that they were going to give up four years of jurisprudence and privacy when in fact, the way the bill is drafted it allows for the province of Quebec to be exempted because it has similar legislation.

• (1600)

[Translation]

Mr. Jean-Guy Chrétien (Frontenac—Mégantic, BQ): Mr. Speaker, Bill C-54, which we are debating this afternoon, and which the hon. member for Durham has so eloquently praised, still raises some doubts. The title, which is very long, reads in part: An Act to support and promote electronic commerce by protecting personal information that is collected.

I wonder how the Liberal member will position himself since, in the early 70s, the Trudeau government, of which the present Prime Minister and Deputy Prime Minister were members, directly ordered the RCMP to steal the voters' lists of a well-known political party. Does he think that the government of the day respected the integrity, the spirit and the letter of collective personal information? Even worse, instead of being fired, the RCMP officers who were found guilty of breaking and entering were promoted.

How can the member reconcile those actions with his party's stated intentions in introducing this bill?

[English]

Mr. Alex Shepherd: Mr. Speaker, first of all what we are trying to do here is to create a framework of rules and regulations that people will understand and appreciate. It is very important. Canada

Government Orders

is becoming a smaller and smaller country. A banking employee told me the other day that we are only 30 million people but the fact is that we are right around the corner from each other. That includes the province of Quebec. The province of Quebec is not a separate entity, but is very much part of this country.

E-commerce is the very thing in that there are no borders within Canada within that legal framework. We are going to continue to build strong ties between all the people of Canada to make this a better country, to make it competitive. All the people of Canada will be able to compete successfully in that marketplace.

Mr. Lynn Myers (Waterloo—Wellington, Lib.): Mr. Speaker, I am pleased to rise in the House today to debate this very important issue. I do so on behalf of the residents of Waterloo—Wellington.

It is difficult to underestimate the growing importance of the global communications network to economic activity. To a very large degree Canada's success in the 21st century will depend on the ability of Canadians to participate and succeed in the global knowledge based economy. Clearly this is the way of the world.

A knowledge based economy is driving global growth. This trend can only intensify. Canada's future prosperity will reflect our success in this economy. The Government of Canada has been extremely active in helping Canadians gain access to the opportunities of the global information culture. We have made Canada's participation in the knowledge based economy a top priority and rightfully so.

We have set the goal of making Canada the most connected nation in the world by the year 2000. This is truly a visionary move and one which will pay huge dividends in the future. Initiatives like the community access program and SchoolNet are ensuring that all Canadians no matter where they live have access to the electronic highway and the information economy.

Through the community access program alone by the year 2000-01 we will have connected every rural Canadian community with a population of more than 400 people, as many as 5,000 communities. SchoolNet is a broad based private and public sector partnership working to ensure that all of Canada's 20,000 public schools and libraries are connected to the Internet by the end of this year. As a former teacher and as chairman of the Waterloo regional library I know firsthand about the importance of SchoolNet and what it represents for Canadians.

Our government is committed to helping Canadians access the information and knowledge that will enable them, their communities, their businesses and institutions find new opportunities for learning, interacting, transacting business and developing their economic and social potential.

• (1605)

Electronic commerce is at the heart of the new information economy. Building an environment where electronic commerce can flourish is a key part of our commitment. By the year 2000 we want Canada's legal, commercial and technological environment for electronic commerce to rank among the world's best. We want Canadian industry to be a leader in the development and use of electronic commerce.

Electronic commerce will benefit consumers and businesses alike first, by lowering transaction and distribution costs; second, by increasing market access and consumer choice; third, by improving product support and information; and finally, by generating new products, services and business opportunities.

Every day \$1 trillion U.S. in currency and a quarter of a trillion U.S. dollars in securities are traded electronically around the world, yet only a small portion of these transactions are done over the Internet. But this will change and soon. Electronic commerce conducted over the Internet is currently estimated at about \$45 billion Canadian. However, exponential growth is forecast with e-com revenues expected to reach \$600 billion by the year 2002. The potential impact of e-com is enormous. Any nation which desires its citizens to prosper must move forward to capture these opportunities.

If the world economy is soon to rely on e-com, we must first build trust in it. We have to assure privacy, and that is absolutely important. The rules for the digital marketplace must be set both domestically and among global trading partners. A large part of creating this trust and confidence has to do with assuring privacy and protecting personal information.

If electronic commerce, e-com, is to flourish in Canada, a clear, predictable and secure environment is an absolute requisite. Consumers, business and government, all of us need to feel confident about how our personal information is gathered, stored and used. We need to have control over our personal information and feel assured that it will be protected whether we use the Internet to shop or bank, plan a vacation, seek out medical information, browse on the web, use a debit card to make a purchase, or correspond with family and friends via e-mail.

Canada's privacy commissioner has described our present privacy protection as a patchwork of laws, regulations and codes. His colleagues in the provinces agree. They have been calling for privacy safeguards that would protect consumers from coast to coast.

The federal government and most provinces have laws governing the public sector's collection, use and disclosure of personal information. The federal Privacy Act applies to all federal government departments, most federal agencies and some federal crown

corporations. The Privacy Commissioner of Canada oversees this act.

Protection in the private sector is sporadic and uneven. Only Quebec's law respecting the protection of personal information in the private sector provides a detailed framework for the collection, use and disclosure of personal information.

Clearly the present situation with regard to the protection of personal information in cyberspace is unacceptable. To build trust in the digital environment and put Canada at the forefront of electronic commerce, the government has tabled legislation to protect personal information in the private sector and to improve the way it conducts its own business via electronic media.

That is the purpose of Bill C-54, the personal information protection and electronic documents act. It makes the legislative adjustments that are necessary if electronic commerce is to flourish.

In January 1998 the government released a public discussion paper entitled "The Protection of Personal Information: Building Canada's Information Economy and Society". This paper outlined the various issues which must be addressed in developing legislation and sought input from all Canadians.

Canadians have told us that they want legislation that is light, flexible and effective and that provides meaningful recourse for consumers. They support building on an existing instrument, such as the model code for the protection of personal information of the Canadian Standards Association. They want oversight to ensure compliance and investigate complaints.

• (1610)

Bill C-54 provides all of these things. It establishes a right to the protection of personal information and clear rules for how the information shall be collected, used and disclosed in the course of commercial activities interprovincially or internationally, or indeed in connection with the operation of a federal work, undertaking or business. The Privacy Commissioner of Canada will oversee compliance and investigate complaints.

This legislation will provide other benefits as well. It will enable the federal government to be a leader in the use of electronic media as it conducts its business with Canadian citizens. It will do this by updating and adjusting our laws so that electronic communications and electronic service delivery can be practical and secure options for doing business with government.

One aspect of the bill in particular has significant implications for e-com. Provisions in the new legislation introduce the concept of secure electronic signatures for use in electronic transmissions. Such signatures would be unique, would identify and be under the

Government Orders

sole control of their users, and would be securely linked to the documents used in a given transaction.

Bill C-54 will help pave the way for the federal government's use of electronic technology as it delivers its programs and services in a timely, cost effective and secure manner. It will help ensure continuing federal leadership as the Canadian economy increasingly adopts e-com as the normal way of doing business.

In conclusion I want to note that by passing Bill C-54, the House of Commons will place Canada at the very forefront of that electronic commerce. It will help ensure that Canadians will be able to take advantage of the opportunities offered to them by the new information economy.

[*Translation*]

Mr. Pierre de Savoye (Portneuf, BQ): Mr. Speaker, I appreciated the comments made by the member across the way. I must say his concerns are well-founded. He considered the protection of personal information to be important. Of course, he said that none of us would want our medical records read or seen by just anyone, or our personal correspondence intercepted.

This bill does not ensure the protection of non-commercial information; in other words, medical data, income tax information or information included in personal correspondence are not protected by this bill.

As the hon. member mentioned, the situation is different in Quebec. Quebecers are protected by provincial legislation that prohibits the use and disclosure of personal information.

The member also added and I quote "This bill will put Canada at the forefront". Right? Wrong. Quebec is at the forefront. This bill will not put Canada at the forefront; it will bring up the rear, behind countries which already have more effective legislation.

We have to wonder why the minister did not go to Quebec to study the legislation that has already in force there for four years. It is working well and could no doubt be improved. This would have been an excellent opportunity to improve on it. But no. They ignored it and brought forward a second class bill. That is what we have before us, a second class bill, which aims to promote electronic commerce, not to protect personal information.

However, by protecting personal information in general, we would not only be promoting electronic commerce, we would also be making full use of the tools that the information highway puts at our disposal. I have a question for the member opposite. Earlier, he said that the federal legislation would not apply to Quebec because Quebec already has its own legislation.

Clause 27 provides that:

27. (1) The Governor in Council may make regulations—

Government Orders

(d) if satisfied that legislation of a province that is substantially similar to this Part applies to an organization, a class of organizations, an activity or a class of activities, exempt the organization, activity or class from the application of this Part in respect of the collection, use or disclosure of personal information—

• (1615)

Does the member opposite think that a political decision instead of a legal decision can be enough to exempt Quebec from the application of this legislation? As for me, it does not make any sense.

[*English*]

Mr. Lynn Myers: Mr. Speaker, I thank the member for the question. However, he fails to recognize the importance of the legislation in Bill C-54 that will put us in the forefront in terms of what we are doing as a government for the protection of all Canadians. The bill will provide the kind of trust, confidence and reliability that Canadians not only deserve but need in this new age.

I listened with some interest to the member opposite talk about Quebec and what has happened in terms of its privacy laws. I point out to him that we as a government have taken a look at the kinds of things Quebec has in place. We have used to the required and necessary extent the kinds of processes in place in that great province. I point out for all Canadians that he is in error in his premise.

The bottom line for us as a government is that in terms of our moving into the 21st century, we are doing it with the kind of confidence and vision required and which all Canadians want. We will do so in keeping with the values and the institutions that define us as a nation.

[*Translation*]

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ): Mr. Speaker, I would like to repeat the title of the bill under consideration:

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

Therefore, the purpose of the bill is to regulate a new sector of activity called electronic commerce. What is electronic commerce? Broadly speaking, this covers all the transactions one can do using electronic means. Most of us are familiar with ATMs, and use them on a regular basis. But there are also transactions between businesses.

To put this bill into perspective, let us say that we are roughly in the same situation we would be in if we did not have a supply network and we were deciding to pass consumer protection legislation. We would try to make sure that the consumer is adequately protected and that the information gathered is secure. We have to

make sure that we strike a good balance between trade, freedom of trade, ease of trade, and providing adequate information protection for the people using these tools. This is the challenge facing the government.

In the information package we received from the government on this subject, there is an acknowledgement. Legislation has been in place for four years already; it was not passed by the Parti Québécois, but by the Quebec Liberal Party. It was introduced by a federalist minister, and its constitutionality was never challenged. It has been in place for four years and even the Minister of Industry in his press release acknowledged that it is an interesting measure.

The main point of this legislation is the protection of personal information held by the private sector, which is really at the forefront of what should be done. This is what is expected of the federal government. Let us review how this bill came about. In 1982—a long time ago—Francis Fox, then Minister of Communications, said that the next step in privacy legislation was to extend the principles governing protection of personal information to the private sector under federal jurisdiction. That was in 1982.

Very significantly, in 1996-97, the Minister of Justice said that before year 2000, there would be an enforceable act giving real protection to privacy in the private sector; the minister added that this would be a major development.

• (1620)

The problem is that between the opinion of the Minister of Justice—

Some hon. members: Oh, oh.

Mr. Paul Crête: Mr. Speaker, I would like the hon. members opposite to take the time to listen to our arguments on this bill and stop behaving like clowns.

In 1996, the Minister of Justice at the time said that legislation was needed to protect personal information. Two years later the Minister of Industry introduces a bill. The pendulum has swung the other way.

The Minister of Justice said that legislation was needed to protect personal information. Today, we are debating a bill that is aimed more at facilitating electronic commerce than protecting privacy. Nobody denies the fact that electronic commerce will grow in value and importance in the future. Last week, we read in *Le Devoir* that the OECD, which is a major international organization, sees a bright future for electronic commerce. It is clear that there must be a major growth in that sector. It is obvious that we must adopt legislation concerning electronic commerce.

What is less obvious, however, is the process followed by the federal government. We are debating a bill which, in the final analysis, will not meet the personal information protection require-

Government Orders

ments that we could expect. I will give the House an example. Giving information in the course of electronic commerce is not like giving personal information over the phone to someone who can then either keep it or spread it around; the information is registered in computer systems, and that has significant multiplying effects.

We need to break new legal ground, to draft legislation that will provide a framework for years to come. We do not need legislation that will work only tomorrow morning, but legislation that will define how protection of information and electronic commerce will work in Canada for several years to come.

The bill does not seem to offer adequate balance between the requirements of quality electronic commerce and the protection of personal information. This bill is not carefully crafted. It is not clear or accurate.

Again, the minister's press release states that good legislation already exists in Quebec and that the government will let it be enforced, instead of the federal legislation, if it works well. Except this is not spelled out clearly in the bill. It will depend on the goodwill of the governments in place.

We know how successive federal governments have tended to work; as with all governments, they go with the trends. From time to time, the government tends to support the market, but we should not sacrifice on that altar what is important in the protection of personal information.

The bill does not spell this out clearly. This is a very important first amendment that should be made to the bill, so that the Bloc Québécois can consider it an acceptable bill. The bill should clearly state that if a province has equivalent legislation, that legislation will apply. In this way, Quebec will be able to maintain the lead it took four years ago.

Today, on this planet, if we look at all the countries that have good legislation, I believe Quebec's legislation could used as an model and be studied by different countries to see how it works. It is based on the principle that the protection of personal information is fundamental.

It is not something that happened by chance. It happened because of all the work we have accomplished as years went by with, for example, the Office de protection du consommateur, and on the issue of the right to information in the public sector. We have a pretty good history in this matter. We took the lead in the protection of personal information.

Today, we have nothing against the rest of Canada passing its own legislation—I believe that it should do so—but we want to ensure that the legislation now in force in Quebec can apply, and that this will not cause further complications.

One can pass judgment on how the Canadian federation has worked in the past. One can condemn duplication. One can say that things should have been done differently. One can suggest ways to do things differently from the way they were done in the past. But, one thing is clear, we do not have the right to pass legislation that leads to more duplication.

• (1625)

If there is a sector where the industry does not want dual legislation and does not want to be embroiled in constitutional problems and problems with interpreting the law, it is surely electronic commerce, which will in any case be considerably affected by the need of international agreements.

It is difficult to see how information will be protected in North America. If information is transmitted from someone in Canada to someone else in the United States, how is it protected if other companies in Canada want it? Many things need to be spelled out and the bill is vague on this. Some finishing work has not been done. The bill should be sent back to the drawing table to ensure it is properly amended.

This bill opens the door to several interpretations and gives discretionary power to the governor in council. The governor in council is the cabinet. It is the government that, through clause 27(d), may decide to change the application of this bill without having to reintroduce it before Parliament.

This is a principle that we do not often find in legislation and that we try to avoid as much as possible in our legislation and in the British tradition, to ensure there is no usurping of authority, especially in very contentious areas, such as personal information protection, where the government itself could be involved and would at the same time have the flexibility to change the legislation if it were not to its advantage to enforce the legislation as passed by the House.

On this point, there is work to be done. The bill, as it stands, needs more work and needs to be made clearer.

We can also ask whether the bill responds to the expectations of consumers and of Quebec and Canada privacy commissioners. The respective titles of the two bills, that is the Quebec legislation and the Canadian legislation, are very explicit.

Quebec's act is entitled an Act respecting the protection of personal information in the private sector whereas the federal act is entitled an Act to support and promote electronic commerce by protecting personal information that is collected, used or disclosed in certain circumstances.

Whereas the Quebec legislation is aimed at protecting privacy and applies to every organization, the federal legislation only applies to transactions with a commercial purpose. The difference in ideology is obvious.

Government Orders

At the federal level, electronic commerce is the main object of the bill. Personal information also means businesses' trade information. The federal act should not hamper the very same trade activities it seeks to promote.

One can reasonably state that the Quebec bill is stricter and more encompassing both in its form—it truly is a bill—and its definitions, its clear wording and the power to issue orders it gives the commissioner, something that is lacking in the federal bill.

This bill has many other flaws. The framework of the bill is its schedule. This is rather odd. It is as if they were trying to hoodwink us. And that is unacceptable.

The schedule is a model code for the protection of personal information developed by the private sector and consumers as a framework for the protection of personal information in the private sector on a voluntary basis, I repeat, on a voluntary basis. This is noteworthy.

What this means is that the minister chose to stick to this code because he had the support of the private sector and was eager to develop e-commerce in Canada. In other words, they did not delve into this issue to see if the protection of personal information was adequate, real and complete. They said "This is the consensus the industry has agreed to. We will include it in the legislation as is". But is it enough?

The minister did not follow through on the recommendations made by consumers and the privacy commissioners, who stated that the code provides a good basis, but needs to be reviewed and amended if it is to be included in the legislation. They are very clear on that issue. So, during consideration of this bill, we would need to review the code. As long as it remains unchanged, we have yet another reason to believe that this is an incomplete piece of legislation that needs some major amendments.

• (1630)

As I said, the bill is rather unclear. The roles are not clearly defined and there is still a lot of work to be done in this area. The bill is open to various interpretations.

For instance, it stipulates that organizations shall make a reasonable effort to ensure that the individual is advised of the purposes for which the information will be used. What is meant by "a reasonable effort"? Will there be all kinds of legal challenges because a company has disclosed credit card information or any other type of information, claiming that it had mentioned the information could be used for all kinds of other purposes and that, by giving authorization, the person who provided the information had also authorized all possible uses?

The person who provides information because he or she wants to acquire a product may not have understood this clearly, and there is a list of possible uses, but those uses are not mentioned in the legislation.

I want to get back to one important element. I am sure the minister responsible for regional development in Quebec is well aware that a law has been in place in that province for four years. Since it was adopted by the Liberal government at that time, nobody can say that it has a separatist or sovereignist bias. It is a law that Quebecers put in place because they thought it was relevant and because we were slightly ahead in that area.

The federal government must change the bill so it is very clear that Quebec, or any other province that adopts similar legislation, can enforce its own legislation rather than the provisions contained in this bill.

There are other aspects of this bill that I would like to draw to the attention of the House. What about the exchange of information outside commercial activities, for example, between non profit organizations? The status of this type of exchange is not clear.

We know a lot of non profit organizations, such as foundations and all volunteer organizations, that must exchange information. Information is collected on volunteers. There is nothing in the bill with regard to this type of exchange.

Federal institutions are subject to much more restrictive legislation than the private sector will be with Bill C-54. There is a double standard. The federal government is asked to be efficient in its operations, but the requirements will not be the same for the private sector.

The consequences of these various aspects makes members of the Bloc Québécois wonder. If, with a privacy law in the public sector, the privacy commissioner is obliged to take Human Resources Canada and Canada Customs to court under section 8 of the charter of rights and freedoms for contravening the Privacy Act, how can the government expect private enterprise to go one better with a law that is less restrictive and more open to interpretation?

We have just gone through this with employment insurance. The Government of Canada decided to relate information provided to Canada Customs by out of country travellers and by people receiving employment insurance. The privacy commissioner had to go to court to get Human Resources Canada to comply with the law, and we are still awaiting the decision on this. The government is proceeding against itself, when the requirements are indicated in the law.

How can we ask businesses to behave any better when the law contains no specific provision?

In short, the issues are fairly clear. The Minister of Industry has to make sure that Canada is an active participant in the world economy, more specifically, in the upcoming explosion of electronic commerce.

We think this will become very important. I think it will be vital to do so. In terms of traditional imports, Quebec is currently experiencing a pretty fantastic boom. The same is true in the case

of electronic commerce. We are ready to get on the bandwagon and grab our share of the market. I think it is in the interest of everyone globally for this to happen.

• (1635)

However, a balance must be struck between the rights of consumers, the citizens' right to privacy and the right to trade. It is therefore very important that the federal government go back to the drawing board.

To conclude, it seems to us, in the Bloc Québécois, that this is a jumbled bill, full of ifs and whens, whose central feature is a schedule that can be changed by the governor in council without debate. All of this is unacceptable to us.

This legislation will make federal-provincial linkage extremely complex and will result in further interference. It emphasises electronic commerce at the expense of the fundamental concept of privacy. This bill, as it stands, does not give commissioners any real power, making the legislation meaningless, and it does not draw upon Quebec's unique experience with protecting personal information, or privacy, in the private sector.

For these reasons, unless amended, this bill should be defeated in Parliament or sent back to the drawing board so that the final product can measure up to the expectations of the people in Quebec and Canada with respect to both electronic commerce and privacy.

The Acting Speaker (Mr. McClelland): Order, please. It is my duty, pursuant to Standing Order 38, to inform the House that the question to be raised tonight at the time of adjournment is as follows: the hon. member for Frontenac—Mégantic, Asbestos.

Mr. Pierre de Savoye (Portneuf, BQ): Mr. Speaker, I greatly enjoyed the speech given by my colleague and friend, the member for Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques. He is perfectly right; the bill before us is not just about e-mail and the associated personal information.

I would like to give an example so that all those in the House and listeners at home will understand what we are really talking about. You go into a department store. We have all been in these stores which, in addition to selling things, offer credit cards, which record our name, address, telephone number and postal code when we buy something there.

The store collects all this information and then, with the help of its computer, is able to produce a list of people who bought a sports item, for example, and then turn this list over to the publisher of a sports magazine, say. These lists command quite a price, apparently going for a dollar and up per name.

This is how it is that members of the public receive junk mail. For anyone wondering where on earth they got our address, and

Government Orders

how they knew we were interested in whatever it was, if in fact we even were, because sometimes we were just buying a present for somebody else, this is how.

I mentioned department stores; I could mention many other organizations, not always commercial, and various associations. In Quebec, such a practice is not allowed. It is an indictable offence. But in the rest of Canada, it is allowed and legal—unless a business follows its own code of ethics.

The bill before us would not necessarily make this practice illegal, and this is the purpose of my question to the hon. member. Clause 4.3.7 of the schedule deals with the consent principle and provides the following:

(b) a checkoff box may be used to allow individuals to request that their names and addresses not be given to other organizations. Individuals who do not check the box are assumed to consent to the transfer of this information to third parties;

• (1640)

So, we go to a store, buy something and get a receipt. The clerk says "Look at the receipt. There is a small box". We think "fine", but the act has just been circumvented.

This is what will happen with this bill, which provides just the opposite of what we have in Quebec, where a person must check off the box to allow the transfer of information to third parties. Here, it is exactly the opposite. In Quebec, there is no consent unless otherwise specified, whereas in the legislation before us, consent is implicit, unless otherwise stated.

I wonder if the hon. member for Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques could comment on this.

Mr. Paul Crête: Mr. Speaker, I thank the member for Portneuf for the example he gave at the end of his speech, which so clearly explains the whole situation. Quebec has a law which operates on the principle that privacy should have priority. The federal government has taken the opposite approach and given priority to business. The Liberal government will make it the exception rather than the rule that people can block the release of information.

We would like to right this state of affairs, which we find unacceptable because Quebec is already much further ahead in this regard. I have an even greater reason to be concerned because, in this very House in April 1997, I proposed a motion, which was unanimously passed, requiring the Privacy Act to apply to all crown corporations.

This motion received unanimous approval in the House of Commons one and a half years ago and the government has done nothing. Right now, there are still many crown corporations not subject to the Privacy Act, even though the motion received unanimous approval.

Government Orders

I can understand that things take time. What I am getting at is that, if the bill is not right from the start, we will find ourselves in a similar situation, where a motion passed unanimously by the House of Commons is not acted on by the government.

We are in a new area of law. We are in a new sector, where those who are better informed will be better protected. Poverty and the ability to use the tools available will still determine the outcome.

Let us level the playing field. Let us give everyone a fair chance with E-mail and see that their rights are protected, rather than the opposite. We have an opportunity to make these amendments, and the government took the time to table the bill. The Minister of Industry won out over those members of this government who wanted a bill that protected personal information.

There is still time for the government to right the balance and, among other things, make it possible for the Privacy Act to be the legislation that really applies in Quebec and to confirm this in the legislation, not just in the minister's press releases.

Mr. Jean-Guy Chrétien (Frontenac—Mégantic, BQ): Mr. Speaker, in the context of questions and comments on Bill C-54, I found my distinguished colleague from Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques' reference to the Henry VIII clause particularly relevant. I prefer the Louis XIV clause. When we were in high school, Louis XIV said, in the books of course, "L'État c'est moi".

Clause 27(d) provides that the governor in council may amend the law without parliamentary debate or democratic consultation. A bit like this afternoon, when the Solicitor General, in response to a Reform Party colleague, said "I personally decided to not pay lawyers to defend the students". That came from private interests. Pepper was thrown in the noses and eyes of 19- and 20-year-old students for no reason other than to please a foreign dictator, a bit like what is happening with the Chilean dictator, where years later wrongs are being recognized and he is being arrested abroad. In order to accommodate a foreign dictator, our Prime Minister infringed the rights of these students and has used his position to decide not to pay.

• (1645)

I would ask my colleague from Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques whether, with clause 27(b), there is not a risk of the same sort of personal danger we have just mentioned.

[English]

Mr. Wayne Easter: Mr. Speaker, on a point of order, the member is not on topic. I think the Chair should pull him to order. We are not dealing with that point.

The Acting Speaker (Mr. McClelland): We thank the hon. member for drawing the House's attention to the topic at hand.

[Translation]

Mr. Pierre de Savoye: Mr. Speaker, if the member opposite would like to participate in the debate, he is welcome. If he would not, perhaps he would allow those who want to do so.

[English]

The Acting Speaker (Mr. McClelland): That was not a point of order either.

[Translation]

Mr. Paul Crête: Mr. Speaker, in response to the question from my colleague from Frontenac—Mégantic, I do indeed think his words were very aptly chosen. This Henry VIII-style clause more or less says "We are going to give the government the opportunity to amend the legislation without having to go back to the House". This could have a significant economic impact.

We have already seen battles between the Minister of Heritage and the Minister of Industry on matters impacting on the cultural future of Quebec and Canada and we have seen that, with this federal government, culture was not always the aspect that won out and also, particularly, that the negotiations were always held in secret.

This clause could easily put us back into the same situation in future: international agreements could be changed and bring about changes in Canadian legislation without necessarily having been re-approved by Parliament.

The less this happens the better. The government over there, which is already bureaucracy-driven, has already given us plenty of proof that it would give itself additional powers over the heads of the elected representatives. This, I believe, would be extremely harmful to democracy in Canada.

Mr. Pierre de Savoye (Portneuf, BQ): Mr. Speaker, I can see that few members are interested in addressing this issue, and I can understand that, since this is a rather complex issue.

We are dealing with electronic commerce, with EDP, with modern technology, and we tend to be in awe of this wonderful technology which, presumably, will solve all our problems.

But we know full well that such is not the case. This technology is only one of many tools that can help us achieve the best, and also the worst. I realize that Bill C-54 before us seeks to ensure that, in the area of electronic commerce, we will achieve the best, and not the worst.

Let us take a look at the title of Bill C-54, An Act to support and promote electronic commerce. The purpose of this legislation is to support and promote electronic commerce. How will this bill support and promote electronic commerce? It is stated right after, again in the title: by protecting personal information that is collected, used or disclosed in certain circumstances, by providing for the use of electronic means to communicate or record information or transactions and by amending certain acts.

Bill C-54 seeks to promote electronic commerce, while protecting personal information, so that consumers can engage in electronic commerce with confidence.

For the benefit of this House and of those who are watching us on television, let me first explain in general, easy to understand terms what this legislation is all about.

• (1650)

When we talk about electronic commerce, what exactly are we talking about? We are talking about making purchases or transactions—bank transactions, transactions with suppliers, with manufacturers, with clients—electronically.

These types of transactions have been in existence for quite some time. Telecommunications have been with us for thirty years or so. They have been relatively well structured in terms of standards for 25 years. As for electronic data interchange, it has been governed by international standards for more than 10 years.

In fact, electronic data interchange, or EDI, is used relatively often by many businesses. For the past ten years or so, large businesses have been using it in their dealings with suppliers. That means that a supplier does not send a written bill to his client, but rather an electronic bill that is received on the client's computer, who will then authorize payment after verifying that the goods or services have actually been delivered.

What is happening today is an acceleration—and I was going to say a democratization—of this process. Electronic data interchange is not longer restricted to large corporations and government. It is now accessible to the average person through, among other means, the Internet. One just has to sit in front of a computer screen to have access to a supplier of goods or services. Then it is as easy as filling out a form shown on the screen, pressing a key or clicking on a button, and the information is sent, through the telephone line or the coaxial cable, to the supplier, who then fills the order and, of course, bills the client.

So far so good. However, if I give my credit card number when I make such a transaction, I want to be sure that this number will not be used for other purposes than those for which I wrote it on the electronic form. I want to be sure that somebody will not use my credit card number to travel around the world. Of course, I would

Government Orders

only find out about it when receiving my statement at the end of the month. It would be terrible.

True, particularly well equipped hackers might be able to get at that information. But we have the tools to make it very difficult for them.

One should not generalize and panic. We have to recognize that in everyday life, you and I and a lot of other people are using their credit cards in a lot of establishments, restaurants, clothing stores, to subscribe to a magazine and God knows what else. Our credit card number is handled by strangers.

When I go to a restaurant and give my card to the waiter or waitress, who takes an imprint of it or puts it through the magnetic tape reader to forward my bill to my credit card supplier, for a moment that person has my credit card number at hand and could very easily take it down and misuse it later.

However 99.99% of people are honest and such misdeeds simply do not occur. Credit card frauds do happen though, and it is wise to always check one's statement to make sure that it does not contain transactions which are not ours. It is a bit the same on-line. In the vast majority of cases, there is no risk.

• (1655)

But if a hacker wanted to get at some credit card numbers, it is not unlikely he would succeed, unless safeguards are put in place. This is when the notion of facilitating electronic commerce comes into play.

If I feel that my purchasing something on the Internet might reveal things I do not want to be known, such as what I am buying, how much I paid for it, what my credit card number is or other confidential information I might give, if I am not convinced it will all remain confidential and will be used for the intended purpose only, I will be very reluctant to engage in any electronic transaction. I would not do it.

Of course, if the legislation were to require businesses to take the appropriate steps to ensure that all electronic transactions are secure, confidential and protected, then the average citizen would feel much more at ease and e-commerce would blossom.

What are the two problems that can arise in terms of protection of personal information? First, there is the illegal access to the information by someone who is not entitled to see the data. Of course, none of us would like information about us to fall into the hands of people who should not have access to it. That is the first problem.

Then, there is also the misuse or illegal use of the information. Someone who should not even have had access to your information is using it to harm you or for some other illegal purposes. So, it is important to ensure that the information can only be accessed by

Government Orders

the people who are entitled to see it, by the final recipient, and used for the purposes for which the information was made available.

In this area, Quebec has been fully protected for four years now through its Act respecting the protection of personal information in the private sector. The bill before us today, Bill C-54, only deals with businesses. It does not extend to any other activity and has some serious deficiencies. I have already mentioned one, the fact that if an individual does not clearly prohibit it, then the information can be used for other purposes than the ones stated originally. Silence gives consent. We make a stupid and foolish decision, because we are not aware of the consequences, and everything is done behind our backs.

This is extremely important because, whether we like it or not, electronic commerce is bound to expand. It is here to stay. I am somewhat surprised and disappointed that such a crucial issue for a nation like Canada is not receiving all the attention it should, and indeed did in Quebec—mind you the Liberals were in power in Quebec at the time, with Minister Lawrence Cannon sponsoring the legislation; so this is not peculiar to the sovereignists, just a good habit Quebeckers have of looking after matters that concern them and doing it well. This issue was widely debated in Quebec. I know, I was there. I was one of the players, as a computer specialist by profession.

An hon. member: Oh, oh.

Mr. Pierre de Savoye: Sounds like the hon. member opposite would like to speak, Mr. Speaker. I hope you will take note of his wish and give him the floor next. In the meantime, I would appreciate it if he could be quiet and give me chance to carry on.

The debate held in Quebec was a thorough, major, serious debate. It was a societal debate that resulted in one of the best pieces of legislation in the world.

• (1700)

I am amazed that my colleagues from the other parties, from the rest of Canada, do not seem a bit concerned. They bow down in front of the computer god. They say “If it is electronic, it must be good and if commercial data must be protected, we will do that, no problem. Are there other things that need protection?”

Commercial data are only the tip of the iceberg. There are also medical, legal or judiciary, tax, school, family data, plus many other types of information. In fact, all the information that an individual sends directly on the Internet to an organization or an other individual should be confidential. But Bill C-54 is completely silent on all the other types of personal data when, in Quebec, they are already covered.

As I said a minute ago when I read the long title of the bill we are debating today, one must understand that it does not aim at the

protection of personal data but rather at the promotion and facilitation of electronic commerce.

That is where the problem lies. In Quebec, the legislation on privacy protection in the private sector does not specify if the information is to be processed electronically, manually, verbally or otherwise. The information is protected, no matter what vehicle is used to transmit it. Since electronic commerce and all the rest are included, that legislation is a very powerful tool in Quebec, while Ottawa is making very timid efforts by talking only about electronic commerce. The federal government is kow-towing in front of electronic commerce. It says “Commerce is important. If it is electronic, it must be even more important and we will ensure that personal information is protected if the person demands so”.

That is what it says. If the person does not check off the box—and I read it earlier, it is written explicitly in the bill—the legislation does not operate. The legislation lets companies and organizations, those that have their commercial information in hand, do whatever they please.

Legislation such as this does not deserve to be passed. Legislation such as this, in order to be passed, should have all the necessary working parts, and be complete. It should be as good as the one that Quebec has had for four years. It should build on it. It should also build on improvements that could be made to it. No. We are presented with legislation that is, for all intents and purposes, only half-baked.

It will be very important for this House to ensure the real debate takes place.

Mr. Speaker, how much time do I have left and will there be other speakers after me?

The Acting Speaker (Mr. McClelland): The hon. member has four minutes left.

Mr. Pierre de Savoye: Will there be other people speaking after me? I feel like continuing. If there are no other speakers, I feel like asking the unanimous consent of the House to continue. Anyway, we have until 6.30 p.m. You will understand that my throat will be tired well before that, but I feel like continuing the analysis of this bill in more detail, if the House gives its unanimous consent.

The Acting Speaker (Mr. McClelland): There are four other members who would like to take part in this debate.

[*English*]

The House may give unanimous consent for the hon. member for Portneuf to speak indefinitely or put a time limit on it. However there are four minutes left in this session. Is the hon. member for Portneuf requesting an extension of time in debate?

Government Orders

Mr. Pierre de Savoye: Mr. Speaker, I am asking for unanimous consent for an extension of time in debate to no longer than 6.30 p.m.

The Acting Speaker (Mr. McClelland): The House has heard the request of the member for Portneuf. Is there unanimous consent of the House?

An hon. member: No.

The Acting Speaker (Mr. McClelland): There is no unanimous consent. The hon. member for Portneuf has four minutes remaining.

• (1705)

[Translation]

Mr. Pierre de Savoye: Mr. Speaker, the issue here is whether this bill meets the needs of Canadians and Quebecers.

Let me say, on behalf of Canadians, that this legislation is certainly better than nothing at all. However, the bill is far from what, in my opinion, Canadians deserve. They deserve something at least as good as what Quebecers have. Canadians are not well served by this legislation.

Worse still, because of this bill Quebecers could lose since the federal cabinet could make the political decision to allow Quebec to implement its own legislation instead of the bill that is before us and that is inferior to the Quebec act.

Obviously, should the federal cabinet feel that the Quebec legislation is not adequate, it could—without leaving any recourse to the province, since this is a political and not a judicial process—make Quebecers lose important rights regarding the protection of personal information.

One can reasonably assume that some businesses regulated by a federal charter might be tempted to avoid—for very questionable reasons—being subjected to the Quebec legislation and prefer to be governed by the more lenient federal act that is being proposed.

Hon. Martin Cauchon: Toothless.

Mr. Pierre de Savoye: Indeed, toothless. I see that the Liberal member knows exactly what I mean.

In any case, the Bloc Quebecois can absolutely not support this bill, because it does not deserve to go any further. In fact, the government should go back to the drawing board, review its objectives, which should be to allow or ensure the protection of personal information so as to promote, among other things, electronic commerce, instead of promoting electronic commerce by, among other measures, protecting personal information more or less adequately.

The Bloc's position is clear: take the bill back to the drawing board, let the minister do his homework and then come up with a bill that will meet the expectations of Canadians and that will serve

them as well as Quebecers have been served for the past four years.

[English]

Mr. John Bryden (Wentworth—Burlington, Lib.): Mr. Speaker, I have a few comments to make. I presume that after the member opposite took considerable time that the Bloc Quebecois and the member opposite will perhaps enjoy my comments.

I support Bill C-54 in principle. It should go to committee for further study and hopefully we will get good legislation in the end, although I send up a flag indicating I have found some problems with the bill in my initial examination.

One of the first problems was a translation problem and the definition for work being done by federal agencies. In the French version we see the word radiodiffusion which was translated into English as radio broadcasting. This is one of the areas of federal influence that the bill is to apply to initially. I believe the intention is for the CBC to come under the act, but because of a misunderstanding of the French word radiodiffusion which in the Larousse translates only as radio broadcasting—and I understand that in Quebec it means broadcasting in general—it would appear that the English side of the equation is in error.

In any event the bill is easily understood as comprising a front section that deals in general with how the law will apply. The key in looking at the legislation is schedule 1 in the back of the bill. It pertains to the principles set out in the national standard of Canada entitled the “Model Code for the Protection of Personal Information”.

• (1710)

This was a code of conduct in the handling of personal information that was obtained by elaborate consensus. All kinds of stakeholders contributed to it. The government was very proactive in seeking this input. It became a general code of standards for protecting personal information and it is the corner piece of the bill.

Unfortunately when legislation is created by consensus there sometimes are difficulties. My concern about the legislation is that I do not feel, much as I support it in principle, that it adequately addresses the problem of charity lists or special lists that are comprised from the consumer, put in databanks and held by either private for profit corporations or by non-profit corporations.

The standard in schedule I waffles on the issue elaborately. In the first place it says the organizations that have these lists may indeed have reasons not to ask for the consent of individuals whose names are appearing on the lists. These could be lists of charities or donations. They could be lists of such things as buying a computer at Radio Shack. They could be any kind of list like that. If an organization possesses these lists, the proposed legislation indi-

Government Orders

cates that it does not have to be responsible for the personal information contained in it.

It goes on in schedule I to observe that while consent is required, the whole principle of being able to get consent—

Some hon. members: Oh, oh.

Mr. John Bryden: My friends on the opposite side should be enjoying this.

Mr. Pierre de Savoye: We are, we are.

Mr. John Bryden: I knew you would.

In another section it says that organizations are obligated to get consent for personal information if it is deemed to be sensitive. Then the code sets out to try to explore what sensitive means.

We do know that sensitive presumably means the religion one happens to have or medical records or financial information. It leaves it to the organization to decide what is to be considered sensitive. It makes an example. It says, for example, that if a subscription to a magazine is taken out and one's name goes on a list elsewhere it would not necessarily be considered sensitive information. However the legislation says that the names and addresses of subscribers to some special interest magazines might be considered sensitive.

If that is the case I would suspect that they are thinking about prurient magazines, sex magazines. They are willing to protect sex magazines but they are not willing to protect subscribers to *Scientific American*, *Homemakers Magazine* or religious magazines. That makes us wonder.

If the opposition will ask me a really interesting question I will continue with my comments.

[*Translation*]

Mr. Pierre de Savoye: Mr. Speaker, I appreciate the comments of my Liberal colleague very much.

He is right. The problem with this bill is Schedule 1, which says certain things but does not say others. This schedule is based on the so-called CSA code, which is ultimately set up by private business and based on goodwill.

In other terms, we are put in the awkward position of having a group of businesses deciding what is good or bad for consumers. We are putting the cart before the horse. It is a bit like having the fox in charge of the chicken coop. Chickens do not get a whole lot of protection that way. But consumers should not be compared to chickens. Consumers have rights, they are human beings and citizens, and they deserve a better approach than the one in Schedule 1.

• (1715)

There is another problem with Schedule 1, and it will be the subject of my question to my colleague who kindly asked me to put a question to him.

Section 5.2 says that the word “should”, when used in Schedule 1, indicates a recommendation and does not impose an obligation. That word is all over the place in schedule 1.

As if it were not bad enough to have the fox in charge of the chicken coop, the fox does not even have to abide by the building code. It could do it, but only if it feels like it.

Would my colleague care to comment?

[*English*]

Mr. John Bryden: Mr. Speaker, I will say to my colleague opposite that I noted the same problem, that the bill allows too much latitude for interpretation. Were I to have had the opportunity to elaborate on the comments that I began, I would demonstrate to the member opposite that the amount of latitude leads us into the situation where we have to wonder whether the bill, as currently written, is going to have the effect that we desire. I have a suspicion that it will not.

I believe this bill is something that has to go before the committee to be studied in great depth.

[*Translation*]

Mr. Pierre de Savoye: Mr. Speaker, I both agree and disagree with my colleague.

First, I agree with his comments. He is right. This bill is so badly put together that the only winners will be lawyers. The losers will be the consumers. Businesses will be faced with legal bills because they will have to defend themselves against the lawsuits of disgruntled consumers who, having read the legislation, will assume that they have rights to assert.

The bill being what it is, imprecise and badly put together, the courts will have to arbitrate conflicts between consumers and businesses. Lawyers are going to make money to a degree you won't believe with legislation such as this.

Where I disagree with my colleague is when he says that the bill should go back to the drawing board if you will, that it should be fixed up in committee. In my opinion it is beyond fixing. It has to go back to the drawing board, yes, but we have to start “from scratch”.

We have to base the legislation on the Quebec example, we have to use the Quebec experience, to give Canadians the legislation they deserve, a legislation on par with the one Quebecers already enjoy.

Government Orders

There might be more questions, maybe from my colleague again, therefore, I am asking for unanimous consent to carry on with the questions and comments period for a short while.

[*English*]

The Acting Speaker (Mr. McClelland): The hon. member for Portneuf has requested that the time for questions and comments be extended. Is there unanimous consent?

Some hon. members: Agreed.

Some hon. members: No.

Mr. John Bryden (Wentworth—Burlington, Lib.): Mr. Speaker, I am delighted to follow my colleague's speech, although I hope to be a bit more brief.

I agree with some of the comments made by members opposite which find fault with schedule I of this bill. So much of the bill depends on this schedule which is, in essence, a code of conduct that has been established not just by industry, but by general a consensus of the various stakeholders, including non-profit organizations, which is an area of specialty for me.

Earlier in the questions and comments it was observed that there were shortcomings in the bill insofar as it relies heavily on the interpretation of what is sensitive information and what needs to be protected. If it is sensitive, then the organization collecting the information is required to do certain things with it, including protecting and handling it in a responsible fashion. The difficulty is that unless you define what sensitive is in legislation there are going to be problems and I believe that situation exists with this legislation.

● (1720)

However, there is another aspect that I would like to draw attention to which is again in schedule I. It raises the issue of lists. When we buy or donate to a charity or anything like that we go on a list. Sometimes these lists are held within Canada and sometimes they are held outside Canada. At any rate, there is a great industry in collecting, selling or renting these lists to various organizations.

According to the schedule's standard, the observation is made that an organization may not always be able to seek consent from individuals and sometimes individuals are unable to request information from an organization concerning themselves, but a charity or a direct marketing firm that wishes to acquire a mailing list from another organization can keep that information.

In my mind there is a bit of a hole there. I would like to know that any organization that is using my name is responsible for that personal information. However, it would appear that schedule I allows direct marketing firms to not be held responsible in the trading and marketing of these lists.

When we know that our name is on a list and we want to get that information from a charity or a for profit fundraiser that has our name on a list, what the schedule states is that certain information cannot be disclosed for legal, security or commercial proprietary reasons, or that information cannot be disclosed which is subject to solicitor-client privilege.

What schedule I states is that if there is a commercial proprietary reason for which an organization does not want to divulge our personal information to us, it does not have to do so. That creates an enormous problem. What if I want to know how my name is being used by one of these fundraisers? Is it being distributed, for example, to other organizations that do not have my interests at heart? Is it being distributed to organizations that will take advantage of the knowledge that I give to one organization, one charity or another?

According to schedule I, as it now exists, if I donate \$10 to a charity and another person donates \$100 to a charity, that is not considered sensitive information, or it could be considered proprietary information that I cannot get.

I happen to have something for the House to contemplate. This is a list of all the non-profit organizations that have placed their donor lists with a U.S. direct marketing agency. According to the schedule as it now exists, that agency can deny me the information as to who has access to my name on that list.

Therefore, if I had contributed, for example, \$1,000 to the lifetime members of a TV ministry, another organization can get that information and find out that I actually donated to an evangelical TV ministry. Talk about religion being sensitive. By merely paying money, this organization can supply me with a list of all the people who contributed to B'nai Brith. It is the total list of all Canadian Jewish donors. Anyone who wants to know who is Jewish can simply find out by contacting this direct marketing firm.

I ask members where the protection is of my private information concerning my religion if organizations, even in the United States, can get that information and distribute it as widely as they like.

It is even worse than that. We would agree that those in Canadian society who are particularly wealthy or affluent would probably like to keep that information secret. If they make generous donations to a charity, they will turn up on this list as "Hotline Canada wealthy donors, 502,000 names". Those are 502,000 names that anyone can access. If that is not personal information, I do not know what personal information is. If that is not information that can be used unwisely and improperly, I do not know what such information is.

● (1725)

I fear that the schedule as presently drafted does not provide adequate protection for the distribution of donor lists or commer-

Government Orders

cial lists of any kind. We are now in an age when we can go into Radio Shack, buy a speaker or a piece of electronic equipment and that firm will record our name and address in a data bank. We are in an age when because of these lists and the electronic control of these lists we can build up a complete data profile of any individual in Canadian or American society. I would submit that is very dangerous.

While I support this legislation in principle, I hope that when it goes to committee we look very carefully at it because I do not think it addresses the problem of the selling and buying of information on donor lists or commercial lists, and that is something the legislation has to address.

[Translation]

Mr. Pierre de Savoye (Portneuf, BQ): Madam Speaker, the member for Wentworth—Burlington is not making this up. What he told us really goes on. It actually does happen. I would like to point out to the House, however, that when a member of the public provides personal information in Quebec, even to a charitable organization, that organization is not permitted by law to pass it on or use it for other purposes. Quebeckers are well protected in this regard.

What the member for Wentworth—Burlington told us about is not going on in Quebec. The legislation is four years old. Quebeckers are well protected. But it can happen in Canada. Bill C-54 now before us will not prevent what the member opposite just described from happening.

That is why I mentioned earlier that the bill has a serious shortcoming. It is not worthy of Canadians, who deserve the same protection as Quebeckers.

Quebec's legislation goes much further. In Quebec, a business that has information and must deal with a business in another country, not just in Canada or in the United States, and must, in the course of the transaction, provide personal information it obtained in Quebec, must have signed an agreement with the individual outside the country to whom the information is being transmitted that that information will continue to be protected to the same extent that it was in Quebec.

Is that not extraordinary? Is it not extraordinary that the people of Quebec have this type of protection of their personal information? Why is the House letting a bill like this one remain so incomplete as to not deal with the real risks faced by Canadians and as described by the member for Wentworth—Burlington?

Sending the bill to committee for re-examination will not change it. I would like to explain to my colleague that it cannot change the nature of the legislation before the House. The point raised by my colleague is in fact intended to change the nature of the bill to make it more encompassing. The bill, obviously, is intended to facilitate and promote electronic commerce.

What my colleague has referred to aims at protecting personal information in electronic commerce or elsewhere.

• (1730)

This is why, even in committee, this bill cannot be amended as substantially as necessary, as my colleague mentioned.

So, my question is: does he not agree that this bill should be returned to the drawing board and that a real bill should be returned to the House to address the serious concerns he raised and I share?

[English]

Mr. John Bryden: Madam Speaker, that is why we have standing committees, to handle difficult problems with legislation. I would expect that the competency of the industry committee looking at this will show and we will get good legislation in the end.

[Translation]

Mr. Pierre de Savoye: Madam Speaker, as I said earlier, in Quebec, information is protected beyond Quebec's borders by requiring those contracted to gather it to provide this protection.

I would like to address another aspect of international trade and share my concerns with the member for Wentworth—Burlington.

When I engage in a transaction on the Internet, I do not always know where my query will take me. Will it be somewhere in the United States, Asia, Africa or Australia? I cannot really tell. It does not matter anyway. When a query is made it travels through phone lines and satellites to a place that may be totally different from the one indicated on the screen.

What recourse do I have if I am not satisfied with the transaction I just completed? In Quebec, we have the Consumer Protection Act. In Canada, representations can be made before a civil court in one province or another. In the United States, remedies can probably be sought through some bilateral agreement.

But the countries with which we have not signed agreements in this area outnumber those with which we have. The net result is that any real development in electronic commerce can only take place if there are multilateral agreements between participating countries—and we hope there will be a great many—ensuring a degree of consumer protection similar to the one enjoyed here, at home, regarding the quality of the service or product and the protection of personal information.

For example, I conduct a transaction, and my name, address, telephone number, credit card number, social insurance number and heaven only knows what else ends up in Timbuktu. From there it goes to Ankara, and Ankara sends it on to Moscow. In the twinkling of an eye, there is information on me all over the world, which does nothing to make my eyes twinkle, because from then on

anyone in the world can use my name and other information in ways I would not necessarily want them to.

In my opinion, Bill C-54 does not provide Canadians with sufficient protection as far as international commerce and exchanges with other countries are concerned. There ought to be some guidelines for Canadian businesses on how to proceed in order to ensure service quality and protect information while doing business electronically.

The bill is extremely narrow, in fact. It should be far broader, if there is any real desire to promote electronic commerce as it deserves, while providing consumers with proper protection of their rights as consumers and as citizens entitled to privacy. What are the thoughts of my colleague from Wentworth—Burlington on this?

• (1735)

[*English*]

Mr. John Bryden: Madam Speaker, I do not doubt that the first obligation to the protection of information is at home. I cited a list of an American direct marketer deliberately to illustrate to the House the dimensions of the problem. It is not just a domestic problem. It is not confined to Quebec. It is not confined to Alberta or to Canada. It is a worldwide problem.

We are at a particular disadvantage because we sit next to one of the most aggressive countries in the world in terms of trying to gather information for commercial uses. We do not have to go anywhere but to the United States to discover people who know very well the value of personal information and who will willingly use it to make dollars for themselves.

We need a very strong piece of legislation at home that puts the obligation on the people who are collecting information in this country to be answerable for how that information is eventually used. But also we have to be cognizant that we can only do so much. We do live in an information age and we cannot expect to create miracles. Information is everywhere available and it is very difficult to control it in an absolute fashion.

One of the things that concerns me in this debate is that we have probably lost sight to a certain degree on just what is the kind of information we need to protect. Is it really a matter of having to protect what religion we are or is it, as I said in my earlier remarks, a matter of protecting information that relates to our financial ability? That is the information that I think can be used very dangerously.

[*Translation*]

Mr. Jean-Guy Chrétien (Frontenac—Mégantic, BQ): Madam Speaker, it is with great interest that I speak this afternoon on Bill C-54.

Government Orders

You will allow me a few seconds to read into the record the title of this bill. I do want to read it because it is a rather long title of about ten lines. The title reads as follows:

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

It is a rather complex bill. A few moments ago, my colleague from Champlain asked what was the most important thing in Bill C-54. Is it promoting the sale of electronic material like computers or the protection of personal information? The hon. member for Champlain told me—and I fully agree with him on this—that he could hardly trust a government led by the present Prime Minister, who purports to respect personal information but does not even respect human beings.

The member for Champlain reminded me of the time when the Prime Minister, wearing his big sunglasses, grabbed an activist by the throat, threw him to the ground and then let his bodyguards break a few of his teeth. If my son did such a thing, he would be charged in court for assault and would surely be found guilty. In the case of the Prime Minister, however, the matter was settled by shelling out \$700 or \$800 to pay the dental bills of Bill Clennett. I am sure you remember this.

The hon. member for Champlain has doubts, which I believe are justified, about the good faith of the government and of the head of that government, the Prime Minister and member for Shawinigan.

He gave us more evidence of this when he welcomed Indonesian dictator Suharto. He forced RCMP officers to clean up the place by 4 p.m.

• (1740)

The place had to be cleared so that Mr. Suharto could leave with a good impression of his visit to Vancouver. The RCMP officers listened and came not with a small pepper shaker so he could sprinkle some pepper over his food, as the Prime Minister said so well, but with big gas cylinders that can reach much further. Excessive force was used against students who had the legitimate right to demonstrate in Canada against Mr. Suharto's lack of respect for civil rights and freedoms.

The Prime Minister did not even respect these students that are our future leaders. This afternoon, during Oral Question Period, in response to a question from a Reform member, the Solicitor General said that he had personally decided against paying the students' legal fees so that they could be properly represented before the commission investigating the conduct of the RCMP.

That is what the Henry VIII clause, which I call the Louis XIV clause, is all about: L'état, c'est moi.

Government Orders

The member for Drummond said the same thing a little while ago. The bill contains a Henry VIII clause, which essentially provides that the governor in council can change the law without parliamentary debate or democratic consultation.

We remember what happened in Quebec in the early 70s in response to the FLQ's activities. The RCMP—and the Prime Minister was then a member of the Trudeau cabinet—was ordered to set fire to barns, to steal dynamite and to blame the FLQ for all this. They even broke into the offices of the Parti Québécois, a democratic political party. RCMP officers were asked to break and enter some places. There were leaks inside the RCMP. There was the Keable Commission. RCMP officers were prosecuted. The same government did not fire the RCMP officers. Instead, they were promoted with a pay increase.

Members can see how important this Henry VIII clause is. We cannot give so much power to people who sometimes lose control and act irresponsibly. We saw what happened when Trudeau threw 500 people in jail, including the late Pauline Julien. Nowadays, everybody is sorry about it, of course.

They lost their head. There were a dozen of FLQ members and they threw 500 people in jail. The War Measures Act abolished freedom in Quebec. The way several Quebecers were treated is awful, they were treated the same way and sometimes worse than the students. A student said that he had to spend 12 hours in jail without any charges being laid and that a RCMP officer had him sign a promise not to protest during the APEC summit. That is how dangerous the Henry VIII clause is.

The Government of Quebec passed two bills for the public corporations, the government, and the private corporations, and that legislation is similar but more complete. That was not done by the Parti Québécois. It was done during the last months of the Robert Bourassa government and under the following government led by Daniel Johnson Jr., that passed a much more complete piece of legislation than Bill C-54 before us.

• (1745)

Bill C-54 is full of assumptions, of words like maybe, we shall see, it could be. Let us take, for example, section 11(2): "If the Commissioner is satisfied that there are reasonable grounds to investigate a matter under this Part, the Commissioner may initiate a complaint—". Consequently it is always subjective. The Commissioner is given a power that he does not have as well as leeway that he should not have.

This bill is full of holes. It undermines Quebec's legislation. This bill will fail miserably, both in the spirit and the letter of its application.

In conclusion, I would like to remind the House that the Bloc Québécois will vote against this bill, of course, and that it regrets

many things. For instance, we believe that the right to privacy, which is recognized explicitly in the 1983 personal information charter and should be applied to all public and private organisations, could be ignored by this bill.

I wish to thank you for your attention, and if there are any questions and comments, I will try to respond to them, of course.

Mr. Pierre de Savoye (Portneuf, BQ): Mr. Speaker, my colleague from Frontenac—Mégantic spoke eloquently of the flaws we see in this bill.

We mentioned on several occasions that Quebec has its own act, which works well, it is efficient and truly protects consumers. For the benefit of the House and in keeping with my colleague's comments, I would like to read a few sections from the current Quebec act. This might inspire the House to make the necessary improvements to Bill C-54.

This is part IV, section 27 of the Quebec Act respecting the protection of personal information in the private sector. Section 27 states: "Any business manager who has a file on someone must, when requested by the person concerned, confirm its existence and release to said individual any personal information it contains".

You and I, every member of the House and the public at large know that we have a file in many organizations. It may happen that the information on file is wrong, which might have an impact on our capacity to enjoy life; for instance a credit file might contain errors which might result in a person being denied or looked at in a funny way when applying for a credit card or a loan, without having a clue as to why or how to rectify the situation.

This cannot happen in Quebec. In Quebec an individual can ask for confirmation of the file and ask the bank manager: "Where did you get the information that my credit is bad?" "I got it in such or such a place", he will answer.

I quote section 28: "Besides the rights provided for in paragraph 40(1) of the Quebec Civil Code, the individual concerned may have any personal information concerning him or her erased if its gathering was not authorized by law".

So, I go where the records are kept and realize some data have been included without my knowledge. I never authorized any company or body to disclose such data to the agency and I can ask that it be withdrawn without prejudice to other legal action that I might take to ensure that those who broke the law are adequately punished.

Under section 29, anyone who operates a business and keeps personal records on other individuals must take proper measures to ensure that they can exercise their rights under Quebec's Civil

Code as well as under this act. Moreover, the person must inform the public where it may consult these records and how to do so.

• (1750)

Quebeckers are protected by strong legislation, the main purpose of which is to protect the public. This is obviously not the purpose of Bill C-54.

I would like my colleague, the member for Frontenac—Mégantic, to tell me what he thinks about the wide discrepancy between the meagre protection proposed for Canadians and the concrete, solid and honest protection provided for Quebeckers.

Mr. Jean-Guy Chrétien: Mr. Speaker, it is quite clear that Bill C-54 is a timid bill. This is a very lukewarm bill that, I believe, only deals with the promotion and commerce of electronic products, and not with the privacy protection of our fellow citizens.

The member for Portneuf has been interested in electronics for several years, since it was somewhat his previous profession in the private sector. We fully realize that this could hit us in the face. The government is stretching the elastic. It is already quite tight and could snap at any time and hit us in the face.

I would like to remind the House that in London, capital city of Great Britain, it was said the each citizen is filmed 51 times a week on average. With the technical means that we have today, this may be very useful. We can find robbers, prisoners on the lam, but just imagine being spied on as you go about your business 51 times a day, Mr. Speaker.

Here in the House of Commons, we see cameras installed almost everywhere on the roofs of buildings. I think they are useful against terrorist acts. Our Prime Minister must be protected. Heaven forbid Canadian citizens should treat him the same way he treats his own people or individuals like Bill Clennett.

Imagine how these laws are misused. With the Henry VIII clause that was described earlier as extremely negative, the minister responsible is given increased powers, terrible powers, a bit like the solicitor general who was telling us again, during oral question period: "I have decided—". Who does he think he is? This afternoon, around 2.30 p.m., I heard him say that he decided that the students' fees for legal counsel would not be paid.

The Henry VIII clause grants similar powers to a minister and if he loses his mind, he can have searches carried out, or things covered up. I remind the House that when the federal police, the RCMP, torches barns, steals dynamite, blows up trucks and steals member lists of a political party that is democratically recognised in this country, it means we have sunk very low. This reminds us of the way things worked under Hitler. This reminds us of the way

Government Orders

things worked under the Communists when the motto was "All for one and one for all". There was no respect for the individual.

This is a real threat to us all and I can assure the House that the Bloc Québécois members will always rise in this House to condemn this. With the means available to us, and if the government is really determined to have Bill C-54 passed, we will try to propose the amendments required so that it is more like Quebec's legislation, which is much more comprehensive and complete and which primarily respects the individual.

• (1755)

[English]

Mr. John Bryden (Wentworth—Burlington, Lib.): Mr. Speaker, it would appear that in this day and age the RCMP does not have to use unusual methods to obtain any political membership list. I am sure it can be purchased now anyway. It is available somewhere for a certain price.

An hon. member: Comme au Québec.

Mr. John Bryden: Maybe in Quebec. I hope the member is right on that.

I appreciated the remarks. Does my colleague opposite see some opportunity in the legislation to address an entirely different dimension, that is being able to buy time on satellites which can peer down into our backyards?

This is a problem that extends across borders. Various spy satellites run by Americans and other powers are now offering satellite time to peer into backyards anywhere in the world. Does the member have a comment with respect to that?

[Translation]

Mr. Jean-Guy Chrétien: Mr. Speaker, the question that my distinguished colleague from the government party is asking reflects exactly what my hon. friend and colleague from Portneuf was pointing out to me earlier this afternoon when he asked whether Bill C-54 was aimed more at promoting modern high technology to advance sales of electronic goods or at protecting personal information about every citizen of this country.

When that question is asked to me, I realize that, for the government party, the protection of personal information is not a priority in Bill C-54, and that, on a scale of ten, this concern would rate at one whereas the promotion and development of high technology would rate at nine.

[English]

Ms. Angela Vautour (Beauséjour—Petitcodiac, NDP): Mr. Speaker, I am happy to rise today to join the debate on Bill C-54. The bill before us aims to support and promote electronic commerce by increasing Canadian confidence in online transactions,

Government Orders

providing protection for personal information that is collected, adjusting the legal framework of the electronic environment, and providing an alternative means for the federal government to provide services.

Bill C-54 is part of a larger overall strategy to make Canada an international leader in the growing realm of electronic commerce. I will talk about some of the contents of the bill and outline the reservations New Democrats have with Bill C-54.

I will discuss the phenomenon of electronic commerce in the information age. A variety of commentators from all sorts of disciplines have commented upon the increasingly important role that electronic commerce is playing in the lives of everyday people.

The chairman and CEO of Bell Canada, Mr. Jean Monty, told delegates at the Ottawa OECD conference last week that we are witnessing the birth of a new economy, a new economic order based on networks and chips. The electronic transfer of information has changed the very way in which humans interact with each other. For this reason it is a subject of great importance and we would be wise to consider carefully any decision we take.

First it may be helpful to discuss the definition of electronic commerce. If we are to adopt a broad understanding of the concept of electronic commerce, we will see that it includes two very different types of transactions. One type which has proven quite successful involves the exchange of information through closed networks. This would include systems such as those used by debit cards and credit cards.

Other types of transfers are those conducted through open networks such as the Internet. This type lags far behind its closed network counterpart for numerous reasons which I will now examine.

• (1800)

When one thinks about the on-line world, a certain minister comes to mind. Just as the solicitor general has had some difficulty lately maintaining the security of his department's private information, so too does the Internet in ensuring the confidentiality of important matters. Canadians have demonstrated a lack of faith in the minister. This is similar to the reservations they have about entrusting their own personal information in cyberspace. It is our job to address these concerns.

The Internet remains for many an intimidating world in which trade relationships are poorly developed and people cannot be certain of the ways in which confidential information is being handled. Businesses as well as consumers are often unsure as to exactly whom they are dealing with, whether payment measures are secure and what the legal frameworks for such transactions are.

The Internet for most Canadians remains a sort of wild west where law and order is poorly represented and people enter at their own risk. Many parents are reluctant to establish Internet access because of well-founded fears that the on-line environment has become a haven for those who traffic in child pornography.

[*Translation*]

At home, we used to be connected up with the Internet, but I gave it up one day because I found some pictures on the screen, and I was very happy that my 10-year old son had not seen them. If my mother had seen them, I would have had trouble talking to her about them.

It is obvious that pornography on the Internet is a serious problem.

[*English*]

Businesses as well as consumers have been clamouring for confidence building measures on electronic commerce for quite some time. Canadians do not want cyberspace to be lawless.

One part of the bill which attempts to tackle people's reservations about trade on the information highway is the section on privacy rights. The bill adopts a set of guidelines developed by the Canadian Standards Association for gathering, using and disclosing the personal information of Canadians.

At the present time, the federal Privacy Act deals strictly with information that is collected by the public service. Bill C-54 goes farther than this. After a period of three years the guidelines for the handling of personal information will apply to all commercial transactions.

For example, the bill would force companies to obtain the consent of Canadians in order to collect personal information. It would force them to only use the information for the purpose for which it is collected.

Under the bill, people would be granted access to the information held about them and they would also have the right to make changes to it when there are inaccuracies. Bill C-54 strengthens significantly the office of the privacy commissioner and allows Canadians a means of recourse against those who abuse confidential personal data.

New Democrats support these provisions in principle and feel that they are long overdue. With the rapid manner in which information can be transferred in today's world it would be reassuring to know that individuals do have some control.

In order that Canadians can feel confident enough to engage in electronic commerce, common guidelines for the handling of personal information are essential. They would benefit business as well as give peace of mind to consumers.

Government Orders

The other prominent section of the bill that attempts to assuage the fears of Canadians is the discussion of security features such as secure electronic signatures which would be recognized by law.

More noticeable however is the absence of any discussion of encryption technology. At first glance this appears to be an adequate solution for addressing security concerns. However, the way in which the government is going about this raises some serious concerns for the future.

Cryptography technology allows users to encode information and then pass it along the Internet. This can be used to encode all sorts of information such as credit card numbers, medical records and private correspondence. In itself this is very good thing.

• (1805)

Unfortunately, the government has adopted a completely hands off approach in the area of licensing encryption software. The government has not demanded any sort of access mechanism that would allow it to intercept and decode such messages.

I fear that the government has forfeited any means whatsoever of policing the Internet. For example, the privacy commissioner would have little power to actually see whether or not personal information is being mishandled and transferred illegally. The privacy provisions in the bill seem then to be weakened by a hands off approach to cryptology.

Also, law enforcement agencies might see their ability to thwart child pornography traffickers severely curtailed. Similarly, without any sort of access mechanism, cryptology technology will possibly play into the hands of organized crime and perpetrators of corporate sabotage.

The fact that government will allow virtually any type of cryptology technology will serve only to increase the security fears of Canadians. The thought that the RCMP and other police forces will be basically powerless to investigate Internet abuses is of great concern. This is a violation of the peace and good government principle upon which this nation was formed. It will do little to make Canadians feel secure.

[*Translation*]

I must add that we are nevertheless in a country where people often find it difficult to feel secure. We saw what happened in recent weeks, not only in Vancouver with the students who were attacked, probably under orders from the Prime Minister, but also the events in New Brunswick. We saw what happened to the parents and the young students of the Saint-Sauveur school when they tried to keep their school open. Premier Frank McKenna had decided he was going to close schools. They sent in the RCMP.

They sent in the pepper spray. They attacked not only the adults, but small children, students.

There are also the events in Kent County in the past two weeks, where a man named Jackie Vautour went fishing for a pail of clams, although fishing season is closed. He ended up with broken bones. I do not understand how that can happen to someone just for going for a pail of clams. This is a 65 year old man.

He and his wife had been in court before for fishing clams in a national park out of season. The charges were thrown out because, as you may or may not know, it is not clear whether Kouchibouguac national park is really a national park.

Each time Mr. Vautour is caught the government drops the charges. That is what they did the first time Mr. Vautour was caught fishing for a little pail of clams. They began proceedings, took him to court and were obliged to drop the charges, because they could not prove where the park boundaries lay. The gentleman went for another pail of clams. This time he had his shoulder and his arm broken. In this case too, a complaint must be lodged with the RCMP commission so the matter will be investigated.

These sorts of things are always the responsibility of someone higher up. When the Saint-Sauveur families were attacked, it was clear who had set the gang on the students. I have no doubt the same thing happened when Jackie Vautour was attacked by the RCMP.

It is outrageous to think that they are capable of breaking limbs. Mr. Vautour did not have a gun or a knife, but he ended up with broken limbs. He and his wife, aged 65 and 64 respectively, ended up in jail because they took a bucket of clams, after park employees had told them they could continue to catch shells.

The same thing happened to a man in 1969 because he did not want to leave his house when Kouchibouguac national park was established. They bulldozed his house. That is what they did to him. He stayed in the park. Had it not been for him, we would have ended up with nothing. In 1971, we left the park with \$6,600. This was the money we had to move, to settle elsewhere. People in Kouchibouguac park did not get rich.

• (1810)

Mr. Vautour was smart. He said "I am not leaving. They put us in boats back in 1755, but I am not going in boats again". This is what happened to Mr. Vautour. My father was told the same thing: "If you do not move, we will be close to your house and you will not get anything". This is what they did, and Jackie had a large family. He stayed anyway and he kept fighting.

I am not saying that what he did was always right, but I do know that this is how the hate started. It started the day they hired someone with a bulldozer to destroy his house. We were not pagans in Kouchibouguac park. We were poor people living in the

Government Orders

middle of nowhere, but we were not people who did not know what they were doing. We were not trash. There was no crime in Clairefontaine, Fontaine, Cap-Saint-Louis and the Kelly region. We were not bad people.

In those days, the current Prime Minister was the minister responsible for expropriation. It is funny how the people who were expropriated from the park re-elected him and made him the Prime Minister of the country. It is incredible how forgiving we Acadians can be. But he better not try his luck again.

I was 11 when we moved away. In our region, people did not have much formal education. But my father had work year round. We had a television and a telephone as well as an Eaton's catalogue we would order from once in a while. We were good folks and still are. The story does not end here. Mr. Vautour went to court to know why his shoulder and arm were busted and why he was thrown in jail. The judge did not even want to let him out for three months pending trial. Mr. Vautour was 65 and his wife, 64.

Is there any justice, any democracy in this country? The APEC Summit does not have the monopoly on lack of justice. It is the same all over the country.

It is ironic for me to have become a member of Parliament. I am sure there are ministers across the way wondering if I will ever stop pressing the Kouchibouguac national park issue. The fact is that we will keep asking questions and raising the matter until our questions on what happened have been answered. In 1969, 239 families were treated unfairly and no commission of inquiry was established. The government does not want to look into what went wrong.

As long as the issue remains unsettled, families will continue to live under extreme conditions within the Kouchibouguac park boundaries. We will carry on and we will not let them down. Coming back to Bill C-54.

[English]

Bill C-54 attempts also to establish the federal government as a responsible and model user of the Internet as a tool for delivering services. With this in mind, many federal statutes were examined to see whether or not their references to means of collecting information were limited to paper. The result was that nearly half seemed to indicate paper transactions as the only legal means of sharing information. Bill C-54 attempts to adjust or apply current laws so that there is an electronic alternative for transmitting information.

[Translation]

It would be interesting if Jackie Vautour could put the history of Kouchibouguac park on the Internet.

[English]

In principle this is a good proposition. It would offer Canadians access to a new and faster means of communicating with government bodies.

The government believes that by acting as a role model, it can stimulate a substantial increase in the use of this technology in all realms. A quick glance at the current electronic commerce situation though reveals that Canadians are far from embracing the Internet. In many cases this is because they simply cannot afford to. Even if we assumed that about 30% of Canadians have some sort of access to the Internet, and this may just be because they have a connected computer at their school, we must acknowledge that the other three-quarters of the country are in the dark.

● (1815)

[Translation]

I think it is important to mention that we have a lot of schools. My son is in grade 7 and I am sure he does not have access to the program. A lot of young people and families today may not be extremely poor, but they certainly cannot afford to have a computer at home. We must be careful.

A few moments ago, a government member seemed proud to say that he could change plane tickets and that it would cost only a few dollars. But how many jobs will be lost? Is anybody trying to maintain some kind of balance in all that? It is all well to say that we are going to save money. Hurrah! the Internet is here and we will save money, but what is the real cost in terms of lost jobs?

In closing, I will say that not everybody is connected and we have to recognize that as a fact. It is a problem for those people, and it is not just a matter of not having a computer.

[English]

Mr. John Bryden (Wentworth—Burlington, Lib.): Mr. Speaker, I welcome this opportunity after the member's remarks to pose a question to her. It arises out of my earlier remarks in which I observed that the bill is deficient insofar as it does not clearly and explicitly explain what the parameters are in sensitive personal information when it comes to fundraising for donor lists for non-profit organizations.

Moreover, in another aspect it also is very deficient in that if a person knows that their name is held as a result of donating to some charity or another and they go to that direct marketing firm that has their name on that list and ask that direct marketing firm how many other lists their name has been distributed to, how many organizations it is out to, according to the legislation as I see it, because of commercial proprietary reasons that direct marketing firm can

withhold that personal information about how a person's name is being used and who it has been given to.

I have a list from an organization in the United States that has this kind of information. It gets the names of these individuals because these individual organizations approach the organization to do direct mail fundraising in Canada for them. It has the list and once it has done direct mail fundraising for a particular organization, it offers that list of names to other organizations for hire or for rent.

For example, the Canadian Abortion Rights League is a group of 7,500 women. We can get their names, as well as the International Planned Parenthood Federation. So someone who is perhaps very virulently anti-abortion can get the information of all those individuals who directly support abortion with their money. I submit that is a very dangerous thing.

I mentioned also that this list contains 73,000 Canadian Jewish donors. I submit to the member that this is a highly dangerous thing because organizations that may be engaged in anti-Semitic activities can therefore access this information one way or another, yet the legislation does not prevent this information from being given out.

When I as an MP have tried in the past to get information from my own government about the funding of women's programs or anti-poverty programs, the names of the individuals involved have often been withheld in this information. I have not even been able to get them under access to information on the grounds that those who seek government grants, either poverty groups, women's groups or other minority groups, need the protection of the government that has their personal information sought as grants. It is very hard to get this information.

Yet on this list to this direct marketer in the United States, this for profit fundraiser, we find the National Action Committee on the Status of Women. There are 5,000 names there. Immediately underneath it is the National Anti-Poverty Organization. There are 17,000 names there. The National Association of Women and the Law, 1,300 names. Under that we have the National Gay and Lesbian Rights Supporters. These are all actually in alphabetical order.

● (1820)

I submit to the member opposite that there is something dreadfully wrong when an MP cannot get the basic information of who these people are who support these organizations. I am not saying that we should but we as MPs cannot get that information from the government even though the government is funding these organizations. Yet for mere money we can go to the United States and get the names of every one of these people.

Government Orders

Is this something that is acceptable to the hon. member? Does she not think that these organizations should not be giving their donor name lists to an American organization and should we strengthen Bill C-54 in such a way as to make this type of thing not occur?

Ms. Angela Vautour: Mr. Speaker, I have to agree with my Liberal colleague for once. It does not often happen.

The member has mentioned incidents that are very alarming and not only in those cases, but there is so much information on the Internet. It is pretty well out of control and nobody has really admitted it. We cannot turn on the Internet without seeing three or four people in positions that I still cannot figure out today.

This is a computer. We have children. It is supposed to be friendly to everybody. I have my limits on friendliness. It goes on and on. There is a need to get control of what is happening on the Internet.

I know we do not want to censor everything where we are all boxed in and we do not know what is happening on the outside. That is not what I am talking about. Most of us in this country have common sense. Sometimes it is unfortunate that common sense does not always win. There are so many other factors that common sense is put off. We say this is what we have to do although we know it is not right.

I have to agree with my colleague. There is a need to strengthen it.

[Translation]

Mr. Claude Bachand (Saint-Jean, BQ): Mr. Speaker, I had a speech prepared for today on Bill C-43, but strong defender of the right to privacy that I am, I could not help but dive into this debate, particularly since there are only a few minutes left and I would not have had the time to finish my speech on Bill C-43.

I have listened to what all my colleagues have said. It is true that I am a defender of the right to privacy. It is not an easy job. In my union days, I have seen police officers entering union premises. It is a bit like having someone break into your home. For me, the right to privacy is absolutely essential.

I have also looked at the difference between the provincial and the federal legislation. I will read the title of the two acts, because this strikes me as important in this debate. What does the provincial legislation say? Its title is an Act respecting the protection of personal information in the private sector, whereas the title of the federal legislation is an Act to support and promote electronic commerce by protecting personal information that is collected, used or disclosed in certain circumstances.

The emphasis of the federal bill can be seen. The economy comes first, before the protection of privacy, rather than the opposite as in Quebec. This is the main reason I believe the federal

Adjournment Debate

bill we have before us at this time needs to take its inspiration from the provincial legislation.

Knowing how the Liberal Party operates, what is more important: protecting privacy or protecting the economy, protecting human rights or protecting the economy? So far, I find the Liberal newsletter is very weak on the protecting of protecting human rights before the economy.

In a bill like the one we have here, why would the federal government now be protecting privacy rights over economic rights?

• (1825)

The bill has some serious weaknesses, in my opinion. Some of them have been pointed out. There is the whole issue of the schedule. The schedule contains most of the substance. It strikes me as odd that it is necessary to refer to the schedule rather than the bill proper for questions of interpretation.

Lawyers will have a field day with it, and not just because of this business of the schedule. The bill itself is full of conditions. Imagine someone who wants to defend his right to privacy as opposed to an economic right, and who tells the court that he thinks his privacy has been violated. Everything is in the conditional, leaving the citizen no choice but to hire a lawyer, while we know what the federal government will do if it wants to defend its legislation. It has the best lawyers. It has a justice department chock full of lawyers, and never-ending coffers to dip into.

In addition, a lot of questions are now being asked about the need to drag these issues through the courts, and this is yet another example. The public is being told that all it has to do, if it does not agree with the interpretation of the legislation, is take the government to court. This is typical of this government. I think that the average citizen is at a disadvantage, because he faces economic limitations that the government does not have to think about.

I would also like to mention the famous Henry VIII clause. We know that Henry VIII proceeded by decree when calling for the death of his opponents. It was as simple as that. Fortunately, the Henry VIII clause no longer exists and the Prime Minister cannot avail himself of it. Otherwise, there might be 45 victims on this side of the House. I have a feeling that we would be hit with a royal order in no time.

This bill gives the governor in council full discretion to amend the regulations. But who can amend regulations? On whose recommendation, under whose pressure will the governor in council amend a bill?

In dealing with this bill, we have to consider the big lobbying firms. Who can afford to hire big lobbying firms today besides major Canadian corporations, big banks? They have a lot of money.

What will outweigh everything else when the time comes to decide whether regulations should be amended for the governor in council, in other words cabinet? What will prevail? Will it be the opinion of consumers? Will it be the opinion of the organizations that defend the right to privacy, or rather will it be those with economic clout? Which is the biggest backer of political parties?

We have no problems with this. Our funding comes from the grass roots. But who funds the Liberal government? The major corporations: Bombardier, Bell Canada, the Royal and Toronto-Dominion banks, and the like. Those are the ones with the big money. They are the ones backing the Liberals.

Mr. Jean-Guy Chrétien: Pierre Corbeil knows who it is.

Mr. Claude Bachand: The hon. member for Frontenac—Mégantic says that Pierre Corbeil knows who is behind the Liberal Party funding. It is not citizens' organizations, and not the consumer protection organizations, for they have no money. Their strength lies in collective effort and consolidation against a government which accepts financing from all these big corporations.

To whom do you think the governor in council will listen? Who do you think the cabinet will listen to? Not the organizations. Not the defenders of the right to privacy. The Governor in Council will listen to those who are behind the funding. They will say to each other: "We will change the regulations because the people funding us don't like the way things are at present, either the little details or the major points. So we will change all that".

In my opinion, this bill is not right, and I join with my colleagues in the Bloc Québécois in saying that I will be pleased to vote against it.

The Acting Speaker (Mr. McClelland): The hon. member for Saint-Jean will have 13 minutes the next time we debate this bill.

ADJOURNMENT PROCEEDINGS

• (1830)

[*Translation*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

ASBESTOS

Mr. Jean-Guy Chrétien (Frontenac—Mégantic, BQ): Mr. Speaker, for too long now, the Minister for International Trade has been pathetically slow to defend asbestos internationally. He seems to have nodded off completely on this issue.

Adjournment Debate

The proof is that his government waited 30 months before finally deciding to turn to the WTO to challenge France's unjustified ban on asbestos. The minister clearly has a double standard when it comes to defending Canadian companies on the world market.

How can he explain the speed with which he rushed to the defence of the Toronto-based Sherritt company, when the United States passed the Helms-Burton legislation? Why, at the same time, was he so timid and slow in defending the interests of asbestos workers?

I hold the Minister for International Trade, the Prime Minister and Canada's ambassador to France, Jacques Roy, responsible for the negative impact of France's ban on chrysotile asbestos and the resultant domino effect.

Asbestos sales have been dropping for several months, leading to the closing of the BC mine and increasingly frequent sporadic closings in two other mines, Lac d'Amiante and Bell, in Thetford Mines. In the meantime, the minister just throws up his hands.

Why is this government not taking the necessary action to promote chrysotile asbestos, a product unique in the world, effectively? Why is it not ordering an exhaustive study of the environmental risks of the products replacing asbestos? Why is it not also ordering a study of the poor performance of these replacement products?

Yes, the minister took vigorous and speedy action in the Sherritt case, in the case of durum and in the case of Pacific salmon, but when it comes to asbestos, the response has been limited to telephone conferences organized by Ambassador Roy or small evening receptions where a personal friend of Canada's Prime Minister has presented his French counterpart with a piece of asbestos.

What the asbestos region needs is a government that defends its interests actively on the international scene. This government does not even come close.

Mr. Jacques Saada (Parliamentary Secretary to Solicitor General of Canada, Lib.): Mr. Speaker, I would ask the member

opposite to be a little more cautious when making allegations which may seem good to get media coverage, but which are not based on reality and concrete facts.

The Government of Canada, in co-operation with the Quebec government, the industry, unions and local communities is striving to maintain access to foreign markets for chrysotile products. While some may claim nothing has been done, we should take a look at the facts.

In September 1997, the Government of Canada organized, in co-operation with the Quebec government, an international conference on the safe and responsible use of chrysotile fibers. Some 300 delegates from 45 countries attended the event. In March, April and May 1998, the Government of Canada organized visits for Belgian, British and Moroccan journalists, who toured Canada's asbestos industries.

We have never missed an opportunity to make representations at the highest levels, whether in the United Kingdom, France, the European Union, or elsewhere in the world. The Government of Canada has always indicated that it was fully prepared to take the issue to the WTO, at the appropriate time. We would have preferred to settle this dispute on a bilateral basis. Since this was not possible, we took the next step, which is to ask for the setting up of a WTO panel.

As you can see, Mr. Speaker, and as my colleague can also see, this is simply a matter of good faith. The Government of Canada and its partners are working together in a co-ordinated fashion on all fronts, and they intend to continue to do so.

[English]

The Acting Speaker (Mr. McClelland): The motion to adjourn the House is now deemed to have been adopted. Accordingly, the House stands adjourned until tomorrow at 10 a.m. pursuant to Standing Order 24(1).

(The House adjourned at 6.34 p.m.)

CONTENTS

Monday, October 19, 1998

PRIVATE MEMBERS' BUSINESS

Salaries for Stay-at-Home Mothers and Fathers

Mr. St-Julien	9065
Motion	9065
Mr. Lowther	9065
Mr. Crête	9067
Ms. Davies	9068
Mr. Price	9070
Mr. Szabo	9070
Mr. Myers	9072
Mr. Breitzkreuz (Yorkton—Melville)	9073
Mr. St-Julien	9073

GOVERNMENT ORDERS

Personal Information Protection and Electronic Documents Act

Bill C-54. Second reading	9074
Mr. Manley	9074
Mr. Schmidt	9076
Mrs. Lalonde	9080
Mr. Riis	9083
Mr. Assadourian	9086
Mr. Riis	9086
Mr. Assadourian	9086
Mr. Riis	9086
Mr. Jones	9087

STATEMENTS BY MEMBERS

Student Week of Action

Mr. Adams	9089
-----------------	------

APEC Summit

Mr. Abbott	9090
------------------	------

The Late Right Honourable Brian Dickson

Ms. Bakopanos	9090
---------------------	------

National Sports Centre

Mr. Cannis	9090
------------------	------

Governor General's Award

Ms. Augustine	9090
---------------------	------

The Senate

Mr. Benoit	9091
------------------	------

Women's History Month

Ms. Bulte	9091
-----------------	------

The Late Right Hon. Brian Dickson

Mr. Murray	9091
------------------	------

The Cabinet

Mr. Grewal	9091
------------------	------

Julie Payette

Mr. Patry	9092
-----------------	------

Canadian Coast Guard

Mr. Stoffer	9092
-------------------	------

André O. Dumas

Mr. Guimond	9092
-------------------	------

Centres of Excellence

Mr. Drouin	9092
------------------	------

Department of National Defence

Mr. Price	9092
-----------------	------

Family Service Canada

Mr. Harb	9093
----------------	------

1998 Nobel Peace Prize

Mr. Turp	9093
----------------	------

Progressive Conservative Party of New Brunswick

Mr. Herron	9093
------------------	------

ORAL QUESTION PERIOD

APEC Inquiry

Mr. Manning	9093
Mr. Chrétien (Saint-Maurice)	9093
Mr. Manning	9094
Mr. Chrétien (Saint-Maurice)	9094
Mr. Manning	9094
Mr. Chrétien (Saint-Maurice)	9094
Mr. Abbott	9094
Mr. Chrétien (Saint-Maurice)	9094
Mr. Abbott	9094
Mr. Chrétien (Saint-Maurice)	9094
Mr. Duceppe	9094
Mr. Scott (Fredericton)	9094
Mr. Duceppe	9095
Mr. Chrétien (Saint-Maurice)	9095
Mr. Marceau	9095
Mr. Chrétien (Saint-Maurice)	9095
Mr. Marceau	9095
Mr. Chrétien (Saint-Maurice)	9095
Mr. Robinson	9095
Mr. Chrétien (Saint-Maurice)	9095
Mr. Robinson	9095
Mr. Chrétien (Saint-Maurice)	9095
Mr. Chrétien (Saint-Maurice)	9096
Mr. MacKay	9096
Mr. Chrétien (Saint-Maurice)	9096
Mr. MacKay	9096
Mr. Chrétien (Saint-Maurice)	9096
Mr. Chrétien (Saint-Maurice)	9096
Mr. Harris	9096
Mr. Scott (Fredericton)	9096
Mr. Harris	9096
Mr. Scott (Fredericton)	9097

Employment Insurance

Mr. Crête	9097
Mr. Pettigrew	9097
Mr. Crête	9097
Mr. Pettigrew	9097

The Senate

Mr. Hanger	9097
Mr. Chrétien (Saint-Maurice)	9097

Mr. Hanger	9097
Mr. Chrétien (Saint-Maurice)	9097
Employment Insurance	
Mr. Loubier	9098
Mr. Martin (LaSalle—Émard)	9098
Mr. Loubier	9098
Mr. Martin (LaSalle—Émard)	9098
The Senate	
Ms. Meredith	9098
Mr. Dion	9098
Ms. Meredith	9098
Mr. Chrétien (Saint-Maurice)	9098
Employment Insurance	
Mrs. Gagnon	9098
Mr. Pettigrew	9098
Action Plan for Food Security	
Mr. McCormick	9099
Mr. Vanclief	9099
Aboriginal Affairs	
Mr. Cummins	9099
Mrs. Stewart (Brant)	9099
Mr. Cummins	9099
Mrs. Stewart (Brant)	9099
APEC Inquiry	
Mr. Blaikie	9099
Mr. Chrétien (Saint-Maurice)	9099
Multilateral Agreement on Trade	
Mr. Blaikie	9099
Mr. Marchi	9100
APEC Inquiry	
Mr. MacKay	9100
Mr. Scott (Fredericton)	9100
Mr. MacKay	9100
Mr. Chrétien (Saint-Maurice)	9100
Aboriginal Affairs	
Mrs. Longfield	9100
Mr. Rock	9100
Royal Canadian Mounted Police	
Mr. White (Langley—Abbotsford)	9100
Mr. Scott (Fredericton)	9101
Multilateral Agreement on Investment	
Mr. Sauvageau	9101
Mr. Marchi	9101
Employment Insurance	
Mr. Godin (Acadie—Bathurst)	9101
Mr. Pettigrew	9101
Taxation	
Mr. Brison	9101
Mr. Martin (LaSalle—Émard)	9101
Trade	
Mr. Graham	9101
Mr. Marchi	9101
Royal Canadian Mounted Police	
Mr. Hill (Prince George—Peace River)	9102
Mr. Scott (Fredericton)	9102

Privilege	
Canadian Millennium Scholarship Foundation	
Mr. White (Langley—Abbotsford)	9102
Mr. Boudria	9103
Mrs. Ablonczy	9103
Mr. Riis	9104
The Speaker	9104

ROUTINE PROCEEDINGS

Reform's Anti-Profitteering Act	
Bill C-442. Introduction and first reading	9104
Mr. Grewal	9104
(Motions deemed adopted, bill read the first time and printed)	9104

Canadian Human Rights Act	
Bill S-11. First reading	9104
Ms. St-Jacques	9104
(Motion agreed to and bill read the first time.)	9104
Mr. White (Langley—Abbotsford)	9104
Motion	9104
Mr. Riis	9104
Mr. Crête	9105

Petitions	
Indonesia's Chinese Community	
Mr. Saada	9105
The Family	
Mr. Szabo	9105
Alcohol	
Mr. Szabo	9105
Young Offenders Act	
Mr. Bailey	9105
Marriage	
Mr. Bailey	9105
Nuclear Weapons	
Mr. Doyle	9105
Bill C-68	
Mr. Chrétien (Frontenac—Mégantic)	9106
Bill C-225	
Mr. Richardson	9106
Justice	
Mr. Hilstrom	9106
Bill C-225	
Mr. Hilstrom	9106
Abortion	
Mr. Hilstrom	9106
Multilateral Agreement on Investment	
Mr. Riis	9106
Cruelty to Animals	
Mr. Riis	9106
Bill C-68	
Mr. Crête	9106
Questions on the Order Paper	
Mr. Adams	9106
Questions Passed as Orders for Returns	
Mr. Adams	9107

GOVERNMENT ORDERS

Personal Information Protection and Electronic Documents Act	
Bill C-54. Second reading	9108
Mr. Jones	9108

Mr. Lastewka	9108
Mr. Jones	9108
Mr. de Savoye	9108
Mr. Jones	9109
Mr. Crête	9109
Mr. Jones	9109
Mr. Shepherd	9109
Mr. de Savoye	9111
Mr. Shepherd	9111
Mr. Chrétien (Frontenac—Mégantic)	9111
Mr. Shepherd	9111
Mr. Myers	9112
Mr. de Savoye	9113
Mr. Myers	9114
Mr. Crête	9114
Mr. de Savoye	9117
Mr. Crête	9117
Mr. Chrétien (Frontenac—Mégantic)	9118
Mr. Easter	9118
Mr. de Savoye	9118
Mr. Crête	9118
Mr. de Savoye	9118
Mr. de Savoye	9120
Mr. de Savoye	9121
Mr. Cauchon	9121
Mr. de Savoye	9121
Mr. Bryden	9121
Mr. Bryden	9122

Mr. de Savoye	9122
Mr. Bryden	9122
Mr. de Savoye	9122
Mr. Bryden	9122
Mr. de Savoye	9122
Mr. Bryden	9123
Mr. de Savoye	9124
Mr. Bryden	9124
Mr. de Savoye	9124
Mr. Bryden	9125
Mr. Chrétien (Frontenac—Mégantic)	9125
Mr. de Savoye	9126
Mr. Chrétien (Frontenac—Mégantic)	9127
Mr. Bryden	9127
Mr. Bryden	9127
Mr. Chrétien (Frontenac—Mégantic)	9127
Ms. Vautour	9127
Mr. Bryden	9130
Ms. Vautour	9131
Mr. Bachand (Saint-Jean)	9131
Mr. Chrétien (Frontenac—Mégantic)	9132
Mr. Bachand (Saint-Jean)	9132

ADJOURNMENT PROCEEDINGS

Asbestos	
Mr. Chrétien (Frontenac—Mégantic)	9132
Mr. Saada	9133

MAIL  POSTE

Canada Post Corporation/Société canadienne des postes

Postage paid

Port payé

Lettermail

Poste-lettre

03159442

Ottawa

If undelivered, return COVER ONLY to:

Canadian Government Publishing,
45 Sacré-Coeur Boulevard,
Hull, Québec, Canada, K1A 0S9

En cas de non-livraison,

retourner cette COUVERTURE SEULEMENT à:

Les Éditions du gouvernement du Canada,
45 boulevard Sacré-Coeur,
Hull, Québec, Canada, K1A 0S9

Published under the authority of the Speaker of the House of Commons

Publié en conformité de l'autorité du Président de la Chambre des communes

Also available on the Parliamentary Internet Parlementaire at the following address:

Aussi disponible sur le réseau électronique «Parliamentary Internet Parlementaire» à l'adresse suivante :
<http://wwwparl.gc.ca>

The Speaker of the House hereby grants permission to reproduce this document, in whole or in part, for use in schools and for other purposes such as private study, research, criticism, review or newspaper summary. Any commercial or other use or reproduction of this publication requires the express prior written authorization of the Speaker of the House of Commons.

Additional copies may be obtained from Canadian Government Publishing, Ottawa, Canada K1A 0S9

Le Président de la Chambre des communes accorde, par la présente, l'autorisation de reproduire la totalité ou une partie de ce document à des fins éducatives et à des fins d'étude privée, de recherche, de critique, de compte rendu ou en vue d'en préparer un résumé de journal. Toute reproduction de ce document à des fins commerciales ou autres nécessite l'obtention au préalable d'une autorisation écrite du Président.

On peut obtenir des copies supplémentaires en écrivant à : Les Éditions du gouvernement du Canada, Ottawa, Canada K1A 0S9

On peut obtenir la version française de cette publication en écrivant à Travaux publics et Services gouvernementaux Canada – Édition, Ottawa, Canada K1A 0S9.