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(HANSARD)

Monday, November 16, 1998

Speaker: The Honourable Gilbert Parent

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HOUSE OF COMMONS

Monday, November 16, 1998

The House met at 11 a.m.

Prayers

PRIVATE MEMBERS' BUSINESS

● (1105)

[*English*]

CHARITABLE CONTRIBUTIONS

The House resumed from October 1 consideration of the motion.

Mr. Mac Harb (Ottawa Centre, Lib.): Madam Speaker, I would like to thank members for giving me the opportunity to speak to this motion. I know that my colleague opposite had six minutes remaining, but since he is not here I will take the opportunity.

I want to commend the hon. the member for Fraser Valley for introducing this motion, which suggests that the government bring in legislation to make the tax deduction for contributions to charitable organizations no less than the tax deduction for contributions to political parties.

On the surface, if one were to look at this motion they would say it is great. For myself, as someone who represents a constituency that is urban in nature, I have thousands of organizations and community groups who on a daily basis are doing good work in the community. I do not want to name these organizations, but I can tell members that they range from hospitals to educational institutions to children's organizations to health and social service organizations to housing groups and so on.

These men, women, young boys and girls are out in their community on a daily basis, reaching out, trying to help those who are in need of help. Frankly, if we want to address the issue of charities and charitable work, it is these individuals and organizations that we have to acknowledge with regard to the well-being of our society and our community.

These individuals volunteer because they want to do good. These people contribute thousands of hours on an annual basis. They contribute their time and energy, not because they want to be rewarded, not because they want to be recognized, but because they want to do something good for the community. These individuals volunteer because it makes them feel that much better about themselves and about the society in which they live, and they feel good about supporting and helping others.

At no time have I ever heard an individual tell me that he or she was not going to support an organization or a cause because there were no financial incentives. These people volunteer because they want to. They do it because they know that they live in a compassionate and caring community.

I want to pay tribute to the parliamentary secretary for finance for speaking on this issue. He clearly stated to the House that what we require in this society is a balance.

We have a system which treats political contributions differently than charitable contributions. I will tell members how.

● (1110)

If I was to give $100 to a political organization, then at the end of the year I would be able to claim a tax credit of $75. However, if I was to give a charitable organization $100, at the end of the year I would only be able to claim $30.

On the surface anyone would say that is unfair and that we have to correct this situation. But that is not the whole issue.

The vast majority of Canadians give more than $300 a year, especially those who give to charities. As a result, the government has recognized the need to provide incentives to those who want to give to charities. Therefore, the government created a balance. It created a sliding scale. Those who contribute $250 or more to charities will get more of a tax rebate or more of a tax credit. For those who give to political organizations the government has created a sliding scale that decreases in terms of a tax credit.

In a sense it is not fair for us to judge the system on the first $10, $20 or $30 that my colleague was talking about. This is not what all of these men and women are giving to charities.

What they are giving to charities over a period of a whole year, which in most cases is over $250, is where we see the beauty of our tax treatment and the beauty of our system when it comes to recognizing those who are giving to charities.

It becomes clear at $1,150. Say, for example, that an individual Canadian is giving $1,160 to a charity and is giving $1,160 to a political party. He will get more credit for his contribution to the charity than to the political organization. If somebody gives a charitable organization $2,000 he will get a lot more in tax credits than if he was to give that $2,000 to a political party. If he gave $1,180, for the additional $30 he will get no tax credit. If he gave $2,000 he will get no tax credit for the additional $850.

To that extent the tax system is fair when one looks at the outer end, at those amounts above $250 or $300.

If we were to make large contributions like many organizations and individual Canadians do, for example to a hospital or to a university, if $10,000 or $20,000 was given, a tax credit of up to 75% would apply. However, if $10,000 or $20,000 was given to a political party there would not be a tax credit.

We have to look at the whole spectrum rather than simply looking at one small piece of the pie. If we were to look at the whole spectrum I would say we have gone a long way in trying to address the inequity in the system.

The government, since taking office, has introduced a number of initiatives and I would like to list only three. First, the government adopted measures that will lower the threshold for eligibility for the 29% tax credit to $200 from $250. Second, it adopted measures that will raise the annual income limit for the use of charitable donations to most charities from 20% to 75%. Third, it has reduced the income inclusion rate for capital gains arising from donations of appreciated publicly traded securities to 37.5%.

I would say that the measures which have been taken by the government are fair. Are they the best things we can do for charities? No. We can do a lot more. Are we doing more for charities? Yes. Should we do more for charities? Yes. There are over 80,000 charitable organizations across the land. Collectively their voluntary contribution in terms of manpower, in terms of men and women contributing through charities, is in excess of $12 billion a year. These are the issues that need to be addressed if we want to look at the fairness of the system and at the equity of the system.

● (1115)

The motion as proposed by my colleague would not solve the problem at all. It would be a complicating factor rather than solve the problem. What we have before us is a balancing act.

Mr. Eric Lowther (Calgary Centre, Ref.): Madam Speaker, I appreciate the opportunity to speak to Motion No. M-318.

I will add a few contextual comments and note that we live in a time that is unparalleled in human history. Information is flooding our senses. New developments occur monthly that in the past took decades, if not longer.

I remember the comments of a leading social scientists who put it somewhat in perspective. He said that a 70 year old person living today has seen more technological and related social change in his or her lifetime than occurred in the entire human history prior to his or her birth.

Business communities and social communities form, thrive, mature and decline in much shorter cycles than ever before. Boom and bust cycles are shorter. We live in a time of dynamic and exciting change all around us. To attempt to hold to the old paradigm of a top down, centralist approach that says we will meet all needs just cannot do the optimal job in a dynamically changing nation made up of the communities in which we live.

Reform has long recognized this point. It is one of the reasons we advocate that the first order of government should be that which is closest to the people: municipal government first and then provincial government. The federal government should only address key national issues. Government close to the people will serve them best.

I appreciate Motion No. M-318 because it parallels this philosophy. The motion provides an opportunity to empower local communities to best tailor solutions which meet the needs within their communities. The motion reads:

> That, in the opinion of this House, the government should bring in legislation making the tax deduction for contributions to charitable organizations no less than the tax deduction for contributions to political parties.

If we can provide a strong funding incentive to political parties through the tax act, why not charitable organizations that work for the good in our communities? Charitable organizations usually combine volunteer or contributed service with the dollars they receive, thereby increasing the contribution of each dollar in the community.

Charities usually manage their money carefully as it is dependent upon charitable giving. It is not a limitless supply. They must demonstrate effective management and results if contributions are to continue. The needs of the community vary. Individuals giving to the charities of their choice express the needs within the community. Their choices allow for the matching of givings to the preferences of the givers and the priorized needs of the community.

Large scale government programs funded by tax dollars do not allow the giver to choose and do not allow for variations in community needs. They are more likely to cost more and deliver

less. In short the community approach hits the mark. The government approach is less than the best and often misses the mark.

In light of the efficient way in which charities contribute to the quality of life in our communities, especially considering the dynamics of the times we live in and the need to improve the effectiveness of government social programs, it is time consider changing the tax act to address the inequitable tax treatment of charities versus political parties.

We can pose this question in our ridings ''Do you think a dollar given to a charity does at least as much if not more for the quality of life in your community than a dollar given to a political party?'' I know what the answer would be in my riding. I think we all do. It is time to support the motion.

Calgary Centre is a thriving entrepreneurial business capital with more than 103 corporate head offices. Calgary is second only to Toronto in the number of head offices. Yet contrary to the heartless image of the entrepreneurial profit making business people, which is a picture some in the House like to paint, Calgary thrives with volunteers and charities that make for a rich quality of life in a very caring community.

● (1120)

Calgary's rate of volunteerism is one of the highest in Canada. Charities such as CUPS work with street people in the inner city, drug addicts and prostitutes. They train, coach, counsel and care for people effectively. Through the efforts of this charity Calgarians have seen many gain victory over their past and find joyful purpose again through the work of the dedicated volunteers in that charity.

We could take the example of the Calgary street teens program run by a retired vice-squad Detective Ross McInnis who together with his volunteers give many hours and often risk their personal safety to save the lives of young teenagers who have become enticed and trapped in the drug and prostitution activities that sometimes occur in the inner city. Families have been restored through this program. Some of the troubled youth who have been helped now work to help others ensnared in teen prostitution.

The Youth Immigration Support Society of Calgary is run by a Calgary doctor. The purpose of this charity is to help integrate immigrant second language youth in a healthy way into our Calgary community. I met many of these teens and saw their joyful faces. This is work that no other group could do in the same way.

For close to 15 years now Jubilee Christian Centre has provided a Christmas banquet for the homeless and disadvantaged in Calgary. Over the years, thanks to donations of many corporate and private sponsors, this event has grown. Hundreds of volunteers now provide an all you can eat five course meal, clothing and gifts for 1,500 people at a massive Christmas party. The volunteers have as much fun as the guests.

These and hundreds more that I could list are examples of the vibrant contributions to the quality of life that charities provide to the Calgary community. Government programs cannot duplicate the sense of community, caring and joy giving that charity work brings. If giving to a political party has benefit, giving to a charity has no less benefit. Some would reasonably argue that giving to a charity adds far more to the quality of life in our communities.

I also note that this idea is not foreign to the House. It was a suggestion made by the finance committee in 1996 which recommended:

> —that the government consider enhancing the charitable tax credit for donations to charities currently funded by governments to make it as generous as the current political tax credit for small donations to political parties.

Two years ago the finance committee recommended the change we are debating in the motion today. I hope now is the time to move ahead.

For sake of time I move to my summary and note that change is everywhere. Let us empower the charities on the frontline in Canada and in Canadian communities to meet the needs of those communities. They are closer to the community. They add value to the dollars they are given through flexible volunteerism. They have heart and caring that government programs can never match.

The finance committee recommended it two years ago. In a post-deficit world it is right to give these charities that are giving time and effort to Canadians fair treatment. Let us give this process fair consideration and unanimously support Motion No. M-318.

Mr. Mark Muise (West Nova, PC): Madam Speaker, it is a pleasure for me to rise today to speak to Motion No. M-318. The PC Party is willing to support the motion on behalf of charities across Canada.

With the latest round of government downsizing charities across the country have been placed under even more pressure and perform wider ranging activities. A perfect example of this is the Victorian Order of Nurses. The VON is a national organization with branches reaching across the country. In recent years the role of the VON has been forced to expand exponentially as our health care services have been cut by the Liberal government. Many branches have been forced to increase their fundraising efforts to make up for the decline in funding resulting from higher cuts at the federal and subsequently provincial levels.

● (1125)

The VON branch in my riding of West Nova and those in many other areas have suffered severe funding cuts from the municipalities as the counties struggle to deal with cuts from provincial and federal governments.

A charity organization like the VON offers essential health services to the elderly in my riding. Programs like PEP, promoting elderly participation, which was initiated with the help of Health Canada during the Conservative government, help to keep seniors active and involved with other citizens in their community. These are programs that no longer receive government funding. The charities have had to find alternative funding arrangements to continue their services.

Meanwhile VON groups are also forced to fundraise to subsidize visiting nurses programs to individuals who need to be checked at home. For the elderly who cannot afford to pay for home visits, these services are essential to their health care. These visiting nurses programs combined with PEP, respite care and Meals on Wheels would not exist if it were not for the dedication and perseverance of volunteers and the generosity of donors.

When a person representing a political party in Canada can offer a potential donor a greater tax incentive to donate to a political party than an individual canvassing for a group like the VON, or many other worthwhile charities that provide essential health services, it uncovers an injustice in our tax system. It also highlights a larger problem: the complexity of Canada's tax code.

If I had a complete copy of our tax code today it would stand nearly the same height as I am from the floor. Filing a tax return should not require an individual to hire a tax lawyer or an accountant. We are talking about dealing with our own government and having to hire someone to do it for us.

When I stand in the House to discuss tax relief for low income Canadians it should be remembered that tax reform should not make tax more complex. The guiding principle behind tax reform should be tax simplification. Even the finance committee recognizes the need to assist our charities in their efforts to expand their fundraising activities.

During prebudget consultations last year witnesses before the committee suggested the exact motion we are debating today. The finance committee included it as a recommendation in its report to the Minister of Finance.

In conclusion, charities like the VON and many others should not be at a disadvantage compared to political parties when canvassing for donations. If we were to increase the charitable donations to be in line with the political system, charities across the country would receive enormous benefit. These charitable organizations offer essential services to society and should be encouraged, not discouraged, from continuing their activities.

Mr. Jerry Pickard (Chatham—Kent Essex, Lib.): Madam Speaker, there is absolutely no question that the government thinks it is very important to make sure all charitable organizations obtain contributions and recognition for the work they do. I and everyone else in the House would certainly support measures to make sure that political contributions and the work done by charitable organizations are recognized.

This is a motherhood issue when we stop to think about it. On the one side we can say that charitable organizations fill many gaps that government can no longer afford to pay. Charitable organizations can broaden the spectrum and add to the quality of life of many people. That is a given and is very true. Every one of us sees it in our communities.

● (1130)

I commend all charitable organizations and all the work they do. This bill however brings bring into existence a change in tax policy and suggests that whatever we do on the political contribution side should be matched equally on the charitable side. In that kind of scenario I question whether both of those measures have been set up for very specific reasons.

It is my belief that charitable organizations have been treated relatively well by this government. We have moved the agenda forward. We have increased the tax forgiveness for charitable organizations over the last four years even though we have had very tough times. The government is no longer spending $42 billion more than it is taking in. The direction has been to make sure that there is a balanced approach to this question.

Talking against a tax structure for charitable donations might be like talking against apple pie. The reality is that for the first $200 of charitable donations, the dollar amount people can have as a tax deduction is in the neighbourhood of 30% whereas for the first $200 of donations to a political party, the amount is somewhere in the neighbourhood of 60%.

There is a little better tax break for very small amounts given to a political party. However, as the tax structure is built, those people who give larger amounts to charitable organizations receive a far better tax break. After that magic figure of $200, people who give for example $100 to the heart association, $100 to the cancer association, $100 to a walkathon or some other local fundraiser, will get a better tax break after they have given $200 than before.

The point is that this government cannot afford to chop money out of its operating budgets because we would be placed in a position of reducing service to the Canadian population. In talking about the cost of this motion, without taking into account all of the donations above $200, it is my understanding on the first amount where this bill may equalize the political contributions and the charitable donations, it would cost the government in the neighbourhood of $125 million on that first $200. That is a pretty hefty cost.

A lot of work has gone into every government department to make sure that they streamline their spending, hold wage increases

to employees, make certain that all things happening in every department to deliver the most vital services at the least expense have been looked at. Now we hear from the opposition to spend money here, spend more money there, give tax breaks here, give another opportunity there. At every juncture we are being asked to run this country using the scenario it ran on for so many years: if there is a problem, run the wheelbarrow full of money out and resolve the problem; if somebody wants money for a venture or somebody is having a problem, government can solve it by spending more money.

We came out of that. This country is doing better on the world scene today. We are doing better on the employment initiatives. We are doing better on delivery of service to Canadians. We are doing better because we have not moved to a different course of spending more money than we can, reducing taxes to buy in many cases the favour of a few.

● (1135)

At this point it is important that the government maintain the course we are on. We have to do the best we can for those making political donations. We have to make certain the rules and opportunities are there for those offering services to Canadians so we can help them as well as we can. However, I am frightened because day after day I hear more people suggesting in the House that we have money to spend and to give away, that we do not need to take in as much revenue. All those arguments are there, but that will inevitably lead us to our own defeat.

We must maintain a course of being as prudent as we can be. We must maintain a course of making sure we deliver services as efficiently as we can. We must make sure we maintain what Canadians have elected us to do, to be prudent in the decisions we make in the House and to make certain we get this economy back on track.

Some people say that since we have $3 billion to $6 billion more income than what we are spending, we should spend that $3 billion to $6 billion. I remind everybody in this House that there is a debt of $600 billion which must be paid for either by people today or by future generations. We cannot and should not get into a situation where we do anything except stay the course and try to be as fair with every organization and citizen as we can be.

Although it is a motherhood and apple pie issue in many ways where some say we should give them a better break, the other side of the coin suggests that if we continue to move in that direction we will be going back to old ways which inevitably will be bad for Canadians.

Mr. Gerry Ritz (Battlefords—Lloydminster, Ref.): Madam Speaker, it is a pleasure to rise today in support of my colleague's motion. The timing is certainly right. We are in the middle of prebudget consultations. It has been looked at a couple of times already, but this year it may have a little more credibility when it comes to the floor.

For the record the motion is ''That, in the opinion of this House, the government should bring in legislation making the tax deduction for contributions to charitable organizations no less''—and I stress no less—''than the tax deduction for contributions to political parties''.

Examples have been stated before. Someone giving a $100 donation to a political party will receive a $75 federal tax credit, while a $100 charitable donation, which is the average donation given to a charity or less than that, only garners $17. There is quite a disparity. Motion No. M-318 sets out to change that and to make it better for everyone.

I would like to make it clear that we are not calling for more more complexity to the tax code or for more government expenditures. Motion No. M-318 urges the government to make the charitable tax credit no less than the political tax credit. The words ''no less'' give the government flexibility to change the tax credit in any way it likes. It can lower the political donation tax credit, increase the charitable donation tax credit, or have the credit amounts meet somewhere in the middle, as long as the charitable donation tax credit is no less than the political donation tax credit.

This means the costs of implementing Motion No. M-318 could be as little or as extensive as the parliamentary committee decides. The last member spoke to this issue and said that it would cost $125 million to implement this type of system. It is not really a cost but an investment in communities. Charities certainly do pick up the slack when governments at all levels pull back. We have seen tremendous lines at soup kitchens and so on. Charitable organizations are picking up that slack, not governments. Governments are actually helping to create the problem.

If the government looks at the value charities bring to society, it has to admit that giving a huge break for political contributions represents misplaced priorities when compared to the meagre credit it gives to the efforts of Canadians to support the poor and the vulnerable. As the member for Ottawa Centre talked about, despite its efforts the federal government still must do more to help charities.

● (1140)

For instance, the Ottawa *Citizen* reported last year that Michael Hall, the director of research at the Canadian Centre for Philanthropy doubted ''the shortfall left by government cuts is being covered by increased donations. That is a huge gap to fill'', he said.

To counter this negative trend and help charities meet the increased demands on their resources, Motion No. M-318 recommends that the tax deduction for contributions to charitable organi-

zations again be no less than political ones. The government can play with the numbers and make them fit as it sees fit.

Government members have recognized this disparity in the past. In the 1996 prebudget report by the Standing Committee on Finance and again in 1997 it was recommended that the government enhance the charitable tax credit for donations to charities currently funded by governments to make it as generous as the current political tax credit for small donations to political parties. Not for the first time, the Minister of Finance ignored the recommendations. By the rhetoric we are hearing this morning, it seems as though the Liberals have already determined that this prebudget consultation is finished and again there will be no charitable status changes. That prebudget consultation is not yet done so they are a little bit ahead of themselves in that regard.

One can only assume that the federal government ignored the recommendation in the 1996 and subsequent budgets because of, as it says, public financial costs. As Canada moves into this post-deficit world however, levelling the playing field between political parties and charities that leverage more money to do their good works in the community is a very timely idea. It has become more affordable to the government and as such deserves broader public debate and discussion. That is what we are doing here today.

I find it interesting that the report specifies charities currently funded by government. I take that to mean members recognize the taxpayers' dollars doled out by government generosity could be replaced by money doled out by the taxpayers themselves, that big brother knows best. We are saying get that money back to the communities where it came from to begin with.

The report also uses the phrase ''to make it as generous as the current political tax credits''. This is one option, but as I mentioned earlier, we are not trying to push the government to commit to more expenditures, only to examine how it has skewed the present tax structure. I am interested in promoting two things here today, simplicity and fairness in the tax system and that this government has an obligation to recognize that contributions to worthy charities should be as valuable as contributions to political parties.

Volunteers are the backbone of charitable donations to the groups that they serve and also form the fabric of the communities they seek to make better. We as legislators must be aware of that and continue to support their efforts.

Mr. John Bryden (Wentworth—Burlington, Lib.): Madam Speaker, I am glad of the opportunity to speak to this issue. I have been very interested in charities for some years and have done quite a study of them.

Motion No. M-318 operates on the premise that less governance is better and to devolve government social services to independent organizations is a better thing. If Motion No. M-318 were acted upon, billions of dollars would go into charities as opposed to government services. We would notice immediately the effects of changing the tax credit structure with respect to charities.

Motion No. M-318 operates on the premise that if more money is given to charities, the charities will provide the services better than government. It ignores the reality that charities operate with the least level of transparency and accountability of any organizations in Canadian society today. At least when government provides services, government bureaucracies are accountable. Various legislation controls the transparency of how government bureaucracies operate. In the case of charities, this is not so, as it applies to all non-profit organizations.

An illustration of that is the Canada Corporations Act which provides standards of corporate governance and transparency and accountability to for-profit organizations. It provides nothing for non-profit organizations. Charities and non-profit organizations can operate and have no requirement under law to be transparent and accountable.

Members opposite propose that what is necessary in society is to give more power over social services to organizations that are not accountable to the people. These organizations are accountable to their board of directors, but there is no legislation that guarantees that the executive members of the charity actually have to report the truth to the board of directors. Therefore we have a situation where many charities operate at a high level of inefficiency.

• (1145)

I will give a classic example. In Ontario the Harris government has been cutting back on hospitals. It is causing all kinds of problems in health care. The hospitals have been ordered to cut 20% from their total spending. Lost are the nurses, the medical care and the beds. The administrators stay on. The administrators are not hurt. The administrators actually raise their salary.

Increasingly, talking to my Ontario colleagues, I find the Ontario government is becoming aware that it is not good enough just to cut a charity. If someone cannot control how that charity actually spends its money, if there is a cut like that, the administrators of those charities are the ones who will benefit. So in Ontario we have a very severe problem. I suggest it is because hospitals are charities.

The anecdotal evidence of the directors of hospitals not being informed by their own executive, the administrators of those hospitals, of the operation of the hospital is everywhere.

Anyone who has ever served on the board of directors of a hospital realizes that as a director they cannot get good information on how that hospital operates. We are talking about charities just in the hospital sector involving billions and billions of dollars.

The Reform Party motion operates on the premise of getting government out of the supplying of social services, returning it to the community.

If we do not have rules, if we do not have legislation in place that governs how our organizations spend money, then we are abrogating our very responsibility as politicians. We are here to serve the people of Canada who pay taxes to make sure those taxes are spent efficiently and well.

If we abrogate that responsibility, if we give it down the line to organizations that are not connected to the government and we do not set rules and legislation in place that govern those organizations, we are absolutely betraying the trust of the people of Canada.

I suggest Motion No. 318 is certainly a motherhood and apple pie issue. I also suggest that it is a politically correct issue because the people putting the motion forward think across Canada people everywhere will automatically support charities. One member opposite said that all he had to do was check in his constituency and he would find that everyone supports charity.

I suggest to members opposite that they do that. They will find that in Canadian society today, for very good reason people are more and more suspicious that the charities supposed to be doing the good work are, in many instances, extremely self-serving.

Mr. Chuck Strahl (Fraser Valley, Ref.): Madam Speaker, I welcome the chance to wrap up on Motion No. 318 which I brought forward some months ago.

There has been some consultation. I wonder if you would find unanimous consent that if a recorded division is asked for at the conclusion of this debate, the vote will be deferred to the end of Government Orders today.

The Acting Speaker (Ms. Thibeault): Is there unanimous consent?

Some hon. members: Agreed.

Mr. Chuck Strahl: Madam Speaker, it has been a pleasure to bring forward this motion. It has been described various ways, as apple pie and motherhood and a few other things. However, the intend of the motion was much more serious than that.

Had the member for Wentworth—Burlington read my initial speech, he would have realized I mentioned him in my speech. I mentioned that the accountability of charitable organizations is a good issue, one he has championed and I do not deny him that.

Everything cannot be done in this one motion. It has to do with helping those charities I think we all agree have done a good job of helping Canadian society. I hope that no one on either side of the House is denying that many charities do a lot of good work.

This motion also has come under challenge by the finance minister who said it would deny larger donors to charitable organizations the right to contribute large sums of money. That is just not true.

• (1150)

The reason the motion is crafted this way is to encourage the small giver, the ones who are probably typical of an average Canadian giver who gives a few hundred dollars to charity, and to help those people do more with their money. This motion is not asking the government to give more money to charities. It is allowing those individuals to contribute more and be recognized for it.

Regarding the other rules the finance minister has brought in to encourage other donors to contribute large amounts to charitable organizations, in my first speech I acknowledge that was also a good idea. I appreciate the initiative of the finance minister in that area. However, I wish the finance minister would not try to mix apples and oranges together because we are talking about two totally different issues.

The motion I think does have wide support. It also has the moral suasion behind it that we in political parties would argue do some good in society or we think we do at times, but we do not have more of a moral bat to swing than charities. That is for sure. The accountability is no more stricter here than it is for charities.

The finance committee has already brought forward an idea and this is a takeoff on that. It is high time we recognize charities do good work in this country. We want to encourage more people. We want to become a culture of giving. That culture can be helped by a government policy that says political contributions will not be considered more favourably than charitable donations.

The motion is very timely in view of the current budgetary situation in Canada. It is very doable. For a modest fee we can create something I think we all support, looking after our neighbour as we would look after our own.

For that reason I am pleased that this motion has come forward. I look forward to the vote tonight. I ask members on all sides of the House to vote yea in favour of Motion No. 318.

[*Translation*]

The Acting Speaker (Ms. Thibeault): It being 11.52 a.m., the time provided for debate has expired.

[*English*]

Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Ms. Thibeault): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Ms. Thibeault): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Ms. Thibeault): In my opinion the nays have it.

Pursuant to agreement made earlier, the recorded division on the motion stands deferred until the end of Government Orders today.

SUSPENSION OF SITTING

Ms. Marlene Catterall: Madam Speaker, I wonder if there is unanimous consent to suspend the House until noon.

The Acting Speaker (Ms. Thibeault): Is there unanimous consent?

Some hon. members: Agreed.

(The sitting of the House was suspended at 11.53 a.m.)

● (1200)

SITTING RESUMED

The House resumed at 12 p.m.

GOVERNMENT ORDERS

[*English*]

TOBACCO ACT

The House proceeded to the consideration of Bill C-42, an act to amend the Tobacco Act, as reported (with amendment) from the committee.

SPEAKER'S RULING

The Deputy Speaker: There is one motion in amendment standing on the notice paper for the report stage of Bill C-42, an act to amend the Tobacco Act.

Motion No. 1 will be debated and voted on.

[*Translation*]

I will now put Motion No. 1 to the House.

[*English*]

MOTIONS IN AMENDMENT

Ms. Judy Wasylycia-Leis (Winnipeg North Centre, NDP) moved:

Motion No. 1

That Bill C-42, in Clause 2, be amended by replacing lines 27 and 28 on page 1 with the following:

''peared on the facility on June 3, 1998.''

She said: Mr. Speaker, I very pleased to have the opportunity to address Bill C-42 at report stage and to discuss the amendment to the amended bill before us.

It is important for the record to say that the speed with which the bill is being put through the various stages of the legislative process is remarkable. The opportunities for public participation have been limited and the significance with which amendments have been treated is of deep concern to all of us.

Bill C-42 waters down, weakens or dilutes many of the provisions under Bill C-71 passed by the House in April 1997. Its tobacco sponsorship restrictions would have come into effect on October 1 of this year but for the amendments to Bill C-42 before us today.

We have been concerned throughout the process and will continue to register concerns about the dilution of the tobacco sponsorship restrictions which creates more opportunities for young people to be influenced by tobacco advertising, by lifestyle advertising, as opposed to the kind of leadership we expect the government to offer in terms of being as proactive as possible in ensuring that young people are not influenced in any way to take up smoking.

My amendment deals with a very significant issue in the package before members this morning. It should be noted that during committee stage members of the government on the health committee included a weakening amendment that they did not explain at all. The original bill grandparented sponsored permanent facilities, for example a theatre having tobacco signs, as of the date of first reading of the bill. The amendment has the grandparenting effective as of the date the bill receives royal assent.

It is very clear from this change that the government is prepared to allow newly sponsored permanent facilities which engage in tobacco advertising between June 3, 1998, when the bill was first introduced to the House, and the time when the bill gets royal assent—there is no specific date for the royal assent; no one can be assured of just how fast it will happen—to sponsor advertising and the display of tobacco promotions for five years.

It is a significant development. It slipped through committee. There was no justification. There was no explanation. It is our firm belief that as a minimum the government should be changing the bill back to the original intention so that the date of June 3, 1998 comes into effect. This would at least be a minimal step toward restricting the amount of tobacco sponsorship advertising that is taking place. It would also be a tiny step toward limiting the exposure of young people to lifestyle advertising.

● (1205)

We have tried through every way possible to convince the government to accept some amendments that would take us back to the original intentions of Bill C-21, which is about protecting the health of Canadians. We have reacted strongly and consistently to the amendments before us today which put the whole thing off and allows for a greater period of unfettered advertising by tobacco companies at events attended very heavily by young people who are influenced greatly by the advertising that takes place.

In conjunction with the amendment we put forward it is important to remind all members of the House that we are dealing with a very grave and growing public health problem. Although I do not need to remind members, I will remind them that we are dealing with at least 40,000 deaths per year, if not more, as a result of tobacco related illnesses. We know that every year 250,000 young people get hooked on smoking. We also know that 85% of adults today who smoke are addicted because they started before the age of 18. We know that there is a high rate of smoking among young people between the ages of 15 and 19.

We know we have a serious problem which will lead to enormous health costs down the road. Yet on every occasion the government has taken the most feeble, cautionary approach possible. It is an approach which flies in the face of everything we know about the seriousness of the issue. It also flies in the face of what other jurisdictions are doing.

It is shameful that the government is so unwilling to act and show political courage to deal head on with the tobacco industry at a time when jurisdictions like British Columbia are prepared to take serious steps toward making the tobacco industry accountable for the damage it has caused among young people.

It is time for the government to show leadership. Whether we are talking about Bill C-42 and the attempts by the government to dilute and weaken the Tobacco Act; whether we are talking about resistance to Bill S-13, the Tobacco Industry Responsibility Act; or whether we are talking about the government's refusal to expend money it promised in the last election for tobacco prevention and education among young people, we must keep in mind that the government promised $100 million over five years. It has spent about 2% of that and has shown no sign of moving rapidly and quickly to put in place the kinds of programs which actually deter young people from getting started and becoming hooked on cigarettes.

Our concern is for the government to show leadership and not to run away and hide from the serious issues before us. We would urge the government and all members to support our amendment so that Bill C-42 is not diluted any further and the true intentions of Bill C-71, the Tobacco Act, are adhered to and held up as a starting point for Canadians.

We implore the government to continue working with parliament and the many health organizations that want stronger tobacco laws for the sake of our health and for the sake of our kids.

Ms. Elinor Caplan (Parliamentary Secretary to Minister of Health, Lib.): Mr. Speaker, I am pleased to rise today to participate in the third reading debate of Bill C-42. We had a good and thorough discussion at committee. The government proposed several amendments. I thought I would like to use my time today to repeat for all members of the House and those watching this important debate the government's position, the government's intention and the government's commitment.

I am pleased to be here today with the support of the Minister of Health on this important initiative. Bill C-42 amends the Tobacco Act. I reiterate the government's view that Bill C-42 will toughen the existing Tobacco Act. It is another step forward in our work to control a substance that we recognize is a killer. It is at the root of about 40,000 premature deaths each year in Canada.

● (1210)

Bill C-42 places us consistently among international leaders in controlling the promotion of tobacco. I hope all people watching the debate and those in the House know that the primary focus of the bill is a five year timetable to end the marketing of tobacco products through event sponsorship. That is a very significant and important component of Bill C-42.

At the end of five years there will be a complete ban on tobacco sponsorship. We propose to accomplish this through a transitional process. Sports and cultural events that were in place with tobacco sponsorship prior to April 25, 1997 would have a two year period without new sponsorship restrictions but only during that period. During the following three years we want to tighten the limits significantly.

Onsite promotion of tobacco sponsorships would be able to continue. Offsite promotions would have to meet the 90:10 rules of the existing Tobacco Act. We would place stringent conditions on these offsite promotions to limit the exposure of young people to the marketing of tobacco products. In five years there would be no more promotions of tobacco sponsorship. Event names and facilities would not longer serve as a none too subtle reminder of tobacco and tobacco products.

Bill C-42 came after substantial discussions and consultations with all interested parties. We heard from the arts, sports and other groups that would be affected these changes. They indicated that they needed appropriate time frames to line up new sponsors. Bill C-42 recognizes that reality.

We also heard from the health community. Health organizations have been front and centre in the important work of the Government of Canada to help make Canada tobacco free and to ensure

tobacco strategies and smoking cessation policies are in place. The Government of Canada acknowledges and supports the important work of the health community.

In particular I mention the work of the Canadian Cancer Society, Physicians for a Smoke Free Canada and the Non-Smokers Rights Association in the broader effort. Many health groups have been a part of pushing appropriately for tobacco reduction strategies and strong anti-tobacco policies and legislation. They have been the leaders in the action overtime to get the anti-smoking message out to Canadians. They have been powerful forces in encouraging Canadians to keep moving the tobacco agenda ahead and ensuring that Canada remains among world leaders.

Health organizations look at what we were doing in the bill. Most understand where we want to go and how we want to get there. Most support the directions we are taking in Bill C-42 toward the prohibition of tobacco sponsorship promotions. We recognize that most have concerns, and we are aware of those concerns.

They understand that the tobacco industry has constantly sought new ways to market its products. As we in government and previous governments have closed off old channel bylaws such as this one, we know the tobacco industry has found new channels. For example, tobacco companies have begun to use the Internet to support events marketing in Canada, something many could not have foreseen three or four years ago.

● (1215)

With that in mind, the Canadian Cancer Society identified amendments that it wanted to see in Bill C-42. During second reading debate many members of the opposition indicated support for those amendments. Many opposition members and I can tell the House that many members on the government benches also supported the amendments proposed by the Canadian Cancer Society.

Therefore, at committee, during the second reading clause by clause debate, we announced that we were not only intending to amend the bill, but we brought forward three particular amendments which were supportive of the proposals that had been made by the Canadian Cancer Society and supported by many, many others in the House and outside the House.

First, we proposed that October 1, 1998 would specifically be identified as the start date for the transition under this bill. In effect, that means that the five year clock has already begun to tick down on sponsorship promotions. If that amendment passes, as it did at committee, and this bill passes in the House, the clock has already begun to tick and the original intent of the timeline is firmly in place, being October 1, 1998.

Second, we proposed that the only events that could be grandfathered would be those that were already promoted in Canada. Although we never intended that it would be otherwise, this change makes it crystal clear that an event cannot be moved from the United States or Australia or wherever into Canada and be treated as if it had already been here.

Third, we proposed that only events that had been held in Canada during the 15 months prior to April 25, 1997 could be grandfathered. Once again it was never the intention of the government to allow events to be resurrected solely for their value as tobacco marketing vehicles. However, this amendment, which was agreed to by the committee and is presently before the House in the amended format of this bill, formalizes that intent and makes it absolutely clear as to the way this bill will function and operate.

The Canadian Cancer Society, as I said at committee, proposed two other amendments. One would ban point of sale advertising and the other would set a ceiling on sponsorship spending. We looked at these very seriously and, after review, we believed that both raised questions of feasibility and enforceability. For those reasons we listened very carefully to what witnesses had to say at committee. Today we have a bill before us that does not reflect moving on anything that we do not believe is either feasible or enforceable.

We launched the tobacco control initiative in 1996. We started by setting aside $50 million a year over five years. We have made a commitment to public education, another key component of our strategy, one that we believe is critical, and we committed yet another $50 million.

From the very beginning we knew that getting the greatest impact out of these resources would take co-operation with the provinces, territories, communities and non-governmental organizations. We will be designing and are designing and implementing the elements of the strategy in conjunction with all of those stakeholders who share with us the determination to move the yardstick.

Many years of anti-tobacco programming have given us a great deal of information about what seems to work. Those years have taught us that to battle against tobacco is a step by step process and that it requires action in many areas.

Bill C-42 is one of the many valuable contributions to that work and I look forward to the debate and the passage in the House of the next step forward, a step that will lead to a complete ban in tobacco sponsorship within five years.

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, here we have good old Bill C-42. I listened to the words of the parliamentary secretary carefully. Her words are that Bill C-42 will toughen the Tobacco Act.

I do not believe we should always listen to politicians as to whether or not a bill will in fact toughen legislation. I believe in asking the groups which are affected and I took the opportunity to

do that. I asked the Canadian Cancer Society, the Physicians for a Smoke-free Canada, physicians' groups and nursing groups throughout Canada whether or not Bill C-42 would in fact toughen the Tobacco Act. The answer was universal. No, it would not.

● (1220)

The answer was really quite specific. They all said that in the short term this would significantly weaken the Tobacco Act. Interestingly enough, if this bill does come into full force it will be after another election.

It is fascinating for me to have viewed the tobacco debate from my perspective, which I must say is clouded. I am very biased in this area because of my first patient as a medical student. The patient was a veteran, a fellow who had emphysema from smoking. As I got to know him well and spent quite a bit of time with him, he ended his life virtually before my eyes. The last thing he said to me was ''Doctor, please don't let the kids smoke.''

I admit to having a very strenuous bias in this area. I look for bills that will do exactly what that first patient asked me to do, which was to prevent kids from smoking. I look for bills that will help my kids, my own children, not to smoke.

I am afraid that I find Bill C-42 a weakening of the Tobacco Act. There is no other way to say it.

I also found it fascinating that the Minister of Health, who was here to debate Bill C-71, has not been present for the debate on Bill C-42. It is interesting that he presented something just prior to the last election that I do not believe he himself believes in.

The Tobacco Act was really a pretty good act. It allowed advertising in adult publications and bars where kids could not go and it prevented advertising and sponsorship directed at children.

I took the opportunity to ask the head of one of the pro-smoking groups a question about advertising for a mountain bike championship in Quebec which was held during the summer. The ads were still running today in Alberta. I saw them in my home province of Alberta this week. I asked him if he felt that advertisement did not relate to kids.

My own teenagers are keen mountain bike enthusiasts. I do not know anybody older than the age at which we can legally smoke who is that keen on mountain biking. This is a youthful activity, an activity that is directed at kids. Of course if the advertising was just to get people to go to an event in Quebec, the advertising would be stopped immediately after the event was over, but the ads are still running months later.

His response was very illustrative. He said that it is very difficult to design a program that does not have a broad overlap with youth. In terms of sponsorship and advertising, that is the only thing he said that I agree with. It is very difficult. The overspill is immense.

Where does Bill C-42 place us in terms of international tobacco interdiction? I asked a presenter from Quebec where this bill places us in relationship to Quebec.

[*Translation*]

Quebec's tobacco legislation is stronger than Canada's. The legislation in Quebec is very strong, which is not the case for the Canadian legislation. Bill C-42 is weaker than the law in Quebec.

● (1225)

[*English*]

Formula 1 racing was the issue that pushed this bill into position. Germany, France, Belgium and Britain took a very specific stand against sponsorship in Formula 1.

I have had officials say to me that Canada could not do that because we do not have as much strength and that Formula 1 will disappear from Canada. It is fascinating to note that Air Canada is now the title sponsor for Canadian Formula 1, so we have a non-tobacco sponsor.

It is also fascinating to note that Australia, a country very similar to Canada in terms of a unique Formula 1 environment, has given tobacco a specific exemption from sponsorship laws and that has to be done each year. Australia is moving toward the complete ban of tobacco sponsorship in Formula 1. Canada is weaker than Australia.

The specific amendment that has been placed on the table today I support and I would expect that most of my colleagues will support it. But might I finish this short discourse today by saying that Bill C-42 does not toughen the Tobacco Act. It weakens the Tobacco Act. I trust the health groups in Canada and their judgment on this bill far more than I trust the government.

[*Translation*]

Mr. Daniel Turp (Beauharnois—Salaberry, BQ): Mr. Speaker, I am pleased to speak this afternoon on behalf of the Bloc Quebecois in the debate made necessary by the amendment introduced by our colleague from the New Democratic Party, the hon. member for Winnipeg North Centre.

I am even more pleased because my riding—the people of which I take this opportunity to greet—is the home not only of well organized anti-tobacco groups raising awareness in the schools about the dangers of smoking, but also of the organizers of major sporting events, like the Valleyfield Regatta, which the Bloc Quebecois has always wanted to see protected to some extent, at least for a transition period to be included in any anti-tobacco legislation.

The amendment proposed by the New Democratic Party reads as follows:

That Bill C-42, in Clause 2, be amended by replacing lines 27 and 28 on page 1 with the following:

''peared on the facility on June 3, 1998''.

The purpose of this amendment is to reduce the grace period during which permanent facilities already using a name referring to a tobacco company may retain it until the total ban scheduled for the year 2003.

It will be recalled, moreover, that the current Tobacco Act allows a tobacco product-related brand element or the name of a manufacturer to be used on such facilities.

Bill C-42 goes much further than the present legislation in a number of aspects. For example, clause 2 prohibits the use of a tobacco product-related brand element or the name of a tobacco manufacturer on promotional material, whether the promotion is of an individual, an entity, an event, an activity or a permanent facility.

This clause will take full effect, under the current bill, in October 2003. In the meantime, Bill C-42 provides that permanent facilities already using a name containing a reference to tobacco companies can keep it, on condition that the name be in use when Bill C-42 is passed. This is where the amendment under consideration comes in.

In order to benefit from the grace period, permanent facilities should already be using the reference to tobacco companies, not when Bill C-42 takes effect, as provided, but in fact when it was tabled for first reading—on June 3.

● (1230)

The amendment would therefore reduce the grandfathering period for permanent facilities by a little less than six months.

Overall, Bill C-42 delays the implementation of certain sections of the Tobacco Act, Bill C-71, concerning tobacco sponsorships. So the amendments introduce a two-year moratorium on the restrictions governing sponsorships by tobacco companies until October 2000.

From the third to the fifth year, the restrictions will apply as initially provided in Bill C-71, that is to say, the name of the company may appear on only 10% or less of the advertising poster. A total sponsorship ban will come into effect on October 1, 2003.

This initiative was in response to a request from the Bloc Quebecois and promoters of sports and cultural events, asking that these organizers be given some time to find new sources of financing.

The measures affecting sponsorship were going to have very serious consequences on sports and cultural events. This is why the Bloc Quebecois called on the Minister of Health and the Minister of Canadian Heritage to provide for financial compensation and to act like politicians responsible for their actions.

However, the minister at the time, David Dingwall, failed to assume his responsibilities and refused categorically to follow up on all such requests from the Bloc and from witnesses.

Bill C-42 is thus a little more realistic—as was strongly suggested—in its approach to sponsorships, while being significantly more rigid on other issues, including the use of a manufacturer's name on permanent facilities.

However, the fight against smoking is a long term battle and the Quebec government—as the Reform Party member pointed out—also got involved by adopting legislation that is among the most progressive in the world.

One wonders whether the amendment before us, which shortens the timeframe by a few months, can make a difference. The Bloc Quebecois doubts it will. Bill C-42 must be taken as a whole. The fight against smoking is one that must be waged by all of society. A habit that has been around for many generations will not be easily changed.

However, thanks to Bill C-42 and to the Quebec legislation on tobacco, authorities will now have better weapons against the serious public health problem that smoking represents.

[*English*]

Mr. Greg Thompson (New Brunswick Southwest, PC): Madam Speaker, I am pleased to second the motion put forward by the member for Winnipeg North Centre. She has done a lot of work on this bill for which I thank her on behalf of a lot of Canadians.

Bill C-42 does nothing to toughen the Tobacco Act. I agree completely with my colleague from Macleod who just spoke. It does nothing. It is interesting that the parliamentary secretary is here today to speak on behalf of the minister who is out of the country. If I were the minister with the House debating a bill like this I would be out of the country today too.

We must remember this government was elected five years ago to do something and it has done absolutely nothing. I remind the Canadian people that in 1994 the government reduced taxes on tobacco. It was the first and basically the only thing it did. The government caved in to smugglers instead of addressing the real concern of Canadians, in particular young Canadians who are becoming addicted to cigarette smoking. Instead of addressing and fighting the smuggling problem with the weapons and resources of the Government of Canada, the government caved in to the big tobacco companies. As a result of that we have 40,000 Canadians a year, documented, dying because of smoking. The government simply adds to the problem. This bill does nothing at all to change that.

• (1235)

The government now has an opportunity to do something but it has done nothing. It is just a continuation of what it has done since it was first elected, absolutely nothing, just caving in to the interests of the big tobacco companies.

When the parliamentary secretary spoke about 20 minutes ago she did not even consider the amendment to which we are speaking now. Without this amendment tobacco companies would be able to put up new sponsorships signs on buildings while the bill is still before parliament and have those signs up for another five years. That is bizarre. What the parliamentary secretary did to add insult to injury when she was before the committee, when we were going through this clause by clause, was simply read a statement prepared by the Minister of Health to put forth an amendment without explaining fully the rational of that amendment. That is devious at best. We will not go into what I would call it if I were in a real foul mood. It was not the right thing to do.

What we have is the parliamentary secretary being conned by her own minister and his departmental people to put through that amendment which would basically allow the companies to advertise for another five years if they chose to put up signs between now and when royal assent is given. This is absolutely bizarre.

I mentioned 40,000 Canadians dying every year in Canada because of smoking. That is documented and every major health think tank and association in Canada agrees with those figures, as does every member of parliament, including members of the government. They do not argue that figure.

That would be equivalent to 100 Canadians every day dying in an airplane crash. If an airplane crashed every day in Canada and killed 100 people on board, we would at the end of the year have the same number of deaths, slightly less, as with smoking. That is putting it in perspective. What would we do in the House of Commons? What would the Canadian people think of the Minister of Transport if we had a plane crashing every day in Canada, killing 100 people? We would have his resignation on the floor of the House of Commons within a week. But no, this government allows this to happen day in and day out, doing absolutely nothing about it. That is wrong. Excuse the pun, it is dead wrong.

We just had Remembrance Day. On an annual basis we lose more Canadians to cigarette smoking than we did in World War II. Combine all the Canadian deaths in World War II between 1939 and 1945. They do not add up to the number of Canadians who die on a yearly basis because of smoking.

Under any other set of circumstances this would be an outrage, but why is it not? The cigarette manufacturers use millions of dollars to convince us that smoking is okay. What they are advertizing is lifestyle. They are not advertising reality. They are advertising lifestyle and spending millions of dollars to do it.

Coming before parliament from the other place is Bill S-13. It was introduced in the Senate by Senator Kenny. It will be introduced in the House by a Liberal backbencher. The bill will be killed by the government. It is absolutely bizarre because the bill would attack the problem the way it has to be attacked, with real dollars to educate young Canadians about the dangers of smoking.

• (1240)

It would dedicate $125 million a year to educate young Canadians about the dangers of smoking.

We will never have a tobacco bill that is worth anything unless we attack smoking from the price point, that there is a direct relationship between the price of the product and the consumption of a product. That is true of any product. We need a bill that strongly hits advertising and education at the same time.

Unless those ingredients are present in a bill, nothing will to change. We will continue to lose 40,000-plus Canadians a year to smoking.

Smoking kills. The only way we can win this war is to wage war on the cigarette manufacturers. What would be wrong with placing 50 cents a carton, less than 5 cents a pack, at the manufacturing level? Let us call that a levy. Let us be realistic. That is what we have to do.

We need real dollars to attack these people. Some of the biggest cigarette manufacturing companies in the world actually own chains of drug stores. Examine who owns Shoppers Drug Mart. Find out who owns it. I challenge every Canadian to do some research and find out who owns some of these drug chains. They are owned by the shareholders who happen to be the same shareholders who own the shares of major cigarette or tobacco companies.

Here we have the biggest of the biggest in terms of corporate Canada, international corporate strength, day in and day out allowing young Canadians to take up the habit.

What we have to do is fight this with every resource we have. We have a bill that will soon be introduced here by a backbench member of the government, to be shot down by the government because it addresses the problem. It does something about it.

What we have is the Government of Canada being held captive by the big boys, the big corporate giants who figure it is in their best interests to sell a product to Canadians that actually kills Canadians.

This amendment speaks for itself. It puts teeth in a very weak bill and I think it is incumbent on the government to support this amendment.

Mr. Roy Bailey (Souris—Moose Mountain, Ref.): Madam Speaker, I am very pleased to speak to this bill. When I spoke earlier to this bill, I iterated that it was a terrible bill. The government had no start-up date at that time. This motion gives some teeth to the bill.

I commend the member from Winnipeg North Centre. She has done a lot of work on this bill and the members opposite, after what they have heard about this bill and after what they know about the tobacco industry and the statistics related to tobacco from a health point of view, should rally the troops there, backbenchers and all, and support the amendment moved by the hon. member for Winnipeg North Centre.

The question of addiction does not apply only to the users of tobacco. This government and previous governments have been addicted. How are they addicted? They want their hands on the huge amount of money they can take in from the product and they want to spend very little in educating our youth, a small percentage. Governments all over have become addicted. They are addicted to gambling. They are addicted to alcohol.

In my recent return home it was sad to note that the rehab centre in my constituency has been closed down. For what reason? Money. The region could not afford it.

● (1245)

Looking very closely at what the hon. member has done in putting forth this amendment, we know what the amendment is all about. The tobacco industry must advertise. Why does anyone advertise? Does General Motors advertise to support the advertising industry? Nonsense. It advertises to sell more cars. Why do tobacco companies advertise? To sell more of their products. To whom are they advertising now? What is their target area? Their target area is youth.

It is absolute nonsense that we would have to phase in the advertising over a period of five years when we do not know the start-up date. At that time we would be well into the next millennium and hundreds of thousands more teenagers would be addicted. Yet we find the government reluctant to give up the addiction it has to taxes. Of course another addiction which I mentioned earlier was the huge grants the government gets during election time from the tobacco companies.

I ask the question as it relates to this amendment, would members honestly not rise in this House to support the amendment by the member for Winnipeg North Centre? This is a good amendment. Thousands of young people would be saved from the advertising and hopefully from becoming addicted. Is it not worth it? That has to be worth more to Canadians from all parties than the money the government gets. It has to be worth more to the lives of our teenagers who become addicted. It is a question of putting something first. To have the legislation open ended as it originally was planned is simply not good enough. Out west where we do a lot of curling, at one time they went to the Brier. The big curling event was called the Brier. Who was the Brier? The MacDonald Tobacco Company. People were going to the Brier. Some still use that term. Then curling associations across Canada said ''No, this is a healthy lifestyle. We are not going to have the tobacco industry involved''. Is curling going downhill? No. It is on its way up. Interest is going up. Did it take five years to phase in? Absolutely not.

If the government is really concerned about this country's youth, if it is really concerned about the number of people who die each year because of this addiction, government members will support this amendment, as I am sure every opposition member will. Government members should go back to their people and say that this is a good amendment. The opposition knows what it wants. The government should let its members have a free vote on this. If it is a free vote, the motion by the hon. member for Winnipeg North Centre will carry.

The Acting Speaker (Ms. Thibeault): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Ms. Thibeault): The question is on Motion No. 1. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Ms. Thibeault): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Ms. Thibeault): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Ms. Thibeault): In my opinion the yeas have it.

And more than five members having risen:

The Acting Speaker (Ms. Thibeault): Call in the members.

● (1250)

And the bells having rung:

The Acting Speaker (Ms. Thibeault): The vote will be deferred until the end of Government Orders today.

[*Translation*]

MARINE CONSERVATION AREAS ACT

The House resumed from November 2 consideration of the motion that Bill C-48, an act respecting marine conservation areas, be read the second time and referred to a committee; and of the amendment.

Mr. Michel Guimond (Beauport—Montmorency—Côte-de-Beaupré—Île-d'Orléans, BQ): Madam Speaker, it is my pleasure to speak on Bill C-48, an act respecting marine conservation areas.

This bill is to provide a legal framework for the establishment of 28 marine conservation areas, representative of each of the Canadian ecosystems. The Saguenay—St. Lawrence marine park is the 29th marine conservation area, but it will not be governed by this legislation since it already has its own legislation.

Bill C-48 follows a commitment made by the Prime Minister of Canada at the 1996 convention of the World Conservation Union, held in Montreal. The United Nations have designated 1998 the International Year of the Ocean, and the most significant initiatives to mark this event include the World Exposition in Lisbon, Portugal, and UNESCO's adoption of the ocean charter, in St. John's, Newfoundland, in September 1997.

The Bloc Quebecois is in favour of the environmental protection measures contained in this bill. More particularly, however, the Bloc Quebecois reminds the government that it supported the government legislation creating the Saguenay—St. Lawrence marine park.

In addition, the Bloc Quebecois knows that the Quebec government is also pursuing initiatives to protect the environment and sea floors in particular.

I am sure that, as they assess the parties and candidates competing in the ongoing election campaign in Quebec, the people of Quebec can appreciate what the Quebec government has achieved in terms of environmental protection since 1994. Its re-election on November 30 will allow the PQ government to carry on with its environmental protection efforts.

The Quebec government is also open to working together with the federal government, as evidenced by the agreement signed by the two governments on the third phase of the St. Lawrence action plan. However, the Bloc Quebecois has to object to the bill for a number of reasons: first, instead of relying on dialogue, as it did with the Saguenay—St. Lawrence marine park, the federal government is trying to establish marine conservation areas regardless of Quebec's jurisdiction over its territory and the environment.

• (1255)

The second reason our party will oppose this bill is the fact that Heritage Canada is proposing to establish a new structure, the marine conservation areas, which will duplicate Fisheries and Oceans Canada's marine protected areas and Environment Canada's marine protection zones.

In short, the dominating federalism we have come to know in recent years, has divided into three parts in order to trample on Quebec jurisdictions.

We think that the example set by the Saguenay—St. Lawrence marine park should have been followed in this instance. We all remember that, in 1997, the federal and Quebec governments passed mirror legislation creating the Saguenay—St. Lawrence marine park. These laws led to the creation of Canada's first marine conservation area.

The main component of this legislation is the Saguenay—St. Lawrence marine park established jointly by both the federal government and Quebec, without any transfer of land. The two governments will continue to exercise their respective jurisdictions. The park is entirely a marine setting. It covers 1,138 square kilometres, and its boundaries may be changed by mutual consent and following public consultation by both levels of government.

In order to encourage public participation, the federal and provincial laws confirm the creation of a co-ordinating committee, whose makeup will be decided by the federal and provincial ministers. The mandate of this committee is to recommend to the ministers responsible measures that will permit the achievement of the aims of the master plan. The plan will be reviewed jointly by the two governments at least once every seven years.

We think this federal Liberal government should have used this initial co-operative achievement as a model for the creation of other marine conservation areas.

Another reason we oppose Bill C-48 is that it does not respect the integrity of Quebec territory, in the opinion of the Bloc Quebecois. One of the conditions vital to the establishment of a marine conservation area is the federal government's acquiring ownership of the land where the marine conservation area will be established.

Clause 5(2) of the bill stipulates that a marine conservation area may be established:

> —only if the Governor in Council is satisfied that clear title to the lands to be included in the marine conservation area is vested in Her Majesty in right of Canada, excluding any such lands situated within the exclusive economic zone of Canada.

Moreover, the Quebec legislation on lands in the public domain applies to all lands in the public domain in Quebec, including river and lake beds, as well as those portions of the beds of the St.

Lawrence River and the Gulf of St. Lawrence which belong to Quebec by sovereign right.

Why, then, is Heritage Canada acting so arrogantly today? Just looking at the minister responsible for that department, her ongoing arrogance is obvious. We see how she behaves in Question Period. We hear her regularly insulting the democratically elected members of this House. So how could we expect Heritage Canada to behave any differently than the person in charge of it, the member for Hamilton East?

Why is Heritage Canada acting so arrogantly today, claiming ownership of the marine floor where it would like to establish marine conservation areas, instead of allowing bilateral agreements, between Quebec and Ottawa in particular, so that Quebec may maintain its areas of jurisdiction?

In our opinion, the environment is a shared jurisdiction. By refusing to take the Saguenay—St. Lawrence Marine Park Act as its example, by imposing land ownership as an essential condition for the creation of marine conservation areas, the federal government is, as Robert Bourassa said, acting as a centralizing government with a desire to control everything, regardless of acknowledged areas of jurisdiction.

As far as I know, and the House will no doubt agree with me, former Quebec premier Robert Bourassa was far from being a leading sovereignist. He was an avowed federalist, who did not hesitate to say that the Canadian federal system was a centralizing system.

● (1300)

Under the various laws, the Government of Canada is proposing to create marine conservation areas, marine protection areas and natural marine reserves. According to Fisheries and Oceans, any given area could be zoned in various ways and be subject to different regulations.

The Bloc Quebecois agrees that this is bureaucratic overkill, which will not serve the public interest. The existence of an interdepartmental committee of these various departments is no reassurance. It has been our experience that, when several departments are involved in a project, they generally do not work well together and it ends up costing taxpayers—the people whose income tax is collected, who are tired of paying and find they pay too much for the services they are getting from this government—a lot of money.

The Bloc Quebecois believes that the government would have been better advised to have a single department oversee the protection of ecosystems, with the departments concerned signing a framework agreement to delegate their respective responsibilities.

I would have had much more to say, but I can see that my time is running out and I should conclude.

For all the reasons I have stated and as a result of the work done by our colleague and critic for Canadian heritage, the hon. member for Rimouski—Mitis, my colleagues in the Bloc Quebecois who will speak after me will reiterate the fact that, in our opinion, the Liberal government should withdraw this bill.

[*English*]

Mr. Pat Martin (Winnipeg Centre, NDP): Madam Speaker, I am pleased to stand today on behalf of our critic in this area and express the position of the NDP caucus on Bill C-48.

We are glad to say that we can support Bill C-48 in principle. We look forward to further debate on this matter because there are reservations we have that we would like to share with the House today.

In terms of background we recognize the bill provides legislation to establish and manage a system of national marine conservation areas representative of 29 marine areas in Canada.

The 29 NMCAs represent unique biological and oceanographic features and include both fresh and salt water areas. A Parks Canada system approach has identified the 29 national marine conservation areas within Canada's Great Lakes and the territorial sea and exclusive economic zones, the EEZ 200 mile limit zones.

NMCAs are not parks as such in the usual definition. They are conservation and stewardship areas. These NMCAs are fundamentally different from what we would term terrestrial parks. Terrestrial parks are usually associated with a semi-closed ecosystem and are essentially fixed in space and time and are subject to change over relatively long periods of time. We would argue this type of ecosystem would require a completely different style of management as compared to the national marine conservation areas.

Marine protected areas are associated with an open ecosystem and are large and dynamic. The very nature of their oceanographic base is dynamic, moving, fluid and where rates of change to the ecosystem can occur over a relatively short time span.

Pollution impacts have to be have special consideration when we are dealing with so sensitive an ecosystem that is vulnerable to these quick changes. Over-exploitation of our resources is another huge concern, in layman's terms overfishing. These are examples of why national marine conservation areas need special attention above and beyond that which we give our other parks system.

Another key difference between terrestrial parks and marine areas is the science and knowledge gap between the two.

● (1305)

We know relatively little about our oceans and the ecosystems of our marine areas. This came to light for me when I built a house for

a marine biologist and we were talking about what he did for a living. He said he worked full time, year round, studying the aging of groundfish. I thought this was remarkable because he was studying when the best time to harvest groundfish would be and when did they reach their maximum size and when did they reproduce.

What really shocked me when talking to this mathematician was we did not know that type of thing. We were in the mid-1970s and we were just starting to study the ageing of groundfish which is a key primary industry.

A difference between the current parks system or terrestrial parks system and the national marine conservation areas is that we know very little about this ecosystem. It takes a great deal of sensitivity if we are to learn from these areas and their natural habitat without interference and development getting in the way of that knowledge.

The process to establish these national marine conservation areas began in 1986 with ministerial approval to establish national marine parks.

This decision lead to a 1987 agreement with Ontario to establish Fathom Five in Georgian Bay and further to a 1988 agreement with British Columbia for a marine park in South Moresby in the Queen Charlotte Islands, the Gwaii Haanas marine conservation reserve, and with Quebec to examine the feasibility of a federal-provincial marine park at the confluence of the Saguenay fiord and the St. Lawrence Seaway, the Saguenay—St. Lawrence marine park. Bill C-7 entertained this creation which received NDP support and royal assent in 1987. The act came into force on June 8, 1998.

In 1995 Canada and British Columbia signed a memorandum of understanding for a shared Pacific marine heritage legacy. In early 1997 a federal-provincial memorandum of understanding was signed initiating feasibility studies for marine conservation areas in the Buena Vista—Notre Dame Bay areas of Newfoundland and the Thunder Cape of the Slate Islands area of western Lake Superior.

Similar to the successful Saguenay—St. Lawrence project public consultations in local communities in both regions are progressing and public advisory committees are being established.

On completion of the feasibility and the consultation studies leading to established agreements, a total of four marine conservation areas and reserves would be established and six of the twenty-nine marine regions would be represented.

At the international level efforts to develop national and global representative systems of marine protected areas have been underway since the fourth world wilderness congress of 1987.

In 1992 the international union for the conservation of nature, the UCN, tabled detailed guidelines on marine protected areas at the fourth world congress of national parks and protected areas. The Prime Minister committed to new marine conservation areas legislation at the IUCN world conservation congress of October 1996.

We have mixed feelings about the details regarding the legislation and this is why our support at this time is limited or rather guarded. We are pleased that Bill C-48 will provide the powers, authorities and procedures required to establish and administer a system of marine conservation areas and that protection and conservation are fundamental specific stipulations on management and used to ensure ecosystems remain intact. There is clear reference to the ecosystem and precautionary approach which has been a key NDP concern in previous bills and acts.

There are many aspects to Bill C-48 that we find beneficial, many of which are written in such a way that they are very hard to share. We do have some reservations and concerns, however, with Bill C-48.

One of these concerns is that the department of fisheries will have the exclusive jurisdiction on fisheries management concerns. We feel that with the creation of these national marine conservation areas we need a special consideration of the resources that ply these waters and we wish it were other than DFO that had input into how these ecosystems are studied and managed.

• (1310)

The minimum protection standards have been expanded to include prohibition of fin fish aquaculture, bottom trawling, ballast water dumping, intentional introduction of alien species, outfalls, waste discharge, recreational artificial reefs and dredging provisions. We would have liked to see all these things limited with more specific limitations on them in Bill C-48. If we have a national marine conservation area, all these things will have an impact on the ecosystem and will limit our ability to benefit from the intelligence we can glean from studying these areas.

The allocation of sufficient resources for scientific study is not dealt with firmly in Bill C-48. We wish it were much more binding and that it contemplated stable funding for the study of the ecosystems we will be looking after within these conservation areas. I made reference to a scientist I knew who worked at the Nanaimo biological research station off the west coast of British Columbia.

Very little of the important research that needs to be done in order that we may really know our ecosystem and our fisheries is being done in the retail commercial market of fisheries under DFO. We feel that having these national marine conservation areas would be a huge benefit in terms of having protected areas free of industrial development and hopefully as free as possible from industrial waste. It is an ideal opportunity to truly study issues like the ageing of groundfish and the impact of species, et cetera, in the wonderful ecosystem we would have as our laboratory.

There has been extremely slow progress in establishing the NMCAs. We encourage government to move swiftly in this for the 29 identified areas.

Mr. John Cummins (Delta—South Richmond, Ref.): Madam Speaker, the future of the fishery depends on the protection of the marine environment. When our rivers and coastal waters cease being a safe place for fish, we will no longer have healthy and abundant wild stocks.

Bill C-48 would do for the marine environment what parks have done for the buffalo: save a few. Perhaps it was never realistic to expect buffalo to continue to roam the western prairie in vast numbers to survive in the face of settlement, agriculture, mass hunting and the railway.

Today our fish stocks are facing the same pressures the buffalo faced a century ago. Cod stocks on the east coast collapsed nearly a decade ago due to the mismanagement of the fishery by the department of fisheries, corporate greed and the development of new fishing methods that allowed our fishermen to catch literally the last fish. When northern cod stocks were devastated, my friend, the member for Gander—Grand Falls, demanded that those who failed to protect Newfoundland's most valuable resource be held to account. My friend no longer chairs the fisheries committee. Apparently it is okay to call for the creation of marine parks but it is considered threatening to those charged with protecting those fish stocks and their marine environment if we seek to hold them to account.

Salmon stocks on both coasts faced similar devastation to that suffered by the cod. Salmon stocks on the east coast have already been devastated. The Saint John River in New Brunswick has three hydroelectric dams on its stem and one on a key tributary. Migrating salmon are blocked. On the west coast, the federal and provincial governments have allowed hydroelectric dams, poor agriculture and forest practices and industrial pollution to threaten the once mighty Fraser River and its tributaries as well as rivers and streams on Vancouver Island.

Recently the Ottawa *Citizen* and the Saint John *Telegraph Journal* reported on a study by scientists at the University of Ottawa. That study reveals hydroelectric dams are silent killers of our rivers. The study finds that dams stand accused of being the principal stressors on rivers. Such findings are not a surprise to fishermen and environmentalists on the west coast where the department of fisheries and its minister sold out to Alcan and those who would dam the Fraser. Although it claims to be a protector of the fishery, the Government of British Columbia has a long history of being seduced by those who would build dams. There is no doubt the province's current agreement with Alcan on Kemano does not adequately protect fish habitat. Marine parks will not halt the devastation to marine life caused by hydroelectric dams.

The Toronto *Star* recently carried a report on the possible threat to wild fish stocks from fish farms on the Bay of Fundy:

> The salmon slipped into vacuum sealed bags for shipment from this brand new processing plant are manufactured, not caught. They are a genetically manipulated species that is born in a plastic tray, vaccinated, often treated with antibiotics, fed red dye and doused with powerful pesticides before they go to market.
>
> Disease is at the heart of the controversy over fish farming in Canada. Environmentalists say the periodic epidemics that sweep through the farms are clear evidence the industry is not healthy. They worry the antibiotics and pesticides used to treat diseases and parasites in fish farms are getting into the food chain.

● (1315)

The story also quotes University of British Columbia infectious diseases specialist, William Bowie:

> The idea of pouring potent anti-infectives into the ocean strikes terror into those who see patients we can't treat because they have caught bugs we can't treat.

Another Toronto *Star* story summarized the disaster that has befallen wild salmon in Scotland. The story quotes Scottish fishermen who blame the disaster on fish farms that produce multitudes of sea lice, parasites that live on the farmed fish and kill salmon when they swim by.

It is thought that the infestation of sea lice in New Brunswick had its origin in Norway or Scotland.

There is now a fear that these diseases or similar diseases will spread to the west coast. Marine parks will not protect our wild salmon from such threats. Rather than turning our federal and provincial departments of fisheries into centres for aquaculture promotion, their main focus must be to continue the protection of the marine environment for wild fish. That does not mean the end of fish farms. There is lots of room for aquaculture operations which respect the marine environment.

In the end, a marine environment that is not safe for fish is one that is not safe for humans.

A department of fisheries report catalogued the effect that poorly planned urbanization and destructive agricultural and forest practices have had on the salmon-bearing streams in the Lower Fraser.

Of the 779 Lower Fraser Valley streams examined, 117 no longer exist, 375 are considered endangered, 181 are considered threatened and only 106 have retained their wild status.

Bill C-48 will not preserve the streams on the Fraser between Abbotsford and Hope. The study classified 58 of those streams as being threatened.

The future of fish stocks and fish habitat depend not on the Minister of Canadian Heritage, no matter how well intentioned she is. The future of the fishery and fish stocks depend on the Minister of Fisheries and Oceans making fish stocks his number one priority, enforcing the habitat protection provisions of the Fisheries Act and the avoidance of overriding the advice of scientists in favour of the private profits of friends of the minister.

[*Translation*]

Mrs. Madeleine Dalphond-Guiral (Laval Centre, BQ): Madam Speaker, I am pleased to rise today at second reading of Bill C-48, an act respecting marine conservation areas.

First, I must point out that, as everyone knows, the Bloc Quebecois is in favour of measures to protect the environment, but not at any cost.

For example, members will remember that the Bloc Quebecois supported the government regarding the bill that led to the establishment of the Saguenay—St. Lawrence marine park, in 1997. That legislation, along with the act passed by the Quebec government, resulted in the establishment of the first marine conservation area in Canada, and we are proud of that.

Under the legislation, both governments continue to exercise their respective jurisdiction in the Saguenay—St. Lawrence marine park. The park includes only the marine environment. Its boundaries can be changed, provided there is agreement between the two governments and provided they hold joint public hearings on the issue. These are among the main legislative provisions adopted in 1997.

The important thing here is that the establishment of that park was the result of a co-operative effort by the federal and Quebec governments. It is unfortunate that the federal government did not choose to follow the same procedure in the case of Bill C-48.

• (1320)

The government could have followed other examples, such as phase III of the St. Lawrence action plan. Let me briefly remind members what happened.

On June 8, 1998, the environment ministers of Canada and of Quebec announced phase III of the St. Lawrence development plan, the bill for which would be shared equally by both levels of government. This is another example of a joint project that respects the jurisdictions of each government.

Unfortunately, the approach in Bill C-48 is not even remotely comparable. How then can the federal government be so naive as to think that the Bloc Quebecois would support this bill? With this bill, the federal government, far from relying on dialogue, is seeking to unilaterally impose marine conservation areas, regardless of the fact that Quebec has jurisdiction over its own territory and its environment.

But there is more. The federal government, not content with getting involved in Quebec's jurisdictions and sincerely believing that ridicule does not kill anyone, is duplicating itself.

Indeed, the bill will establish marine conservation areas, thus creating a new structure for Heritage Canada and duplicating existing marine protected areas at fisheries and oceans, and Environment Canada's protected offshore areas. This means that the quarrelling is far from over.

It is clear to everyone that Bill C-48 does not respect the integrity of the Quebec territory. In order to establish a marine area, the federal government must first become the owner of the territory where such an area will be created.

But there is a problem, that is the Constitution of 1867. Indeed, section 92.5 provides that the management and sale of public lands comes under the exclusive jurisdiction of the provinces. Quebec is still a province.

In Quebec, the Quebec legislation on crown lands applies to all crown lands in Quebec, including beds of waterways and lakes and the bed of the St. Lawrence river, estuary and gulf, which belong to Quebec by sovereign right.

This same legislation provides that Quebec cannot transfer its lands to the federal government. The federal government, however, is not going to be intimidated by Quebec laws, that is common knowledge. Heritage Canada intends to establish its marine conservation areas in the St. Lawrence, the St. Lawrence estuary and the Gulf of St. Lawrence, three areas in which the ocean floor is under Quebec's jurisdiction.

Heritage Canada will thus force Quebec to cede its exclusive jurisdiction over its ocean floor. What a fine example of co-operative federalism. The condition essential to the establishment of marine areas in the St. Lawrence is the transfer of ownership rights to the federal government.

Not satisfied with meddling in Quebec's jurisdiction, the federal government is doing its best to overlap a number of its departments. What is the logic in the federal government's decision to create marine conservation areas under the authority of Heritage Canada, marine protection zones under fisheries and oceans and marine wildlife reserves under Environment Canada?

According to fisheries and oceans, one site could be zoned three different ways and thus come under three federal departments, which would each apply its own specific rules, and all of this would come under three different legislative measures.

• (1325)

God knows which waters the fish will choose. As for the officials, I do not think the stomach of Jonas' whale could ever contain them all as they try to reach some sort of understanding.

Once again, and this is not the first time since 1993, I am faced with a dilemma. If federal departments cannot work together, how can we expect the federal government to work with the provinces? Heritage Canada flavoured marine conservation areas—no thanks. Give me a sovereign Quebec, and quickly.

[*English*]

Mr. Mark Muise (West Nova, PC): Madam Speaker, I am pleased to have this opportunity to rise before the House to address Bill C-48. The proposed piece of legislation is designed to protect and conserve representative areas of Canada's marine landscape for the benefit, education and enjoyment of all Canadians and the world.

This being the International Year of the Oceans, it only seems fitting that we are debating a bill which has as its focus the protection and preservation of an important part of our marine ecosystems for generations to come.

Such legislation is far overdue. For years we have been guilty of taking our oceans, rivers and lakes for granted. We have polluted and pillaged our marine environments to the point where some species, particularly Newfoundland cod, are nearing extinction. We cannot afford to remain complacent if we want to preserve this environment for future generations.

[*Translation*]

I was born in the region of Acadia known as Mayflower, in the municipality of Clare. Much of my childhood was spent on the shores of St. Mary's Bay in the little village of Mavilette. I so loved the briny smell of the sea that I eventually bought a house right down by the ocean.

I have a great deal of admiration and respect for our ocean, so I must speak of my great sadness to see how our natural resources are being abused.

[*English*]

My constituency of West Nova borders alongside three different bodies of water: the Bay of Fundy, the beautiful St. Mary's Bay and the Atlantic Ocean. Surrounded by so much water, it is only natural that many of my constituents derive their living from the water in some fashion or another. The three large bodies of water that surround West Nova have been the lifeblood for many of my constituents.

The Bay of Fundy is home to many different species of marine life. For years Fundy fishing grounds supported a very prosperous inshore scallop fishery. Groundfish used to be found in abundance, helping to create a very lucrative fishing industry. Today many of the species fishers depend upon for their livelihood are disappearing due to overfishing. The lucrative lobster fishery still remains, but this is also being threatened.

It is important that we begin to seriously address the problems facing our fishing industry. History has shown that we cannot afford to ignore today's realities. Conservation must be the pivotal goal of this government if we are going to leave anything behind for future generations.

The Progressive Conservative caucus is supporting Bill C-48 because we feel it is time that we politicians start taking a leading role in helping to preserve our environment so that future generations will enjoy the serene beauty that presently exists throughout most of this country. We can only achieve these goals by taking immediate action through protective measures such as those outlined in this bill.

Deriving one's living from our oceans is a cultural way of life for us. We depend on the preservation of this large habitat not only for our survival, but also for the survival of coming generations.

Recently our coastal regions have been facing another menacing attack. This time it comes from illegal lobster fishers who have been pillaging the ocean floors almost unabated by Department of Fisheries and Oceans officials. The lucrative lobster fishery could be endangered if strong measures are not immediately taken to put an end to this illegal activity.

• (1330)

[*Translation*]

Clause 18 of this bill explains the application of the act. As I understand it, the minister may designate marine conservation wardens to enforce the act and regulations and to preserve and maintain the public peace in marine conservation areas.

I believe it is absolutely necessary to hire these people, but I wonder where the minister will find the necessary money for this project. With all the cuts to our museum and national parks programs, where will she find the funds?

[*English*]

I am rather excited by the prospect of having another body of enforcement officers patrolling our coastal waters. Perhaps these new recruits could offer our friends in DFO a hand in patrolling our waters in search of illegal lobster fishers. The Minister of Fisheries does not seem to realize the extreme seriousness of the problem in West Nova. Registered commercial lobster fishers are already very frustrated and angry with the department of fisheries for failing to put an end to the illegal activity that is presently threatening their livelihoods. I am scared that no noticeable reduction in the lobster catches in the next two months will surely lead to violence.

The Progressive Conservative Party has long been concerned with preserving our ecosystems. In 1986 the PC government approved the national marine parks policy. In 1987 the country's first national marine conservation area known as Fathom Five in Georgian Bay was established. Unfortunately it has yet to be proclaimed and there are still outstanding issues to be addressed.

It is important to note that although the proposed legislation is designed to establish and manage a system of marine conservation areas representative of the 29 marine areas, it does not specifically identify precise geographic locations to be protected. These sites will have to be chosen through much consultation with members of

the general public, provincial governments and those individuals who earn their livelihood from our waters.

I cannot stress the points strong enough that much consultation must be undertaken before any particular area is singled out for protection. Provincial governments, municipal governments, affected federal government departments and all stakeholders must be involved in every step of the site selection process. There must be a balanced approach taken when exploring in an area. The interests of our fishing community must be taken into consideration with that of marine habitat before any agreements on locations are finalized.

Conservation is vitally important to all of us but particularly to those who make their living from the water. We cannot simply target a location without exploring the long term effects it will have on industry. Our fishers must have a direct say in the management of their industry. We have already witnessed the disaster that can occur when they are excluded from the decision making process. It is important that the Department of Fisheries and Oceans be involved in the consultation process.

It is also important that aboriginal peoples be involved in the negotiations. With many land claims still to be resolved, it is imperative that they be consulted on creating any new marine reserve areas. There are restrictions on non-renewable resource extractions and careful examination of any proposed site must be explored as to its potential for oil and gas exploration.

Nova Scotia is finally to reap some economic benefits from the Sable oil and gas exploration, thus fulfilling a legacy started by the previous Conservative government. This economic boom would not have been possible if the Sable area had been designated as a marine protected area. This is why we must exhaust all opportunities for constructive consultation sessions with all those who have a vested interest in ocean floors.

It is important that the federal government be prepared to allocate the necessary resources to protect newly designated conservation areas. Otherwise we will open the doors to constant abuse as has been witnessed in our fishing industry.

Furthermore I warn the government against any possible altering of boundaries of future marine conservation areas for economic benefits. We cannot afford to have different rules for different marine areas as the department certainly appears to have in the national park systems where it allows the expansion of Lake Louise for economic reasons yet denies economic development in Tuktut Nogait National Park.

In conclusion, the government set a goal for itself of establishing 10 marine parks by the year 2000. It is obvious that it will not achieve this goal, but it is important and therefore we must choose these marine conservation areas carefully. The clock is ticking and we cannot afford to waste any more time in terms of this important undertaking.

• (1335)

Although this piece of legislation is not perfect, we should send it immediately to committee where I hope the views of interested Canadians will be welcomed in our attempts to make any necessary amendments.

Mr. David Chatters (Athabasca, Ref.): Madam Speaker, I appreciate the opportunity to participate in the debate on Bill C-48, the marine conservation area act. Like the hon. Minister of Canadian Heritage I believe that Canada has a national and international obligation to protect and conserve marine areas representative of Canada's 29 marine regions.

I recognize that such conservation efforts are necessary to ensure the future existence and enjoyment of these marine areas, and I support the concept behind the bill. I also support the polluter pay principle included in the bill.

However I have several major concerns with the bill. The first is with the structure and wording of the legislation. The second is with the potential impact of the legislation on natural resource development. As natural resource critic I want to address those concerns.

I will begin with my concerns regarding the structure and wording of the bill. Specifically I am concerned about the existence of three Henry VIII clauses which would allow the government to circumvent parliament. In contrast to the government's position, I am a firm believer in the parliamentary process. I am disturbed by the way the bill attempts to avoid the parliamentary process.

In its summary of the bill the Department of Canadian Heritage stated that the proposed legislation required that any proposed amendment to the schedules to establish or enlarge a marine conservation area or reserve should be subject to scrutiny by parliament. However, the summary failed to mention the constraints placed on this scrutiny.

The legislation delegates responsibility for the raising of objections to schedule amendments to the standing committee. The committee has only 20 sitting days after the tabling of the amendment to put forth a motion in objection to the amendment. We all know the results of the Liberal majority in each and every one of the standing committees of parliament and what the government whip does to the decisions of those committees.

If 21 days elapse without any objection the amendments can be made by order in council. If a motion is put forth, the motion is debated for no more than three hours before the House confirms or rejects the committee's objections. Clauses 5, 6 and 7 of the bill allow the government to side step the usual legislative process.

The fact that similar Henry VIII clauses exist in national parks does not make the circumvention of parliament any more acceptable either in this bill or in any number of other bills the government has introduced in this parliament and in the previous parliament.

This aspect of the legislation is particularly suspect as the schedules referred to in these clauses are now empty. The government has put forth the names of five areas already targeted as future marine conservation areas under the act. Therefore I am as curious as I am sure others are why these five areas are not included in the schedule attached to the bill. I can only conclude that they were purposely omitted to prevent full debate on the legislation which might include a controversial debate on the proposed areas.

This brings me to my second concern regarding the impact of the legislation on current and future natural resources development. Clause 13 states that no person shall explore for or exploit hydrocarbons, minerals, aggregates or any inorganic matter within a marine conservation area.

While I understand the necessity of this clause for the sake of environmental protection, I am troubled by the extent of the proposed areas. If each area under consideration is successfully designated through order in council as a marine conservation area, the entire coastline of Canada extending some distance inland and a considerable distance into the offshore area, including a number of already proven mineral rich inland areas, will be covered under the act.

The legislation proposes to prevent all future mining and oil and gas drilling projects along the entire coastline of Canada. This is absolutely unacceptable in light of the fact that Canada is already one of the least mining friendly countries in this hemisphere. Under the legislation projects like Hibernia, Terra Nova and Sable Island would not be allowed to exist. The opportunities that these projects are providing to Atlantic Canadians simply would be disallowed. That is absolutely unacceptable and quite irresponsible on the part of the government.

• (1340)

Future mining areas have already been barred on large sections of land because of the settlement of native land claims. By removing the possibility of resource development along the coastline the government is potentially crippling the future of resource industries in Canada.

The legislation is set up in a such way that it is very difficult to remove portions of the conservation area from the act. It takes only an order in council to add a conservation area. The legislation requires an act of parliament for no net loss, swapping or removal of a portion of a marine conservation area.

This requirement will have serious impacts on natural resource industries. If a marine conservation area proves in future to be a valuable and bountiful source of yet undiscovered natural resources, it will be very difficult to have the boundaries of the conservation area redrawn to exclude the area containing the resources.

I might remind the House that there are a number of areas on all coasts of Canada which potentially hold huge natural resource deposits, both fossil fuel and mineral deposits that could some day potentially be mined.

I am concerned by the ease with which each new marine conservation area can be created and the difficulty involved in removing it from that marine conservation area. By setting up the legislation in this way more area than necessary may be included initially and cannot be freed from the legislation without enormous difficulty.

This major obstacle to future development will undoubtedly impact on our energy and resource independence. This leads into the last point I wish to make. The act is clearly intended to fulfil preservationist and not conservationist objectives. While these objectives may be noble, as I stated in my initial comment they are hardly the usual objectives for a national park or historic heritage site. National parks normally allow relatively free public access.

The legislation requires authorization by permit for any activities in the area or reserves. The bill aims to establish marine conservation areas and reserves under the authority of the Minister of Canadian Heritage, the minister chiefly responsible for national parks.

As the legislation's aims are clearly environmental it would be more appropriate to establish authority under the Minister of the Environment. The legislation could then be evaluated by members of the House as well as members of the public for what it is, environmental legislation.

I reiterate that I support the goals of the legislation. Too often Reform members of parliament are portrayed as enemies of the environment. Nothing could be further from the truth. I am a firm believer in conservation and responsible development. I understand the necessity for environmental responsibility.

Canada's biodiversity is one of the many things that makes our nation unique. I support the concept of sustainable development and preservation of Canada's natural environment for this and future generations.

I also advocate participation in the world community of agreements. I commend the government on the inclusion of the polluter pay principle in the legislation although I have some doubts regarding its resolve to enforce this principle.

Unfortunately I cannot support the bill. My colleagues and I want to see parliament restored as the supreme body responsible for the creation and interpretation of Canadian law. Clauses 5, 6

and 7 subvert parliament's law making role and therefore contradict this fundamental belief.

For this and other reasons as previously presented I reject the legislation and encourage other members of the House to do the same, to simply stop for a moment and look at the possibilities for future job and wealth creation in the development of Canada's offshore resources.

In my opinion it has not been the development of our natural resources either offshore or onshore that has endangered, as some of my colleagues talked about, the fish habitat in Canada's oceans. It has simply been poor management and overfishing, not resource development.

It is perfectly reasonable to expect that Canada can develop its natural resources offshore, off all Canada's shores, in an environmentally responsible manner and at the same time preserve the biodiversity and the environment that exist there.

• (1345)

Mr. Roy Bailey (Souris—Moose Mountain, Ref.): Madam Speaker, I am pleased to rise to speak to this bill.

In looking at this bill in detail members will find that this bill is full of ambiguities. Much of the bill is not clearly stated. Where the responsibility crosses over to the provinces is not spelled out. There are many things on which this bill needs some genuine bookkeeping and homework done.

This bill changes the previous concept in Canada as to what is a park. Traditionally a park was an area relatively free for public travel. A park was established in some cases for heritage purposes. This adds to the meaning of the word park. It becomes a marine park and it is being added to the concept of a national park.

My colleague has mentioned some of the areas where all of the power vested here is given to the minister in charge. In other words we can have something take place within and under the act. Changes can be made without having to steer them through parliament. More and more often bills come before us which give the minister the power to make huge changes to an act without having to come back to parliament which has to discuss the act in the first place but then gives the authority to make substantial changes. We do not believe in that. We believe that if there is a substantial change being made to any act, this is the body that should make the changes, the elected people, and not the committee.

This is a classic example of the government sidestepping the usual legislative process. When that is done, the government gets into a dictatorial way of operating the nation's business.

Government wants the expansion of a new marine conservation area or a reserve to belong to a standing committee. It would not come back to the House; it would belong to a standing committee. The majority of the members on a standing committee are from the government side. As a result, we can almost rest assured that the standing committee is going to pass what the minister directs or asks for. That is a dangerous precedent in the bill.

It also very rapidly shrinks the amount of land that can be used for exploration, as my colleague has mentioned. As a matter of fact it could possibly contain the entire coastline of a country that has more coastline than most. This could all take place at the minister's discretion.

As I mentioned earlier, the bill would require not just the federal crown to obey it, but it would also insist with respect to the provincial waters and resources off the provincial shores that the provinces would not have a say in what becomes a new marine park or the waters thereof. We see all kinds of difficulties in this when the provinces are not consulted.

There is another item in the bill which is terribly dangerous. It violates all the Canadian principles I have ever read. Those appointed to enforce the act would be designated as peace officers as defined by the Criminal Code. These enforcement officers would be authorized to enter and pass through any private property in discharge of their duties. As I read that, it is without a warrant. They have that right.

Also anyone who contravenes the law could be fined $100,000, or if found guilty of an indictable offence, be fined up to half a million dollars.

• (1350)

There seems to be something missing in the bill. While we want the act to have teeth and importance, the due process of law is not mentioned in the bill.

As my colleague said, we agree to the polluter pay principle. There is no question about that. We would strongly support the bill in that regard. However, the bill violates the principle of the democratic process so much. We cannot support acts which lay the real power of the act in the minister's hands.

Further, the rightful place and supreme body for creating and interpreting the laws of Canada is this House. It does not belong to a minister by order in council, nor does it belong to a parliamentary standing committee. I do not understand why members opposite, with almost every bill that comes up, continually want to violate these principles.

This really is not a park bill but is an environmental bill. We believe in sustainability, development and management for the environment to preserve both biodiversity and conserve the environment for the present and the future. This bill expands the domain of the Minister of Canadian Heritage and encroaches on what is more properly the responsibility of the Minister of the Environment. As such, we have real difficulty with the bill.

We have difficulty with this bill because it gives powers to committees, gives powers to orders in council, gives powers to the minister which rightly belong to the legislative body here.

The bill requires, as I said, the provincial governments to fall in line. It also requires that natives under their land claims also fall in line without any consultation, if the government so wishes.

Note that the enforcement officers may arrest without warrant and enter private property without permission.

All of those things are within a bill which the government is asking us to pass. It violates the rule of law. It violates the longstanding principles of justice. It violates the authority of the House as the legislature.

For those reasons we cannot support the bill even though it has many admirable parts to it. Canadians need most of the bill but we do not need to go down the road to dictatorship in implementation of the bill in its present form.

The Acting Speaker (Ms. Thibeault): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Ms. Thibeault): The question is on the amendment. Is it the pleasure of the House to adopt the amendment?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Ms. Thibeault): All those in favour of the amendment will please say yea.

Some hon. members: Yea.

The Acting Speaker (Ms. Thibeault): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Ms. Thibeault): In my opinion, the nays have it.

And more than five members having risen:

The Acting Speaker (Ms. Thibeault): The division on the amendment is deferred until later this day at the end of Government Orders.

STATEMENTS BY MEMBERS

● (1355)

[*English*]

JEAN VANIER

Mr. Bryon Wilfert (Oak Ridges, Lib.): Mr. Speaker, today I would like to pay tribute to a great Canadian, a man who lives by his own creed that every person needs to know that they are a source of joy; every child, every person, needs to be accepted.

I am talking about Jean Vanier, founder of L'Arche, a community of homes for the intellectually disabled around the world and of Daybreak House in Richmond Hill in my riding. It is one of 11 L'Arche houses in the Toronto area, home to 44 men and women with disabilities.

It is the first and largest of the North American communities created by a man who has been many things: military officer, philosophy professor and recipient of the Vatican's Paul VI International Prize.

Mr. Vanier was in Toronto last week to give the Massey lectures and to shed light on how most of the world treats some of the most oppressed members of their societies, the intellectually disabled.

I would like to congratulate Mr. Vanier for his efforts in making the world a more welcoming place and for spreading his message of love and acceptance.

* * *

NATIONAL DEFENCE

Mr. John Cummins (Delta—South Richmond, Ref.): Mr. Speaker, the families of servicemen who have been disabled as a result of military service are all too often left to fend for themselves.

On November 24 Marg Matchee goes before the federal court in Halifax seeking veterans benefits. Her husband Clayton Matchee is totally disabled as a result of his service in Somalia. A respected Canadian forces doctor described his condition as mefloquine related. That is, his present condition is the result of a drug, an unlicensed drug illegally administered and fraudulently obtained by the department of defence.

● (1400)

In October 1997, the minister of defence was advised by officials that they had misled the Somalia inquiry on the status of the drug mefloquine. The minister has not bothered to inform Marg Matchee and her daughter that DND misled the inquiry.

I now call on the minister of defence to tell Marg Matchee the truth so that she can support her claim before the federal court next week in Halifax. Time is running out.

* * *

NUCLEAR WEAPONS

Mr. Ted McWhinney (Vancouver Quadra, Lib.): Mr. Speaker, the recent advisory opinion of the World Court on the legality of the use of nuclear weapons establishes a legal duty of states to negotiate in good faith toward the elimination of nuclear weapons and their use in armed conflict.

While some nuclear weapon states still argue that article 51 of the United Nations charter and the right to self-defence that it recognizes would permit a pre-emptive use of nuclear weapons in anticipation of an armed attack, the authoritative legal consensus that has now emerged establishes clearly a binding international law principle of no first use of nuclear weapons.

* * *

RURAL CANADA

Mr. Ovid L. Jackson (Bruce—Grey, Lib.): Mr. Speaker, I rise today to acknowledge the work of one of my constituents who participated in a national rural conference held in Belleville last month.

Jan Sideris travelled from my riding of Bruce—Grey to meet with some 200 other Canadians for a common goal. They spent three days discussing the challenges of rural life with others who want a sustainable future for rural Canada. Jan tells me the weekend was most productive and the results encouraging.

Participants overcame regional differences and came from tiny east coast villages, remote northern towns and small farming communities. They worked together in a way to strengthen and enhance rural life. They discussed building partnerships and finding workable solutions to chronic unemployment problems.

My thanks goes to Jan and those other Canadians who attended this conference. Their work and dedication are a true contribution to rural Canada.

* * *

MEMBER FOR DAUPHIN—SWAN RIVER

Mr. Hec Clouthier (Renfrew—Nipissing—Pembroke, Lib.): Mr. Speaker, it was reported in today's papers that the member for Dauphin—Swan River is taking advice from the Americans on what position to take on Bill C-55, an act respecting advertising services by foreign periodical publishers.

The member for Dauphin—Swan River can argue as much as he wants that he got information from both sides, but facts are facts. The member met with American representatives then took his decision by himself before he announced it to the House. Two weeks after the fact did he agree to meet with the representatives from the Canadian magazine industry when they requested a meeting to set the facts straight?

The member for Dauphin—Swan River can argue as much as he wants that he got information from both sides. Just because his seat mate chooses to ignore him does not mean that the member should not communicate with Canadians. It is obvious or it may as well be written ink that the member is off the mark.

* * *

GASOLINE

Mr. David Chatters (Athabasca, Ref.): Mr. Speaker, how are Canadians to understand the Liberal policy on Canadian gasoline content?

First during the debate in the House on manganese octane enhancement, the Minister of Industry advocated the necessity for the harmonization of gasoline in the North American market. Now we have the Minister of the Environment dramatically cutting sulphur levels with no regard for the American position. Fantastic Liberal logic.

What makes matters worse is that this Liberal logic will eliminate independent gasoline stations in Ontario, force the closure of Canadian refineries, reduce competition in the retail gasoline market and, according to the chairman of the Liberal committee on gas pricing, the member for Pickering—Ajax-Uxbridge, will mean a 15 cent per litre increase in gas prices.

Will this government ever get its act together and decide on a single reasonable position on gasoline quality in Canada?

* * *

POVERTY

Ms. Aileen Carroll (Barrie—Simcoe—Bradford, Lib.): Mr. Speaker, I have spoken in the House and on other occasions about child poverty and the discrepancy between Canada's top rating by the United Nations and the growing gap between the rich and poor in our country.

Under treaty agreement Canada will be reviewed by UNESCO on its human rights protections. Social problems such as poverty, homelessness and shortage of affordable housing in our major cities are disturbing aspects of the Canadian landscape that will not show well under the UNESCO review.

We cannot proceed with an agenda that targets the middle and upper classes while thousands of human beings try to survive on the streets. The plight of Canadians who frequent food banks and hostels must become a major priority for the House. I urge that we take action before we loose more lives on the streets of our cities

this winter and we loose our bragging rights in the international arena.

* * *

• (1405)

[*Translation*]

EMPLOYMENT INSURANCE

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, I want to draw attention today to the Madore family's first victory. For 13 years now, Sylvie and Katy Madore have been working for their mother's business in Kamouraska.

But since 1996, Human Resources Canada and Revenue Canada have been denying Sylvie EI benefits on the basis that she is a blood relative of her employer.

Two years of fighting Revenue Canada were required to overcome this flaw in the system. Sylvie Madore will finally receive retroactively the EI benefits she was entitled to during these two years.

Sadly, this family's ordeal is not over yet. Both departments are now targeting Katy, who has been unfairly denied benefits for six months. It is time the two ministers stopped targeting the unemployed and admitted there are serious problems with the Employment Insurance Act and its application, instead of abetting a major misappropriation of funds.

* * *

ELECTION CAMPAIGN IN QUEBEC

Mr. Yvon Charbonneau (Anjou—Rivière-des-Prairies, Lib.): Mr. Speaker, we are anxious to see which Lucien Bouchard will participate in the leaders debate tomorrow evening.

Will it be the Lucien Bouchard who told the *Toronto Star* a while back ''I entered politics because I profoundly believed and continue to believe that the future of Quebec is within Confederation'', or the one who reiterated last weekend that Quebec must achieve sovereignty?

Which Lucien Bouchard will show up at the leaders debate tomorrow evening? Will it be the one who was a member of a Conservative government and all of a sudden quit on his Prime Minister, the convert who now contends it is essential that Quebec become independent, or the Lucien Bouchard who hinted at the possibility of deferring the next referendum indefinitely?

Which of the two, or rather the three, will participate in the leaders debate tomorrow evening?

[*English*]

MICHEL TRUDEAU

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, our hearts go out today to former Prime Minister Trudeau and Margaret Trudeau-Kemper on the tragic loss of their son Michel.

Every parent's nightmare came true for them last week as Michel died in an avalanche in British Columbia. Michel inherited his father's love for Canada's outdoors. He was a sociable young man who loved to travel and enjoyed hiking and skiing with his friends. It was in following those passions that Michel tragically perished.

As a father of five I can only imagine the pain of losing a child. I know the love and hope his parents must have felt for him and I can only imagine their feeling of loss.

I know that my words or any words spoken here today will provide little comfort for them in their time of grief but I want Michel's father and mother and entire family to know that they are in the thoughts and prayers of every member of this House.

The Speaker: I would say that the hon. Leader of the Opposition has spoken for the entire House today as our heartfelt feelings go out to Mr. Trudeau, to his former wife and the children of the Trudeau family.

* * *

[*Translation*]

ELECTION CAMPAIGN IN QUEBEC

Mr. Nick Discepola (Vaudreuil—Soulanges, Lib.): Who is clearer, a premier of Quebec who says he entered politics because he is a sovereignist, or one who says the winning conditions are not in place for holding a referendum on Quebec independence?

Who is clearer? The Quebec premier who had changes made to a resolution on the holding of a referendum during a subsequent mandate, which was passed by PQ militants at the last general council, or the premier who declared this past weekend that Quebec must become sovereign?

Who is clearer? The former PQ leader, Jacques Parizeau, who was anxious to see Quebec independence as soon as possible, or Lucien Bouchard, who is waiting for winning conditions, no matter what the price?

This coming November 30, the vote must be for clarity, for a stronger Quebec within a stronger Canadian federation. I will be voting Liberal—

The Speaker: The hon. member for Yukon.

[*English*]

LOUIS RIEL

Ms. Louise Hardy (Yukon, NDP): Mr. Speaker, on November 16, 1885 Louis Riel was executed for high treason against the Government of Canada. He died for his convictions, his country and his people.

● (1410)

One hundred years later, we must let Louis Riel take his place among the heroes of this nation. Riel fought and died so his people would have freedom, freedom to determine their lives and their futures. I join my Métis colleague from Churchill River in remembering all the valiant Métis who were killed that day in 1885. It is time to right the wrongs.

* * *

[*Translation*]

PUBLIC FINANCES

Mr. Pierre de Savoye (Portneuf, BQ): Mr. Speaker, year after year, the Bloc Quebecois has shown how the government is hiding the reality of public finances from the public.

Once again this year, our prediction of a budget surplus of $12 to $15 billion for 1998-99 is more realistic than the zero surplus announced by the Minister of Finance.

In fact, according to the latest financial review six months into this fiscal year, the surplus accumulated by the federal government has already reached $10.4 billion. The credibility of the Minister of Finance is getting pretty thin.

The government claims to be holding pre-budget consultations, but these are based on inaccurate information. Meanwhile, the Minister of Finance is maintaining his cuts in health and employment insurance, while secretly using the huge surplus just to pay down the debt. The people will be the judge of this.

* * *

QUEBEC ELECTION CAMPAIGN

Ms. Raymonde Folco (Laval West, Lib.): Mr. Speaker, is a vote for the PQ on November 30 a vote for a referendum?

The Bloc Quebecois leader was saying very clearly that this was the case.

The member for Rimouski—Mitis had a bit more to say on the subject a few days later, pointing out that the referendum should be held by 2001.

However, the Premier of Quebec took the wind out of the sails of the true sovereignists by saying that the timing of the referendum would depend on the presence of the winning conditions. He thus discouraged all those who had hoped for a referendum in the next mandate, as had initially been the choice of the militant PQ members in a general council vote.

And the truth? On November 30, it is clear: a vote for the PQ is a vote for a referendum.

* * *

[*English*]

RIGHT HON. JOE CLARK

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, on November 14 thousands of Canadians came together in a new and historic process to choose the Right Hon. Joe Clark as the leader of the Progressive Conservative Party of Canada.

Mr. Clark is a man of integrity. He has been all things to the Progressive Conservative Party, from youth president to Prime Minister of Canada. He is respected internationally for his work on human rights, free trade and building bridges with developing countries. He is respected here at home as a man who cares passionately about a united Canada. He is a proud Albertan. He has proven himself to be a man of vision. He was a fiscal conservative before it was popular to be a fiscal conservative.

He is a consensus builder. He believes in openness and democracy and he was chosen the leader of our party in the most open and democratic process ever to be held in Canada.

We look forward to Mr. Clark's principled leadership as he lays out his priorities for a brighter and stronger future for Canadians from across this great country.

* * *

MISSISSAUGA WEST

Mr. Steve Mahoney (Mississauga West, Lib.): Mr. Speaker, the Reform Party recently mailed brochures on employment insurance to individuals and businesses in my riding of Mississauga West. I remind the Reform Party of the old adage you gotta fish where the fish are.

In the last election the Reform candidate in my riding got a whopping 18.3% of the vote. That may be slightly better than Reform's current standing in the national polls but it is a far cry from the 61.2% of my constituents who voted Liberal. It does not appear to me that many Mississaugans would be interested in being on Reform's mailing list. The real galling part is that Reform has the audacity to title its brochure ''Whose money is it anyway?''

Despite the fact that the brochure warns the government not to misuse taxpayer dollars, the Reform Party used taxpayer dollars to produce it and to mail it out. Whose money is it anyway? It is the taxpayers' money and the citizens of Mississauga West—

The Speaker: Oral Questions.

ORAL QUESTION PERIOD

● (1415)

[*English*]

TAXATION

Mr. Preston Manning (Leader of the Opposition, Ref.): Mr. Speaker, last month the finance minister said that Canada risked falling back into a deficit so we had to keep taxes ratcheted up high.

Now we learn that the finance minister has actually overtaxed Canadians by $10 billion in just the first six months of 1998. He has set a new record for gouging taxpayers, taking billions from Canadians whom the government itself defines as living in poverty.

How could the finance minister miscalculate the budget surplus by so much? Why is he trying to hide overtaxation?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, there certainly has been no miscalculation of the budget surplus.

If the hon. member wants to talk about taxation, the fact is that last year not only did the government take 400,000 Canadians off the tax rolls, it brought in $7 billion of tax reductions which will take place over the course of the next three years.

Mr. Preston Manning (Leader of the Opposition, Ref.): Mr. Speaker, taking an extra $10 billion from taxpayers is not tax relief. It is called gouging. It is called having the highest personal income taxes in the western world. It is called punishing employers and employees with unreasonable payroll taxes.

Personal income taxes are up $2 billion and corporate income taxes are up by almost $1 billion.

Why will the finance minister not admit that his so-called surplus is nothing more than evidence that he is overtaxing, gouging the taxpayers?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, it is very clear that six months does not a year make. What is painfully evident is that the leader of the Reform Party is unable to accept the fact that Canada has a $10 billion surplus going into what is a very uncertain economic climate.

What is really true is that the leader of the Reform Party is unable to accept the fact that Canada is doing well in a world that is in considerable uncertainty.

Mr. Preston Manning (Leader of the Opposition, Ref.): Mr. Speaker, Canadian taxpayers want a reward. Where is the tax relief?

This month this finance minister is going to try to twist the arm of the Employment Insurance Commission to keep ripping off workers and employers with excessively high payroll tax rates. He has an option to return those dollars to Canadians.

Will the finance minister give workers and employers the tax relief and cuts in employment insurance rates that they deserve, according to the chief actuary himself?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, in the last budget not only did we bring down taxes by $7 billion over three years, but we reduced EI premiums by $1.5 billion last year, which was the largest single reduction in EI premiums.

The real problem is that the leader of the Reform Party does not like it when Canada is doing well. It is doing well and it is going to continue to do well.

* * *

UNEMPLOYMENT INSURANCE

Miss Deborah Grey (Edmonton North, Ref.): Mr. Speaker, if the country is going to do well, as Gordon Thiessen said this morning, then perhaps the finance minister should talk himself right around the circle and give tax relief to Canadians.

He has skimmed $10 billion out of the pockets of people—workers and business people—in this country who have paid EI premiums. They have paid billions of dollars into it. He owes them money back.

When is he going to make his announcement that he is going to lower premiums to $1.90 for workers?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, let us understand what members of the Reform Party are advocating.

They are advocating $9 billion worth of tax reductions. They are advocating $9 billion worth of debt reduction, and now they are advocating $6 billion in terms of EI premium cuts. What they are advocating is $24 billion to $25 billion in cuts.

Where is that money going to come out of? It will come out of our health care system. It will come out of transfers to the provinces. It will come out of the things that count for Canadians. That is their real agenda.

Miss Deborah Grey (Edmonton North, Ref.): Mr. Speaker, our real agenda is to give tax relief. Our agenda is exactly what the actuary's agenda is, which is for the finance minister to lower premiums to $1.90.

I do not think he is too nervous about what the actuary is saying, he just needs to act on it.

● (1420)

With these billions of dollars in excess payments that people have built up, why is the finance minister not going to just give that

money back to them? It is Canadians' money, not his own personal fund. When will he give it back?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, the Reform members talk about their agenda. In their program they would take $3.5 billion out of health care. They would take $1 billion out of equalization for Manitoba and Saskatchewan. They would gut the amount of transfers that go to aboriginal Canadians. They would not support research and development.

They would pay for their tax cuts on the backs of the future of this country and we will not do that.

* * *

[*Translation*]

BUDGET SURPLUS

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, according to Finance Canada's Finance Monitor, the government has accumulated a $10.4 billion budget surplus in six months.

At this rate, by the end of the year, the surplus will be $15 billion, with half of it coming from the employment insurance fund.

Does this kind of surplus not show that this is government policy and that the reason the finance minister will not improve the plan is that he wants to keep using the employment insurance fund as a cash cow?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, what we want to do is to ensure the fiscal stability of our country.

What the Bloc Quebecois is proposing is chronic deficits, a country that will neglect its responsibility to its own people. That is what the Bloc Quebecois is proposing. But our country is growing and will continue to grow.

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, unlike the minister, who does not know how to count, the Bloc Quebecois has accurately forecast the financial situation of the country over the past four years. We were also the only ones to put forward anti-deficit legislation. He should speak seriously.

Will he admit that, in using employment insurance contributions to artificially inflate his surplus instead of helping the unemployed, he is in fact destroying the entire Liberal Party's social legacy, that men like his father have helped build since the 1940s? There will be nothing left of this legacy at the rate the minister is going.

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, here is what this government is offering Canadians: shrinking deficits, lower taxes, a national debt that is growing smaller and a national unemployment rate that currently stands at 8.1%, compared to 11.9% when we took office.

EMPLOYMENT INSURANCE

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ): Mr. Speaker, a substantial part of the $5.1 billion surplus in the employment insurance fund results from the government's persistent refusal to pay benefits to 57% of the unemployed who contributed to the plan.

Is the Minister of Human Resources Development not ashamed to have helped generate, in just six months, a $5.1 billion government surplus by making people contribute to the fund, even though they do not qualify when they lose their jobs?

Hon. Pierre S. Pettigrew (Minister of Human Resources Development, Lib.): Mr. Speaker, I am always surprised to see how difficult it is for the Bloc Quebecois here when we are dealing with surpluses, considering that its head office in Quebec City is obsessed with a zero deficit, something which we have achieved and exceeded, to the point where we now enjoy a surplus.

Your comments should reflect the decisions made by your head office.

Some hon. members: Oh, oh.

Hon. Pierre S. Pettigrew: Let me say that, once again, the Bloc Quebecois is trying to confuse Canadians by playing with the figures. The fact is that 78% of those Canadians who lost their jobs during the past year, or who quit for a valid reason, were covered by the employment insurance system.

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ): Mr. Speaker, on page 47 of the minister's own study it is clearly indicated that only 43% of the unemployed who contributed to the program are getting benefits. That is the truth.

After a week-long parliamentary break during which he had an opportunity to meet people from various ridings, has the minister not realized that workers do not want him to take money out of their pockets under false pretences in order to increase the federal government's budget surplus?

Hon. Pierre S. Pettigrew (Minister of Human Resources Development, Lib.): Mr. Speaker, what I noticed when I traveled in Quebec last week is that Quebeckers are very pleased with the transitional jobs fund—

Some hon. members: Oh, oh.

Hon. Pierre S. Pettigrew: —which created thousands of jobs in those regions where the unemployment rate is particularly high.

I met young Quebeckers who thanked me for the federal government's youth employment strategy, which helps them join the labour market by allowing them to gain some work experience.

● (1425)

I met Quebeckers who were pleased with the progress we made on the issue of child poverty by implementing a national child benefit in co-operation with the provinces.

* * *

[*English*]

TOBACCO

Ms. Alexa McDonough (Halifax, NDP): Mr. Speaker, my question is for the Minister of Health.

Two hundred and fifty thousand young Canadians start smoking each and every year. That is a human tragedy. Clearly more action is needed in the way of effective anti-smoking measures.

Does the health minister believe, yes or no, that a levy of 50 cents a carton is too high a price to prevent our youth from taking up smoking?

Hon. Allan Rock (Minister of Health, Lib.): Mr. Speaker, the member should know that this government has taken important and effective action to discourage young people from starting to smoke. We have done that by introducing some of the toughest and smartest anti-tobacco legislation in the western world, which restricts access by young people to tobacco and indeed creates offences for those who sell tobacco to persons under the legal age.

In addition, we have already announced the intention to spend over the coming five years $100 million in the administration of that statute and in efforts to discourage young people from smoking.

Ms. Alexa McDonough (Halifax, NDP): Mr. Speaker, who is the health minister kidding? He knows perfectly well that only $200,000, 2% of that $100 million prevention program, has even begun to be put to work.

Smoking related illnesses are costing Canadians $5 billion a year.

When will the health minister follow British Columbia's lead, stand up to big tobacco companies and make them pay for the costs of smoking related illnesses?

Hon. Allan Rock (Minister of Health, Lib.): Mr. Speaker, as I said, the member should be aware that we are devoting $100 million in the coming five years to enforce the Tobacco Act, which is the toughest anti-smoking legislation in the western world, and to efforts directly aimed at young people to discourage them from starting to smoke.

I should also remind the member that our statute and powers are to control tobacco as a substance and to increase the warnings on tobacco packages for which we now have proposals in front of us that are under consideration.

I can assure the hon. member that this government will follow through on its commitment to encourage young people not to start smoking.

* * *

TAXATION

Mr. Scott Brison (Kings—Hants, PC): Mr. Speaker, the finance minister's budget projections are bogus. Revenues this year are rising beyond his projections because of increases in personal taxes. The Canadian standard of living continues to decline as taxes rise.

The Canadian Chamber of Commerce and the Canadian Federation of Taxpayers has endorsed the PC plan demanding tax relief.

Will the minister commit today to lowering taxes and making them fairer for Canadians?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, the last PC plan I saw had a $42 billion deficit in it.

We have made it very clear that it is our intention to reduce taxes. We did so in the last budget. We would hope to do so in every budget. We would also hope to continue to reduce EI premiums. We would also hope to see the kind of job creation that Canada is now coming forth with which is the strongest job creation of almost any of the G-7 countries.

Mr. Scott Brison (Kings—Hants, PC): Mr. Speaker, the last PC plan I saw had free trade and GST in it. I would like to know where the Liberals, who are sitting in this House today, were back then.

The fact is that personal taxes are up $2 billion this year and low income earners have had the biggest tax hike of all Canadians due to the 70% increase in CPP payroll taxes. The government now wants to maintain unnecessarily high EI premiums. These payroll taxes are regressive and punish the poor in Canada.

Why is this finance minister balancing the books on the backs of low income Canadians?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, the current EI premiums, at $2.70, are substantially lower than the EI premiums that existed when the Tories were in office.

It is right that the surplus for the first six months is $10 billion higher than some people would have projected. However, I sat in this House when Tory finance minister after Tory finance minister made a mistake and it went the other way. If we are going to make a mistake I would rather make it our way.

• (1430)

EMPLOYMENT INSURANCE

Mr. Monte Solberg (Medicine Hat, Ref.): Sadly, Mr. Speaker, it is taxpayers who pay for his mistakes: $10 billion right out of their pockets.

The fact is that the finance minister is sitting on a $10 billion mountain of money gouged right out of the pockets of Canadian taxpayers and a full $7 billion of that comes from workers and employers through EI overtaxation.

When will the finance minister come down off money mountain and make sure that Canadians get the tax relief they need through lower EI premiums?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, the hon. member will have a supplementary question so let him deal in the supplementary with the real difference of opinion.

We want to reduce taxes. We have demonstrated that. We want to reduce EI premiums. We have demonstrated that. This is not the issue. The issue is that we are not prepared to do it on the backs of low income Canadians. We are not prepared to do it on the backs of poor families with children. We are not prepared to do it by gutting the health care system.

That is the Reform Party agenda and at least its members ought to have the guts to stand and admit it.

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, last year 2.5 million Canadians earning less than $30,000 a year kicked in $2.5 billion in EI premiums. That is the government's record when it comes to taxation of low income Canadians. I think the air is a little thin up there on money mountain. The oxygen is not getting to his brain.

The fact is that Canadians pay far too much in taxes, 56% higher than the G-7 average. There is a $7 billion surplus in the EI fund. When will the minister wake up and understand that the surplus is not his? It belongs to workers and employers. When will he give it back to them in the form of lower premiums?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, let us simply take a look at the facts.

In the first 10 months of 1996, 321,000 new jobs were created. In the month of October 57,000 new jobs were created. The reason for that is that the nation's finances have been cleaned up and there is a feeling of confidence across the country.

That is what will lead to job creation. That is what will lead to lower taxes. The Reform Party ought to understand that Canadians are now on a roll and ought to stop trying to stop it.

[*Translation*]

BUDGET SURPLUS

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ): Mr. Speaker, the latest financial review reveals a surplus of over $10 billion in the first half of the current fiscal year.

However, last month, the Minister of Finance was maintaining his harebrained prediction of zero budget surplus for 1998-99.

Will the minister confirm that by so shamelessly hiding the surpluses, his plan for them is to apply them all to the debt, since under accounting rules all unplanned surpluses must be applied to the debt?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, we have always said our projections would not be of our optimum performance, but of our minimum.

I am proud of Canada's victory over the deficit, and I am very happy to see that we have a $10 billion surplus for the first six months of this year. However, we still have another six months to go.

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ): Mr. Speaker, being 100% wrong one month is certainly the minimum in terms of skill.

If the minister wants to use part of the surplus for something other than debt reduction, he knows he can table a supplementary budget to increase, for example, health transfers.

So why does the minister not want to use part of his $10 billion surplus to increase health transfers, when all the provinces are asking him to do so, when he has the wherewithal and when he can do so by tabling a supplementary budget this week?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, that is just what we did in the last budget. We increased transfers to the provinces by $7 billion over five years, and the Bloc members voted in opposition.

When we look at what the Bloc proposes, we realize that they want to spend $15 billion this year and $15 billion next year. They want Canada to be back in a deficit position. This is certainly not what Canadians want.

* * *

[*English*]

HEALTH

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, the finance minister just said that the Reform Party would gut health care. However the health minister in the five years they have had power has taken $7 billion a year out of transfers to the provinces.

I have a brand new Canadian Medical Association poll which says that 68% of Canadians want that money back into health care. Why, with $10 billion extra in the bank, is our health care system in such a mess?

• (1435)

Hon. Allan Rock (Minister of Health, Lib.): Mr. Speaker, the Prime Minister has already made clear that health will be the focus of the next major reinvestment by the government. The hon. member can count on us to keep our word.

What is passing strange is that this question would come from a member and from a party that if given the opportunity would gut the Canada Health Act, would repeal it and would end medicare.

This is the member and this is the party that called the Canada Health Act outdated legislation. It is shocking that this man would stand in the House and ask a question about the very medicare, given the chance, that he would destroy.

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, I guess the best defence is a good offence. The minister will twist any fact he has to but he does not answer the question.

Here are the Liberal facts on health care. They promised to preserve it. They delivered $7 billion in cuts. They promised to cut waiting lists. We have the worst waiting lists in Canadian history. They are trying to look after the brain drain. They are firing more physicians and health care workers, sending them to the States.

Why with $10 billion in the bank do we have a medicare system that is in a mess?

Hon. Allan Rock (Minister of Health, Lib.): Mr. Speaker, many responses come to mind from the health transition fund we created to the $1.5 billion increase in the provincial transfer. The government has shown through the last difficult five years its commitment to health as a priority. The Prime Minister has also said that in the months ahead we will demonstrate once again that health is to us a central concern.

This member speaks of twisting the facts. He is the member of the House who stood in his place and said that the Canada Health Act was outdated legislation. He called for choice which we all know is a code word for American style private insurance. This man and his party should be ashamed of themselves.

* * *

[*Translation*]

BUDGET SURPLUS

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, the Minister of Finance wants to change the government accounting system so as to combine the employment insurance surplus and the general government surplus.

My question is for the Minister of Finance. Is it not his intention to combine the two surpluses so that in future people will not know what exact proportion of the huge federal government surplus is from employment insurance, since the figures have become far too embarrassing for him?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, all that we are doing is complying with the requests of the Auditor General which date back to 1986. They were also complied with by the previous government.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, seriously, I am asking the Minister of Finance, now that the members of the cabinet realize that they do not contribute to the employment insurance fund, as they thought they did up until last week, whether they do not find it quite simply immoral to vote in favour of a tax reduction for themselves from an employment insurance program to which they do not even contribute? Is this not immoral?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, if Bloc Quebecois members are opposed to reducing the taxes paid by our seniors, if they are opposed to lower taxes for the middle class, for self-employed people, that is up to them.

We, on the other hand, intend to continue to reduce the tax burden for Canadian taxpayers, just as we did in the last budget.

* * *

[*English*]

TAXATION

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, the finance minister wants Canadians to believe that he has brought tax cuts. Maybe he is thinking about tax cuts in the countries of Liberia, Barbados and Bermuda where certain steamship lines are registered. However a local restaurant cannot avoid the finance minister's taxes by flying a Liberian flag and a corner barbershop cannot hide assets by registering in Barbados.

When will the finance minister treat ordinary taxpayers to the same low taxes that companies like CSL enjoy offshore?

The Speaker: I would ask members to be very judicious in their choice of words. We sometimes come close to attacking each other personally and I would prefer that this would cease.

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, we will preserve the health care system in this country. We will preserve the social safety net.

• (1440)

The hon. member is recommending on behalf of his party a social safety net comparable to that of Liberia. They are recommending a health care system comparable to that of Liberia. That is where they have probably chosen their social model from. Not

us. This is an advanced and progressive country and we will not listen to Reform.

Mr. Gerry Ritz (Battlefords—Lloydminster, Ref.): Mr. Speaker, the finance minister thinks his $10 billion in overtaxation is something to celebrate. For him it may well be. By his definition anybody less than a millionaire is middle class and a tax target.

The Speaker: I want the hon. member to go to his question.

Mr. Gerry Ritz: Two million Canadians earn less than $10,000 a year but they still pay his high EI rate—

The Speaker: The hon. member for Drummond.

* * *

[*Translation*]

HEALTH

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, today, health and environmental organizations are condemning Health Canada's inaction and that of its minister regarding toys containing toxic products that exceed up to ten times the existing standard, threatening children's health.

Since the minister has known for one year the real danger posed by these toys, which were banned by the European community, how can he justify not having taken any measures to protect our children's health?

Hon. Allan Rock (Minister of Health, Lib.): Mr. Speaker, we have already taken action. Today, Health Canada issued a health notice on the products referred to by the hon. member.

[*English*]

Today as a precautionary measure Health Canada announced as a warning to all parents that they should remove from the home certain objects that are made of vinyl and that are used or designed for use in the mouth of infants and young children. We are co-operating with the Retail Council of Canada to remove those objects from the shelves of stores across the country.

In addition—

The Speaker: The hon. member for Charleswood St. James—Assiniboia.

* * *

GOVERNMENT PROGRAMS

Mr. John Harvard (Charleswood St. James—Assiniboia, Lib.): Mr. Speaker, the government is on record as reducing duplication and overlap in administering its programs and services.

Therefore I ask the Secretary of State for Western Economic Diversification why WD has opened a new office in Calgary. Is this efficient use of taxpayers' money?

Hon. Ronald J. Duhamel (Secretary of State (Science, Research and Development)(Western Economic Diversification), Lib.): Mr. Speaker, WD is bringing a service to the people. WD has over 100 points of service in the four western provinces, 90 community futures development corporations, four women's enterprise centres and a one-stop business development centre to serve the people locally.

Calgary is the gateway to southern Alberta and to the large market of the United States. It is doing business with the people locally to assist them with their particular needs. It is good business.

* * *

ACOA

Mr. Rob Anders (Calgary West, Ref.): Mr. Speaker, another day, another ACOA scandal. The Canadian Blood Bank Corporation has been bleeding the public purse for almost $10 million while the government has done nothing to protect taxpayers.

This small company with big Liberal connections was funded by the ministers for ACOA and human resources. Now Blood Bank Corporation has shut its doors and is being sued by creditors. The Newfoundland government had the sense to secure its $500,000 loan to the company. Why did the government not do the same?

Hon. Fred Mifflin (Minister of Veterans Affairs and Secretary of State (Atlantic Canada Opportunities Agency), Lib.): Mr. Speaker, I think the hon. member knows that because there is a court case involved I cannot report on the specifics. What I can say is that ACOA recognizes the comparatively high risk and the potential high gain from sectors such as biotechnology.

ACOA will continue to fill the critical financing gap that is caused by the high prospect technology base start-ups which traditional financial institutions are sometimes reluctant to do. We are not ashamed of that.

Mr. Rob Anders (Calgary West, Ref.): Mr. Speaker, that is unacceptable. I do not know how the minister could stand in this place and defend this deal.

This company gained notoriety claiming it had a $300 million deal with China after returning from a team Canada trade mission. It was given $2.5 million taxpayer dollars claiming it would store people's blood but it cannot show any clients. It became a public company on the strength of these assertions but they were not true.

• (1445)

Will the minister immediately investigate this shameful mismanagement of public funds?

Hon. Fred Mifflin (Minister of Veterans Affairs and Secretary of State (Atlantic Canada Opportunities Agency), Lib.): Mr. Speaker, I find the hon. member's attitude toward Atlantic Canada and ACOA unacceptable and I will tell you why, Mr. Speaker. ACOA produces for Atlantic Canada 13,000 jobs every year. The Reform Party does not like it. Post TAGS has looked after 25,000 displaced fishermen and plant workers. The Reform Party is against it.

If the hon. member and his party are interested in getting any seats in Atlantic Canada, they had better get their act together.

* * *

AGRICULTURE

Mr. Dick Proctor (Palliser, NDP): Mr. Speaker, the minister of agriculture's response to the growing farm income crisis is to say that farmers may have to drain their net income stabilization accounts before he will introduce a disaster relief program. The Canadian Federation of Agriculture says there are many important reasons that farmers should not first have to use their NISA including the fact that by so doing a farmer might be penalized for prudent management.

When will the minister stop pretending NISA is the answer to this genuine crisis and announce a disaster relief program?

Hon. Lyle Vanclief (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, in co-operation with the provinces and the industry, this government and governments before it have put in place a number of risk management tools with the agriculture industry.

We are working with the industry and the provinces to make sure that every farmer makes absolute use of those if they possibly can. We are also working to do what we can as quickly as we can to address any needs beyond those.

Mr. Dick Proctor (Palliser, NDP): Mr. Speaker, under any scenario, funds will not flow to farmers before next March. By then the minister knows full well that it will be too late for thousands of farmers who face a genuine disaster now.

The minister hinted at some disaster relief 10 days ago at the United Grain Growers Convention in Regina but as anyone knows, you cannot go to the banker with a hint.

I ask again, when does the agriculture minister plan to announce a disaster relief fund to help desperate Canadian farmers?

Hon. Lyle Vanclief (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, I repeatedly tell the member and the industry out there, and the industry knows and the member knows, that we are working as quickly and as thoroughly as we possibly can in order to put together the best help that we can to assist those in the industry who need it the most.

* * *

CANADIAN ENVIRONMENTAL PROTECTION ACT

Mr. John Herron (Fundy—Royal, PC): Mr. Speaker, my question is for the Minister of Health.

The environment committee is undergoing a clause by clause review of the Canadian Environmental Protection Act, known as Bill C-32. This bill, which was co-sponsored by the minister and the Minister of the Environment, has come under attack by environmentalists and health organizations as it fails to protect Canadians from harmful toxic substances. Substances that have damaging effects on the endocrine systems of living organisms will not be considered toxic under the assessment criteria in this bill.

Will the Minister of Health announce today that he will endorse the amendments to improve this bill's capacity to capture these harmful substances?

Ms. Paddy Torsney (Parliamentary Secretary to Minister of the Environment, Lib.): Mr. Speaker, in fact Canadians are worried about the effects of pollution on their health and the health of their children.

The environmental protection act is currently before the House in clause by clause study as the member has mentioned. It will in fact give us important tools in addressing pollution and setting strict new guidelines for taking action on toxic substances.

• (1450)

I think the member is prejudging the clause by clause process and that would be inappropriate at this time.

Mr. John Herron (Fundy—Royal, PC): Mr. Speaker, my question is for the Minister of Health, the co-sponsor of this bill. Canadians want to know what the Minister of Health has to say about the issue.

[*Translation*]

Committee members, including the Liberal members for York North and Lac-Saint-Louis, suggested amendments to improve the bill. But they need the government's support. So far, the government has rejected all the proposed changes to better protect Canadians' health.

Will the Minister of Health finally listen to the backbenchers in his own party and support their request regarding an endocrine system?

[*English*]

Ms. Paddy Torsney (Parliamentary Secretary to Minister of the Environment, Lib.): Mr. Speaker, the member's question is a

bit out of line. The clause by clause process has only just started and in fact we have not got to the very clauses he is referring to.

This bill is an important bill that puts the health of Canadians and the environment first as we head into the next millennium. It is an important piece of legislation. I hope the member will work with all committee members to see it is enacted.

* * *

FOREIGN AID

Ms. Jean Augustine (Etobicoke—Lakeshore, Lib.): Mr. Speaker, hurricane Mitch has destroyed hundreds of bridges and roads in Nicaragua and Honduras, cutting off the most severely affected communities. The response to this natural disaster by Canadians has been incredible but my constituents and I are concerned about those most in need.

Could the Minister for International Cooperation tell us what steps are being taken to ensure that international assistance reaches those most in need?

Hon. Diane Marleau (Minister for International Cooperation and Minister responsible for Francophonie, Lib.): Mr. Speaker, I would like to start by highlighting the tremendous work of Canadian NGOs, the private sector and national defence. Perhaps the Reform Party could learn a few things about compassion and charity.

People are working night and day to ensure that aid is getting to those parts of Honduras and Nicaragua which have been cut off from clean water, food and housing for some time. That is why I am pleased—

The Speaker: The hon. member for West Vancouver—Sunshine Coast.

* * *

APEC INQUIRY

Mr. John Reynolds (West Vancouver—Sunshine Coast, Ref.): Mr. Speaker, talking about compassion and charity, I have a question for the solicitor general.

The solicitor general and the APEC inquiry have come under a cloud. The chairman of the commission has come under a cloud. This weekend we had a former investigator and a former general counsel for the commission say that reports have been changed and altered in the past.

Today the RCMP themselves, the people who work for the minister, have asked for the commission to be cancelled. Is it not time for a full judicial inquiry so we can get to the bottom of this issue?

Hon. Andy Scott (Solicitor General of Canada, Lib.): Mr. Speaker, the public complaints commission has all the powers of a judicial inquiry. In fact parliament established this process to deal with issues just like this.

To respond to the question of the member, the public complaints commission is responsible to parliament. It is not part of the RCMP at all. It is accountable to this House, as was determined in 1988 by this House.

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[*Translation*]

ICEBREAKING POLICY

Mr. Yves Rocheleau (Trois-Rivières, BQ): Mr. Speaker, my question is for the Minister of Fisheries and Oceans.

Under the latest icebreaker fee schedule proposed by the Canadian Coast Guard, public vessels operated by the federal and Newfoundland governments will have absolutely no fees to pay, while those operated by the Société des traversiers du Québec will have to pay fees whether or not there is ice to break.

How can the fisheries minister justify an icebreaking policy that exempts federal and Newfoundland public vessels but not Quebec public vessels?

Hon. David Anderson (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, the fee schedule we are proposing was developed by an industry-led committee, most of whose members represented the St. Lawrence and Great Lakes region. At the time, the committee thought it had achieved the most satisfactory compromise for all regions and all users.

* * *

[*English*]

APEC SUMMIT

Ms. Libby Davies (Vancouver East, NDP): Mr. Speaker, at the APEC summit this week Canada has an opportunity to support the Malaysian people in their struggle for democracy as was shown by U.S. Vice-President Al Gore.

It is clear that rapid trade and investment liberalization at the expense of human rights, labour standards and democracy are treacherous.

Will the Minister of Finance commit to controls to curb the volatility and damage of international capital and focus Canada's support on sustainable development and democracy?

● (1455)

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, as the hon. member may know, about two months ago Canada put forth a six point plan. One of the points dealt with the question of capital liberalization. We took the position that countries should not be forced into capital liberalization until they are ready and until their markets are sufficiently sophisticated that they ought to

be able to put in place means of preventing hot money from coming into their countries.

[*Translation*]

Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC): Mr. Speaker, the hon. member for Palliser has stated under oath that the Solicitor General not only prejudged the Public Complaints Commission inquiry, but also made light of the financial situation of the head of the inquiry, Gérald Morin.

Will the Solicitor General show the same courage by making his own statement under oath about this infamous conversation of October 1?

[*English*]

Hon. Andy Scott (Solicitor General of Canada, Lib.): Mr. Speaker, as I have said many times in this House, I never said anything that would prejudge the process or the outcome of the public complaints commission's hearing. I take this exercise extremely seriously. As for the member for Palliser's recent statements, I am reviewing them now and I will make a decision by Wednesday.

* * *

STATUS OF WOMEN

Mrs. Marlene Jennings (Notre-Dame-de-Grâce—Lachine, Lib.): Mr. Speaker, my question is for the Secretary of State for the Status of Women.

Everyone in this House knows that the Canadian government has always been a great financial support for women's groups. The National Action Committee on the Status of Women is claiming this government is unwilling to fund it. I would like to hear from the secretary of state as to what the government's position is with respect to funding NAC.

Hon. Hedy Fry (Secretary of State (Multiculturalism)(Status of Women), Lib.): Mr. Speaker, this government is well aware that NAC represents as an umbrella organization many women in this country. As a result of that, we are prepared to work with NAC and to fund NAC for programs that are fulfilling the criteria for our program funding.

The first NAC submission was a conflict of interest. We have asked for further details on the second submission. We have yet to receive those details. The hon. member should know that at this point out of 14 national groups 12 have already been funded and are carrying on with their good work.

APEC INQUIRY

Mr. John Reynolds (West Vancouver—Sunshine Coast, Ref.): Mr. Speaker, I have another question for the solicitor general.

He knows the public complaints commission reports to a minister of the government before it reports to parliament. A judge does not report to a minister of the House. A judge is totally independent, unlike the public complaints commission. The minister also knows that a judicial inquiry would be totally independent of this House. People who work for this government would not be phoning the CBC about a reporter if a judge were handling this case.

Will the minister finally tell the people of Canada that he will do what everybody in Canada wants, except for members of the Liberal Party over here, and have a judicial inquiry into the APEC affair?

Hon. Herb Gray (Deputy Prime Minister, Lib.): Mr. Speaker, the hon. member is, I am sure, inadvertently misstating the role of a judge if he has been appointed to take part in an inquiry under the Inquiries Act. That judge would be appointed by the Prime Minister, and the Prime Minister would set the terms of reference of the judge and the length of time the inquiry would take place. This is not the case with the public complaints commission. The report of the judge in an inquiry would go to the Prime Minister and the Privy Council Office.

Thanks for the vote of confidence by the Reform Party for the process that is under way or would be under way if there were an inquiry.

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[*Translation*]

CENTRAL AMERICA

Mrs. Maud Debien (Laval East, BQ): Mr. Speaker, my question is for the Minister for International Cooperation.

The disaster unleashed on Central America has destroyed the entire economy of Honduras and Nicaragua, and has had a heavy impact on the economy of other countries in that region, one of the poorest in the world.

Does the government support the proposal by President Chirac that the debt of the devastated countries be struck off the books completely and that an international conference be held on the economic reconstruction of these countries?

Hon. Diane Marleau (Minister for International Cooperation and Minister responsible for Francophonie, Lib.): Mr. Speaker, I was in Honduras and Nicaragua yesterday, and I can report that the damage is incredible. I have the honour to announce that the

government will provide $100 million for reconstruction over the next four years.

• (1500)

I had a long conversation with the Minister of Finance, and he supports my request to at least stop payments on this debt. I hope more can be done as time goes on.

* * *

[*English*]

PRIVILEGE

MEMBER FOR ATHABASCA

Hon. Charles Caccia (Davenport, Lib.): Mr. Speaker, I rise on a question of privilege. Very briefly it boils down to this.

On November 5 in the House the member for Athabasca made a statement to the effect that the member for Lac-Saint-Louis and I have accused Health Canada, quoting from *Hansard*, ''of incompetence, negligence and using Canadians as guinea pigs regarding the use of the manganese gasoline additive MMT''.

I categorically deny having made such a statement. To the best of my knowledge also the member for Lac-Saint-Louis did not. Therefore I urge the member for Athabasca to rise in the House and retract that statement.

Mr. Clifford Lincoln (Lac-Saint-Louis, Lib.): Mr. Speaker, I rise on the same point of privilege.

To quote from *Hansard*, the member for Athabasca mentioned that I accused Health Canada of ''incompetence, negligence and using Canadians as guinea pigs regarding the use of the manganese gasoline additive MMT''.

I never did any such thing. I said that Ethyl Corporation used Canadians as guinea pigs. I never accused the Minister of Health in any way. I would like the member to retract his statement.

The Speaker: Many times we have in the House statements and counter statements. Let the record show that the two members who were named in a statement by another member have denied that. This is not a point of privilege. However, if the hon. member for Athabasca wants to join in I will permit him to.

Mr. David Chatters (Athabasca, Ref.): Mr. Speaker, I along with some of my colleagues attended the meeting in question. I listened to the entire debate. My member's statement reflected my understanding of what the two members were saying. I stick with that position.

The Speaker: Now the record is straight on both sides. It is an interpretation of the facts, not a question of privilege.

STANDING COMMITTEE ON PROCEDURE AND HOUSE AFFAIRS

Mr. Roger Gallaway (Sarnia—Lambton, Lib.): Mr. Speaker, I rise on a question of privilege pursuant to notice given earlier today. The background to my point of privilege flows from the following events in the House.

First, on November 4 the House unanimously adopted the 13th report of the Standing Committee on Procedures and House Affairs. Second, on November 5 certain members of the House spoke to a point of order raised by the member for Surrey Central. In a ruling later that same day it was noted that recommendations Nos. 1, 2, 3, 4 and 6 required substantive amendments to the standing orders and required various technical interpretations.

Subsequently the Clerk was asked to draft proposed amendments to implement recommendations Nos. 1, 2, 3, 4 and 6 of that report and submit that draft to the House leaders.

It is my submission that submitting the redrafted standing orders concerning Private Members' Business to the House leaders is a breach of my privileges as a member of this House.

The matter of Private Members' Business as noted in the report as adopted at page 7 reflects on the non-partisan and non-governmental nature of Private Members' Business.

Mr. Speaker has implemented this principle of non-partisanship by ordering the implementation of recommendation No. 5 dealing with the conducting of a vote on Private Members' Business.

• (1505)

As an extension of this principle, I must ask for the implementation of recommendations Nos. 1, 2, 3, 4 and 6 by reference to members of this House and not by submitting a draft to the House leaders.

If the spirit and intent of the non-government and non-partisan nature of Private Members' Business is to be upheld, only the members of this House may pronounce on them. No intermediaries, such as House leaders, should be consulted since by reference to House leaders of the redrafted standing orders my privilege as a member of this House, certainly during private members' hour, is being directly affected.

My privileges exist by virtue of the office of member of this House and no individual or entity, corporate or political, may intervene save and except this House itself.

Since the House unanimously adopted the 13th report concerning Private Members' Business, the House must also pronounce on the redrafted standing orders.

I suggest that to refer these redrafted standing orders to the House leaders is a breach of my privileges as a member of the

House in that it removes my right to examine, study, speak and perhaps vote on these important changes to the standing orders.

Standing orders, as we know, are the rules and regulations which the House has agreed on for the governance of its own proceedings. It is noted in Beauchesne's sixth edition at paragraph 9 on page 5:

> All rules are passed by the House by a simple majority and are altered, added to, or removed in the same way.

That paragraph also refers to the role of the standing committee on procedure in being a permanent source of recommendations for changes to standing orders. What is of interest to me is that there is no mention of reference to government House leaders.

Briefly, these changes to the standing orders are for private members' hour. Therefore to refer these proposed changes to the House leaders is to put into the hands of five people the possible fate of the rule change recommendations which were adopted in a report by the House.

In short, the House leaders may never agree and hence they may never return to the House.

Beauchesne's also notes on page 5, paragraph 9:

> There is no procedural reason why any Member cannot introduce a motion to alter the rules—

I therefore suggest that a prima facie case of privilege exists and with Mr. Speaker's permission I would like to move a motion.

Mr. Randy White (Langley—Abbotsford, Ref.): Mr. Speaker, I want to comment briefly on this question of privilege.

I assure the hon. member opposite that as far as the official opposition is concerned the spirit and principles contained in the 13th report of the Standing Committee of Procedure and House Affairs are not up for negotiations.

What the House leaders will attempt to do is find a swift and convenient means to get these draft standing orders changed before all members of the House for a decision.

I accept that there is a leadership in the House. While I hope that leadership can come to a unanimous decision, it is not a requirement to advance the progress on this very important matter. We make progress in this House with unanimity or without unanimity.

● (1510)

Speaking for the private members of the official opposition in the House, we are not going to back away just because there is no unanimity. The way I see it, if all the House leaders agree then a motion will be moved by unanimous consent. If there is no unanimity then we move the motion under the rubric motions during Routine Proceedings.

I have considered all other options with the following observations other than that process I just described. The first is Private Members' Business. The terms of consideration for a motion under Private Members' Business would be subject to the luck of the draw. A follow-up motion complying with an order of the House should not be subject to a draw. I would discount that.

A supply motion would do the same trick to some extent. It may not be appropriate to implement a measure affecting private members, a majority of whom sit on the government side the House, with an opposition motion. In addition, there are precious few votable opposition motions available to the opposition to be used to implement minor rule changes on which the House already pronounced itself last week.

Finally, I looked at the government orders and the government has the most opportunities and flexibility to introduce and move motions. However, I agree with the member's argument that the House, independent of the government, adopted the 13th report of the Standing Committee on Procedure and House Affairs.

While I would welcome the government's initiative in this regard, the responsibility to implement the details of these rule changes is not at this stage of the game a matter of ministerial responsibility. The motion that was adopted by the House did not ask the government to bring forward these changes. This is clearly a matter for the House to consider and it is not the prerogative of the government.

I recognize that for the most part the only motion a private member can move during Routine Proceedings is a motion to concur in a committee report. However, there are extraordinary circumstances where a private member can move a motion under motions. This was done in the last parliament by the member for Crowfoot. The extraordinary circumstances in that case was that the Standing Committee on Justice refused to report a private member's bill back to the House.

While the government has many tools at its disposal to deal with a similar situation for a government bill, a private member does not. The Speaker recognized this extraordinary circumstance and quite correctly interpreted the rules to provide a mechanism for a private member.

The circumstances today are also extraordinary and when Mr. Speaker considers all options, as I just did, there is only one logical conclusion. A motion to comply with the order of the House from November 4, 1998 regarding standing order changes can be moved by unanimous consent or under motions during routine proceedings.

I believe the timing of these changes is crucial. One of the aspects of the changes would be to protect private members' motions or bills from prorogation. Prorogation is a bill killer. It is well known that cabinet does not like some of the initiatives of the backbench of late and may be tempted to use its bill killing powers

to silence them and put them in their place. The government backbench and the opposition have effectively filled the policy void of this government. For this reason cabinet may be the biggest obstacle for the implementation of these new rule changes.

However, if it wants to kill this initiative it will have to do it democratically. And in case it has not noticed, there are more of us than there are of its members, unless the Prime Minister appoints 151 ministers to his cabinet. He is going to lose this one. The private member is going to win.

Hon. Don Boudria (Leader of the Government in the House of Commons, Lib.): Mr. Speaker, first of all, the Chair has ruled on this issue previously. To bring this issue today before the House and to develop it much further is in a way questioning the Speaker's ruling which has already been rendered.

Second, how the House leaders will deal with this issue will be determined at the conclusion of the negotiations that Mr. Speaker has set out, not before they begin.

• (1515)

An hon. member: It's not for negotiation.

Hon. Don Boudria: The hon. member opposite says that it is not for negotiation. The Chair has already ruled on that proposition and I have not appealed the Chair's ruling. I could not do so, nor would I have the intention of doing so.

Finally, something has just been raised with regard to private members' items and prorogation. Need I remind the House that all bills disappear at prorogation: private members' bills and government business. In the past we have sought, between parties, to find ways to reactivate bills at various stages and we have achieved a consensus in that regard.

I have more faith in the co-operation between political parties than perhaps some have indicated on the floor of the House today. I am confident that such good arrangements can and will be made in the future.

Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC): Mr. Speaker, I would like to add a few brief remarks to the points raised by the hon. member for Sarnia—Lambton. The point he raises is very interesting.

Obviously, as a House leader I have a bit of a conflict speaking to this. However, I would say that the House leaders, whom the Speaker has said should make the changes to the standing orders, are perhaps not the appropriate ones to do so. I will make that argument.

At the outset, the Conservative Party is in favour of the 13th report.

It seems to me that the problem came upon this House without notice and perhaps without the forethought which might have prevented this problem.

I find it regrettable that the report of the Standing Committee on Procedure and House Affairs lacked the precision and the crispness that one would normally associate with that committee.

Unfortunately, as the Speaker has discovered, the committee failed to draft its report in such a way that would give effect to its own recommendations if the report was adopted.

I assume that this was perhaps a deliberate action on behalf of the committee and that it was not prepared to place the changes it adopted to the standing orders before the House in its report.

In the past Speakers have intervened to prevent the House from going down that road. However, the Speaker has given a ruling in a genuine attempt to assist this House with a difficulty not of the Speaker's creation.

There is a disturbing trend, I might add, of the government trampling over private members' bills, including those of its own backbenchers.

The member for Sarnia—Lambton is quite correct to feel aggrieved. I do not welcome being placed in this position myself, nor does the Chair. Frankly, this all came about as a surprise. I want to assure the member that there was no consultation with other House leaders prior to this matter coming forward or the Speaker giving his ruling.

Because of the way the committee has drafted its report, the House has no vehicle by which to give effect to these recommendations. The committee has a duty to present the House with clear recommendations which, if adopted, would achieve the changes that the committee desires.

I support the objections of the member for Sarnia—Lambton. It is clear that the Speaker cannot get involved in the process of formulating questions for the House, but neither, I suggest, can the House leaders.

The simplest remedy, which I offer with respect to the Chair, is for the standing committee to do its work again, send the matter back, and make the amendments to the standing orders that it desires. Otherwise the House is left with a document which is not much more than a vague wish list.

It is not the duty of the House officers or the Speaker to clear up this matter, it is a matter for the committee itself.

Mr. John Solomon (Regina—Lumsden—Lake Centre, NDP): Mr. Speaker, I want to rise in this House today to voice my support and my caucus' support for the question of privilege raised by the hon. member for Sarnia—Lambton.

Members may not know this, but the Standing Committee on Procedure and House Affairs, which tabled the report which was unanimously adopted after concurrence, is composed of a majority of Liberal members of Parliament.

Also, Mr. Speaker, for your information, I provide to the members of this House the fact that not only is the majority of the committee Liberals, but that indeed the chief government whip, the deputy House leader of the government and other prominent members of Parliament from the Liberal Party who have significant responsibilities in the government are on the committee.

I am puzzled as to why the government is concerned about adopting all of these recommendations from the committee when it was the Liberal part of the committee which wholeheartedly embraced and endorsed the recommendations that were made.

● (1520)

As a matter of fact, the NDP member, yours truly, was the only one who had some concerns about what was in the report.

That aside, I would abide by and certainly support the initiative which took place in the House with respect to moving concurrence unanimously and adopting the report.

I stand in support of the question of privilege put forward by the hon. member for Sarnia—Lambton. I believe that government members should shake their heads in bewilderment if they are opposed to this document when it was their own government that embraced it, promoted it and put it forward on the table.

I support the member's question of privilege on this issue.

Mr. Chuck Strahl (Fraser Valley, Ref.): Mr. Speaker, I too would like to rise in support of this question of privilege.

I would point out that in this House there is only one member who is not represented by any political party, I believe, and that is the member for York South—Weston. He too is interested in private members' business and in fact would not be represented at negotiations among House leaders because he does not have the privilege of being represented by any of the House leaders in this place. So the private members' business would go forward, about which he would be particularly concerned and interested, and yet he would not have any input through a party structure in those negotiations.

If this comes back to the House in a format that we again have to decide whether we are going to accept it or not—and we agreed the other day to concur in the report—all we can do is really, really, really agree. We have no choice. The House has spoken. It is time to move it forward.

On those two points I agree with the member's question of privilege, not only with respect to his privileges, but particularly with respect to the member for York South—Weston who will be left out of this process.

The Speaker: First of all, with respect to the question of privilege of the hon. member for Sarnia—Lambton, I do not consider the point which he brought up to be a challenge to my ruling. I want to make that understood at the outset.

I think what we have had here today is an airing of the ideas which were put forth.

I would like to recapitulate this issue for the House so that we are on the same footing.

I believe that on November 4 a unanimous decision was made by the House to proceed in a certain manner with regard to a matter that was before the House. When the House pronounced on the matter, the Speaker, who has to put into effect what the House has decided, looked at those points of the decision which were procedural. Those points which were procedural and could be implemented at the time were implemented at the time.

I reserved a decision on the other points. Forgive me if I do not have the numbers in front of me, but they were the numbers cited by the hon. member for Sarnia—Lambton.

I was left, as the Speaker, trying to decipher what the House had decided. The House had clearly decided to proceed. That was a decision made by the House. Therefore, on those matters which could be changed at the time, I acted on them.

On the others I had to seek advice. In order to do that, I thought the best way for us to proceed would be to ask the clerk of the House to draft motions which he would put into the hands of the House leaders. I presumed that the House leaders would have discussions with members of their own party. But at no time did I say or did I intend to say that the House leaders would decide on these changes. The House leaders would, I hope, agree, but it is the House that will be seized with making this decision when it comes to the floor of the House itself.

● (1525)

As far as the member's question of privilege is concerned, I would rule that he does not have a question of privilege, but he surely has a grievance. I believe that there are methods by which grievances can be addressed.

I would not be so bold as to suggest that any one member, for example the House leader for the Progressive Conservative Party, has all of the solutions, nor does the House leader for the Reform Party. But surely these are points which might be considered when this material is put into the hands of the House leaders.

I would advise and I would recommend to those members who feel aggrieved, if they do not already know all of the means that

are at their disposal to rectify the situation, that we would surely be able to give advice on some of the procedures which would be available to members to rectify this situation.

However, I repeat that the decision will not be taken by the House leaders alone. The decision will be taken by the House.

If there is no further debate on this matter at this time, we will leave you to your devices at this point.

* * *

POINTS OF ORDER

QUESTION PERIOD

Mr. Gerry Ritz (Battlefords—Lloydminster, Ref.): Mr. Speaker, I rise on a point of order today to seek to understand what was unparliamentary or out of order in the preamble to my question during question period today, sir.

The Speaker: As a rule the Speaker does not give explanations for his decisions. Generally speaking, what I would hope that this House would stay away from would be remarks that are of such a personal nature that they do not really bear upon the jurisdiction of a particular minister or any particular member.

When I am in the Chair and when these decisions have to be taken, I have to make a decision on how ''personal'' they are. I judged today that we were getting a little bit close. I asked the hon. member to be very judicious in his choice of words and then I asked the member to put the question. The question still had the preamble and that is why I intervened.

ROUTINE PROCEEDINGS

[*Translation*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Peter Adams (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to 60 petitions.

* * *

[*English*]

PETITIONS

MARRIAGE

Mr. Roy Bailey (Souris—Moose Mountain, Ref.): Mr. Speaker, I am pleased to rise once more to present a petition from my constituency, and there are many more to come.

These petitioners understand the concept of marriage as only being the voluntary union of a single, that is, unmarried male and a single, that is, unmarried female.

It is with pride that I present this petition to the House.

Mr. Tom Wappel (Scarborough Southwest, Lib.): Mr. Speaker, I have petitions from Salmon Arm and Victoria, British Columbia; Cambridge, Brantford, Ottawa and Etobicoke, Ontario, all on the same subject matter.

● (1530)

These petitioners pray that parliament enact Bill C-225, an act to amend the Marriage (Prohibited Degrees) Act and the Interpretation Act, so as to define in statute that a marriage can only be entered into between a single male and a single female. There are 460 signatures.

TAXATION

Mr. Chuck Strahl (Fraser Valley, Ref.): Mr. Speaker, I would like to present a petition totalling another 1,000 signatures. It calls upon parliament to bring in legislation making the tax deduction for contributions to charitable organizations no less than the tax deduction for contributions to political parties. By happy coincidence that is a motion we will be voting on this evening. It is a motion I brought forward in response to petitioners such as these over the last couple of years.

I am happy to present this petition on behalf of my constituents.

MERCHANT NAVY VETERANS

Mr. Peter Adams (Peterborough, Lib.): Mr. Speaker, I rise today to present an important petition signed by hundreds of people in the Peterborough area.

The petitioners point out that merchant navy veterans did not receive post-war veterans benefits and that all of them served under full military command and many of them served under the most anxious circumstances. Casualties in the merchant navy were often worse than in other theatres of war.

These petitioners call upon parliament to act now to compensate merchant navy veterans for their service and hardship after serving on Canadian or allied ships during World War II or in Korea.

IMPAIRED DRIVING

Mr. Peter Adams (Peterborough, Lib.): Mr. Speaker, I have a petition from a number of people in the Peterborough area who are concerned about alcohol related accidents on our roads.

The petitioners point out that an average of 4.5 Canadians are killed every day as a result of alcohol related vehicle crashes. It is estimated that there are 4.5 million impaired drivers on Canada's roads every month. The petitioners point out that the trend of hard

core drinking and driving has significantly increased over the last seven years.

The petitioners call upon the federal government to provide strong support and encouragement to jurisdictions to continue to introduce administrative sanctions that are user pay, such as ignition interlocks, vehicle confiscation, graduated licensing, and that impaired driving laws be regularly reviewed for their effectiveness.

* * *

[*Translation*]

QUESTIONS ON THE ORDER PAPER

Mr. Peter Adams (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, we will be answering Question No. 136 today.

[*Text*]

Question No. 136—**Mr. Jean Dubé:**

> Has Human Resources Development Canada carried out studies on the effectiveness of the planned adjustments to short weeks under the employment insurance program that are to end on November 15, 1998; and, if so, what are its findings?

Hon. Pierre S. Pettigrew (Minister of Human Resources Development, Lib.): To address the issue of small weeks adjustment projects, two 18-month pilot projects were established covering a total of 29 employment insurance, EI, regions where the unemployment rate was above 10%. One of the main reasons these projects were put in place is to help supplement the weekly benefits for those who qualify.

Human Resources Development Canada, HRDC, is currently reviewing available information on the small weeks adjustment projects and will be considering whether they should be renewed.

Preliminary results indicate that between the implementation in May and August 1997, 130,000 claims have been established with small weeks of work.

These results also indicated that more women, 61%, that men are small week claimants, and individuals, both men and women, who participated in the projects received, on average, $19 more per week. This is an increase of about 10% on their benefit level.

Currently, 18 of the 22 regions in Atlantic Canada and Quebec participate in the projects. Ontario has 5 regions out of 16 participating and western Canada has 6 participating regions out of 16. As the projects are directed toward high unemployment regions, over 51% of the claims originated from Quebec and 35% from the Atlantic provinces.

The Government of Canada understands how important these projects are to the New Brunswick economy, and all EI regions in New Brunswick are covered by the adjustment projects.

Upon completion of the review of the small weeks projects, HRDC will then be in a position to announce the government's decision.

[*Translation*]

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

The Deputy Speaker: Is that agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

FIRST NATIONS LAND MANAGEMENT ACT

The House resumed from November 6 consideration of the motion that Bill C-49, an act providing for the ratification and the bringing into effect of the Framework Agreement on First Nation Land Management, be read the second time and referred to a committee; and of the amendment.

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

Some hon. members: Question.

The Deputy Speaker: The question is on the amendment. Is it the pleasure of the House to adopt the amendment?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Deputy Speaker: Call in the members.

• (1535)

And the bells having rung:

The Deputy Speaker: At the request of the chief opposition whip, the division on this motion is deferred until the conclusion of Government Orders later this day.

MANITOBA CLAIM SETTLEMENTS IMPLEMENTATION ACT

Hon. Anne McLellan (for the Minister of Indian Affairs and Northern Development) moved that Bill C-56, an act respecting an agreement with the Norway House Cree Nation for the settlement of matters arising from the flooding of land, and respecting the establishment of certain reserves in the province of Manitoba, be read the second time and referred to a committee.

Mr. David Iftody (Parliamentary Secretary to Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, I rise to address the House on Bill C-56, the Manitoba claims settlement implementation act. I am pleased to speak in support of this proposed legislation which will address outstanding commitments to Manitoba first nations and pave the way for greater economic self-reliance and self-government.

Hon. members will recall that when this government unveiled ''Gathering Strength: Canada's Aboriginal Action Plan'', we made a commitment to renew the relationship with the aboriginal people of Canada. This is not a goal that can be achieved overnight. It will involve many steps, large and small. Bill C-56 is one such step.

The new partnership called for in Gathering Strength must be built on a foundation of trust and co-operation between Canada and first nations governments and communities. To establish that trust we must first of all fulfill our historical obligations to aboriginal people. Bill C-56 will help us do that for a number of Manitoba first nations. Although this proposed legislation is technical, its overriding objective is quite simple: to facilitate the implementation of claim agreements in Manitoba.

In doing this, Bill C-56 will address a number of specific commitments set out in Gathering Strength. It will affirm and honour treaties, which are the cornerstone of Canada's relationship with its aboriginal people. It will strengthen the capacity of first nations governments to make decisions about community lands and moneys as they move toward effective, legitimate and accountable self-government.

By overcoming obstacles that have slowed progress in the past, Bill C-56 will foster economic growth and development, consistent with our Gathering Strength commitment to support strong communities and people.

As hon. members can see, the bill has two parts. Part 1 deals with the flooded land master implementation agreement signed by the Norway House Cree Nation last year. Part 2 relates to the establishment of reserves in Manitoba under claim settlements, including treaty land entitlement agreements.

I want to make it clear at the outset that Bill C-56 will not give effect to any settlement agreement. The goal here is simply to ensure that land claim agreements, including those that may be negotiated in the future, can be implemented quickly and effectively.

I will review the key elements of Bill C-56 for the benefit of hon. members, particularly those across the way, who may not be familiar with the proposed legislation.

Part 1 of the bill is specific to a single Manitoba first nation, the Norway House Cree Nation. Hon. members will recall that Norway House was one of five Manitoba first nations that were severely affected by flooding caused by the hydroelectric projects in northern Manitoba in the early 1970s.

● (1540)

In an effort to address the devastating impact of the flooding on first nation communities, property and traditional livelihoods, Canada and other affected parties negotiated the northern flood agreement in 1977. Unfortunately the passage of time has shown the agreement to be flawed and difficult to implement. Despite years of effort, little progress was made in implementing many of its important and key elements.

In 1990 the parties to the northern flood agreement were able to reach consensus on a process for resolving the many outstanding issues. The proposed basis of settlement has provided a framework for negotiating master implementation agreements with four of the five affected first nations, the most recent being with Norway House.

I am pleased to report that the Norway House master implementation agreement is now being implemented. However, part 1 of Bill C-56 is needed to affirm certain elements of the agreement in law, just as previous legislation passed in this House has affirmed elements of the other three master implementation agreements.

Specifically Bill C-56 will ensure that any lands provided to Norway House in fee simple title will not become special reserves under section 36 of the Indian Act. This will enable the people of Norway House to use and control these lands as they see fit without the often burdensome administrative requirements the Department of Indian Affairs and Northern Development must impose under the Indian Act and other federal legislation and strict management rules.

In a similar vein, Bill C-56 will ensure that compensation moneys owed to Norway House will not be administered as Indian moneys under the Indian Act. Instead these moneys will be paid to and administered by a trust that has been established by the Norway House Cree Nation and which operates under its direction with proper accountability safeguards in place. Again, the Department of Indian Affairs and Northern Development will have no role in managing these moneys.

These exemptions from the Indian Act will have two strategic outcomes. Most importantly they will increase the Norway House Cree Nation's self-reliance and self-government capabilities. At

the same time they will lighten the administrative load for the Department of Indian Affairs and Northern Development.

The third thing this part of the legislation will do is give the master implementation agreement precedence over the northern flood agreement when a claim arises that could be settled or adjudicated under either agreement. The adjudication process set out in the master implementation agreement is widely regarded as being a superior approach.

Finally, part 1 of Bill C-56 will ensure that Canada has access to the provisions of the Manitoba Arbitration Act when dealing with disputes under the master implementation agreement.

The Norway House Cree Nation will also benefit from part 2 of the bill which is intended to advance the implementation of claim agreements in Manitoba by facilitating the transfer of lands to reserve status.

Gathering Strength calls for the development of vibrant on reserve economies. In order to do that we need to expedite the process of establishing reserves.

By way of background, part 2 of Bill C-56 has its origins in the issue of treaty land entitlements. As hon. members are aware, not all first nations received the full amount of land promised to them when they signed their treaties. For the past several years this government has been working to resolve this historical injustice by providing additional reserve lands to first nations with treaty land entitlements, including 26 first nations in Manitoba.

As part of this process, it has become clear that we need better legislative mechanisms to facilitate the transfer of lands to reserve status. Toward this end, part 2 of Bill C-56 will empower the Minister of Indian Affairs and Northern Development to set apart as reserves any of the lands selected by Manitoba first nations under a claim agreement. This will avoid the lengthy and cumbersome process of obtaining an order in council which is the approach currently used to establish reserve status.

● (1545)

However, the main objective of part 2 is to establish more effective mechanisms for accommodating and protecting third party interests that are identified during the reserve creation process. This will give first nations reasonable access to a broader range of lands that have development interests or potential. It will also significantly reduce the time required to add lands to reserves.

The sooner lands are identified and added to the reserve, the sooner they can contribute to the economic and social progress of the community. The key is to allow a first nation to consent to a third party interest on lands it wants to add to the reserve before those lands have actually been granted reserve status. The current wording of the Indian Act does not allow for this. A first nation can only consent to the creation of interests on land that is already part of the reserve, not on land that is simply being proposed for reserve status.

This effectively eliminates from consideration many parcels of land that have an existing third party interest, even something as basic as a right-of-way. The first nation cannot deal with the third party interest until the land is granted reserve status. The holder of that interest is unlikely to agree to the transactions without a guarantee from the first nation that its future rights will not be at risk.

Bill C-56 addresses the issue by giving Manitoba first nations a pre-reserve designation power as well as a pre-reserve permit granting power, each power being aimed at accommodating different kinds of third party interests. It also deals with the process first nations must follows to grant such interests.

The pre-reserve powers will not only apply to existing interests but will also allow a first nation to negotiate new rights that will come into effect upon reserve creation. This will ensure that first nations can take advantage of the development opportunities on their selected lands even before the reserve status is granted.

As I noted earlier, the impetus for the legislative changes set out in part 2 of the bill has been the desire of Canada, the Government of Manitoba and first nations to expedite the settlement of treaty land entitlement. At the same time these mechanisms will be made available to all other Manitoba claim settlement agreements, existing or future, that involve additions to reserves. These include the Norway House master implementation agreement dealt with in part 1 of Bill C-56, as well as the other three master implementation agreements signed under the northern flood agreement.

As a treaty land entitlement first nation Norway House will also benefit from the proposals to facilitate the transfer of lands to reserve status, which explains my earlier comment that Norway House will benefit from both parts of Bill C-56.

There is nothing controversial about the proposed legislation. It does not create new powers for first nations governments. Nor does it impose new obligations on Canadian taxpayers. In fact it will do the opposite by relieving the Department of Indian Affairs and Northern Development of some if its administrative responsibilities and by speeding the process of reserve creation. It also establishes clear cut legal mechanisms for protecting both third party and first nations interests in lands selected for additional reserves.

This is simply a good, clean piece of legislation that will move Canada forward in addressing its commitments to aboriginal people, strengthening the capacity for self-government and improving socioeconomic conditions on reserves. It deserves the support of hon. members, particularly hon. members of the Reform Party. I urge them to join me in voting to send Bill C-56 to committee for proper, due and quick review.

● (1550)

Mr. Roy Bailey (Souris—Moose Mountain, Ref.): Mr. Speaker, I am very pleased to rise to speak to Bill C-56 which is somewhat different from other bills that have gone forward in relation to Indian treaty land claims.

It is a huge area of land to be transferred. It is something like 1,100,629 hectares and covers much of the northern part of Manitoba. Although we are talking about one specific band right now, it will include more with the total land claim.

The $76 million being provided is not a large amount, but I would agree with the hon. member on the government side who just mentioned speed. We in the Reform Party would like to see that an additional amount of land could be added to the particular reserve with speed so that some of the items outlined in the bill could be accomplished in a hurry. With that in mind, I think we will find support from the official opposition.

We agree that there are historical obligations. There is no question about that. Across Canada most people agree fundamentally that we should honour those treaties and it is time we got at it. We in the Reform Party are no different. We agree with that as well. We have these historical obligations. As the hon. member mentioned, this land will be added as quickly as possible to the reserve status.

The term self-reliance is a very important one. It is up to the government and all Canadians to see that self-reliance in fact takes place. However we do have some questions. I have some questions in particular within my own constituency. I would like the term self-government to mean the same thing for the settlement of a land treaty in Saskatchewan or one in northern Manitoba.

I am concerned that in this negotiation, the acquisition of land and the establishment of new reserves we could have different types of government for first nations. At the same time we would then have a quasi-judicial group of people not falling under the same piece of legislation.

It is incumbent upon the government to give us some idea and to give Canadians some idea of what the new partnership it talks of is about. I believe they are being sincere about that. I believe they are talking about a new partnership, a new way or a new understanding. To me partnership means a new understanding as well.

What puzzles me with land treaty agreements is that no one seems to be able to identify what is meant by self-government, as the hon. member mentioned. Is it right from reading the bill that self-government is up for negotiation by each of the land claims? As a new reserve is established or land is added to a reserve in my constituency, in moving toward self-government is it a negotiating matter, much like when they are given money to buy new land, which land is acquired through an agreement of the seller? Nobody quarrels with that, but as the land moves over into the reserve and falls away from the tax base, is there any compensation for the loss of another type of self-government, the municipal government?

We do not seem to have anything carved in stone or concrete about what we mean by the term self-government. I support the bill wholeheartedly. It was a long time coming. I believe it was started in 1977 and here we are 21 years later. That is nothing anyone can be proud of.

To be quite open with the government opposite, it is incumbent that the rest of Canada knows or has some idea in the settlement of treaty lands what is being negotiated. I have five reserves in my constituency and I know these people. I have 43 rural municipalities. They are all subject to one set of rural municipal law and regulations. I cannot imagine in rural Saskatchewan the government functioning without an act, some guidelines or some frames of reference. It just would not work. I think the hon. gentlemen opposite understand that.

● (1555)

If we are to have a new partnership then that partnership is between the new governments and the rest of Canada: other municipal governments, the provincial governments and with the federal government. Until that is clearly spelled out that partnership is an unknown quantity. This concerns Canadians.

I mentioned the other day that I first worked among the Nisga'a people the second year of teaching school. I was there with my wife. It was a great time. They were great people. I made a return visit there. I talked to the people I hunted moose with and the fellow who cut my hair. I had more hair then; I needed a barber. I asked them at that time what they wanted from self-government. They were not quite sure in this partnership. For instance, one chap was very interested in an economic venture.

If my hon. colleague opposite who just spoke to the bill and I were going into a business agreement, we would have to follow the business agreement criteria set out in the province in which we were working. I think he understands that. If we were to be in negotiation with the local RM, we would have to appear before that RM.

I understand that for people wishing to come on to reserve status land and wishing to enter an agreement need some government. There also needs to be rules in which they can operate and in which the other people coming in can operate. We could have all kinds of different agreements and arrangements without a clear definition of the statutory laws that must be in place. It would not be healthy for any first nation not to have some consistency.

In talking to these people I find that this is exactly what they want. They want to break from their traditional past. They want self-government but they want it from the grassroots up like in the recent municipal elections in Saskatchewan where so many are

elected each year and follow the guidelines within the municipal act. We understand that.

I agree with the use and control of their lands as they see fit. We agree with that. We agree that a municipality, a city or a town can pass bylaws in control of their land. There will not be any opposition or quarrelling in that regard, but there will be strict management rules as was mentioned in a statement of another hon. colleague. Once that applies and if I live in the RM of 40 in southern Saskatchewan I must follow certain management rules of that RM. Therefore, if I move into another RM, for example No. 72, the same set of rules apply. Then there would be continuity. In this partnership we have an understanding not only among natives but among other citizens in Canada.

I like the term the hon. member used respecting accountability and safeguards being in place. In order to have accountability and safeguards in place we must move immediately to establish the groundwork of self-government.

● (1600)

We must have accountability. They are crying out for accountability. All Canadians are crying out for accountability, yet more and more we are moving away from accountability. The further government gets from people, the less accountability there seems to be.

While I agree with the bill and while I will be supporting it I do not support the continuance of further legislation unless the House has some idea of a bill or of anything else that may be used to describe the situation so all Canadians will know what we are negotiating. Are we negotiating self-government with each individual parcel? Does self-government mean the same with the Nisga'a as it does with the Norway House Cree? These are questions Canadians are asking. Can the hon. gentleman opposite answer those questions or does each individual Cree nation become a separate identity in itself where the laws and regulations regarding the people will not be governed by some other source?

It seems we are going down a trail in terms of future development, which may include mineral development or whatever, where there will be all kinds of lawsuits open to ourselves and all kinds of lawsuits open to the first nations unless we put together some kind of package. They cannot be sovereign unto themselves. That is not what Canadians understand. Canadians understand that the Government of Saskatchewan is not sovereign unto itself. They understand that its capital city of Regina is not sovereign and that it must fall under provincial jurisdiction.

There is a big vacuum out there, a big void in which we have no other answers. I wish we could have some. The hon. member just spoke very well on Bill C-56 and I wish we could discuss these issues. They are very important issues not just for the development of the new land treaties but important for the rest of us in Canada to know where we are going. It is incumbent on us that we do not proceed within a huge vacuum of misunderstanding concerning the meaning of self-government.

Reform will be supporting the bill and we are pleased to support it but we also raise the question being raised from coast to coast to coast of why we do not get down and finalize what accountability and partnership mean. Accountability and partnership mean nothing until we define what we mean by self-government.

[*Translation*]

Mr. Pierre de Savoye (Portneuf, BQ): Mr. Speaker, at the request of my colleague, the member for Saint-Jean and Bloc Quebecois critic on native affairs, I am pleased to rise to speak to Bill C-56 entitled An Act respecting an agreement with the Norway House Cree Nation for the settlement of matters arising from the flooding of land, and respecting the establishment of certain reserves in the province of Manitoba.

This bill has two parts. The first concerns the agreement reached with the Norway House Cree Nation on the settlement of matters arising from the flooding of land. The second provides for measures to facilitate the settlement of claims by the creation of reserves in Manitoba or by the addition of lands to existing reserves. Let us discuss the first part.

This part concerns the main agreement on implementation signed in 1997 by Canada, Manitoba and the Norway House Cree Nation. In the early 1970s, the latter was affected by a flood caused by the construction of a hydroelectric dam on the Nelson and Churchill rivers and by changes to Lake Winnipeg.

The 1997 agreement settles the obligations of the federal government under the 1977 Manitoba Northern Flood Agreement between the federal and Manitoba governments, Manitoba Hydro and the northern flood committee, on behalf of the first nations of Cross Lake, York Factory and Nelson House, and the Norway House and Split Lake Cree nations.

● (1605)

The 1997 agreement terminates the Norway House Cree Nation's claims regarding obligations unfulfilled by certain parties to the Manitoba Northern Flood Agreement.

The flood agreement signed in 1977 was designed to remedy the adverse effects of the Lake Winnipeg development and Churchill River diversion projects, which had resulted in approximately 12,000 acres of first nations' reserve land in northern Manitoba being flooded, as well as another 525,000 acres of non-reserve land that was used by the first nations affected.

In other words, the purpose of the agreement was to compensate the first nations affected by Manitoba Hydro work. While nicely described by then Indian affairs minister Warren Allmand as a charter of rights and benefits for those affected, the fact remains that the agreement was a precondition to any work.

Indeed, people's lives cannot be disrupted without at least compensating the communities for the significant changes imposed on them by hydroelectric projects. The extensive damage caused by the Lake Winnipeg development and Churchill River diversion projects completely changed the traditional way of life of the bordering communities.

We must bear in mind that more than 1,200 Cree people who lived alongside or near the affected areas were faced with an entirely new environment overnight. The Norway House Cree had always hunted and fished. They had to learn new ways and adjust to a totally different way of life. In particular, because of excessive water pollution, there were serious problems with fishing and with drinking water.

Members can imagine what an odd ''charter of rights and benefits'' this is for the Norway House Cree.

As well, although the Manitoba Northern Flood Agreement called for programs and compensation to make up for unfavourable outcomes, the roles and responsibilities of the parties still had to be clearly defined. Because of this, there were delays in the project and in the meeting of common obligations, such as adding land to the reserves, as well as arrangements to promote employment opportunities for the communities and environmental monitoring.

Implementation was not making any progress, and the parties could not reach agreement. In short, the spirit of co-operation was very much absent. More than 20 years passed without any clear definition of the mechanisms. For far too long, all sorts of dispute resolution approaches were resorted to, rather than giving preference to a co-operative and co-ordinated approach.

The four parties, in a desire to enhance the efficiency and reduce the costs of this undertaking, resumed negotiations in order to settle the claims and better define the obligations.

The four parties therefore negotiated a basic proposal to settle the outstanding land claims and the unfulfilled obligations. This proposal served as a starting point for negotiations with each first nation.

With the help of this proposal, negotiations were successful with four of the five first nations. As a result, the minister of Indian affairs signed implementation agreements with the Split Lake Cree First Nation in June 1992, the York Factory First Nation in January 1996, the Nelson House First Nation in March 1996, and the Norway House First Nation in December 1997.

• (1610)

A law is now required to provide for the comprehensive implementation of the provisions of the main Norway House Cree Nation agreement.

The first part of Bill C-56 will permit the lands provided within the framework of this agreement to be exempt from the provisions of the Indian Act. This will also permit the Norway House Cree Nation to use them for economic development purposes without administrative intervention by the minister of Indian affairs.

Under Bill C-56, the money due under the implementation agreement will be administered by a first nation's trust and not by the crown under the meaning of the Indian Act. Bill C-56 provides that all claims may be processed under the 1997 agreement exclusively.

Finally, this legislation provides recourse to Manitoba arbitration legislation in the event of a dispute between the parties to the implementation agreement.

In the first part, we consider these elements satisfactory and necessary to the implementation of the agreement.

We will now discuss the second part of Bill C-56, which concerns the federal government's commitments in the Framework Agreement, Treaty Land Entitlement, Manitoba. This part has broader scope than that of the framework agreement or of the first part of the bill. It will facilitate the implementation of all territorial claim settlements in Manitoba in which the government agrees to expand the size of a first nation reserve with, of course, the agreement of the first nation.

Under Bill C-56, the minister of Indian affairs may set aside lands as a reserve and the first nations will be able to create or accept the interests of third parties earlier in the reserve creation process than is currently possible.

This type of agreement is not new. There are in fact already a number of agreements in existence to settle claims in Manitoba providing for the expansion of first nation reserves.

The first, and most significant, is the one that concerns treaty land entitlement, which the federal government has not fully honoured. In other words, it has not granted enough land.

This is a major issue for the Manitoba first nations that signed or approved Treaties Nos. 1, 3, 4, 5, 6 and 10 between 1871 and 1910. Each of these treaties provided that reserve land would be allotted to first nations by the federal government according to the size of each family.

While the majority of first nations in Manitoba were assigned the land they were entitled to under these treaties, 26 nations were not assigned land.

In most cases, the problem arises from an inaccurate enumeration of members of the first nation or from insufficient land

allocation. Efforts made to remedy this problem in the 1970s and 1980s were hampered by disputes on issues such as the availability, size and suitability of unused crown land.

The province's public interest requirements regarding new reserve land and the applicable area assessment method now required to meet the obligations set out in the treaties also hamper the settlement of claims.

Seven of the Manitoba first nations affected, who conducted separate negotiations, reached specific settlements regarding their land entitlements arising from treaties signed with Canada between 1994 and 1996. As a result, the federal government is required to add more than 170,000 acres to existing reserve land. It must also pay in excess of $51 million in financial compensation to the first nations affected.

As for Manitoba, its main obligation is to set aside 100,000 acres of unused public land—out of a total of 170,000 acres—as reserve land, which represents some $9 million.

• (1615)

On May 29, 1997, Canada, Manitoba and the Treaty Land and Entitlement Committee representing 19 other Manitoba first nations from among the 26 first nations that did not obtain lands under treaties, signed the framework agreement on land rights arising out of those treaties. These 19 first nations obtained reserves in excess of 1 million acres in all, but this still represents less than 1% of all of the land base in Manitoba.

For the federal government, the total cost of this settlement and implementation of the framework agreement relating to the 19 first nations is in the order of $98.8 million over 15 years, starting with the date of signature, May 29, 1997.

Other settlements in Manitoba which could come under this bill are the agreements with the Brokenhead and Sapotaweyak first nations, to whom the federal government must pay total compensation of $404,883 and provide lands with a total area of close to 213 acres for expansion of their reserves.

The Bloc Quebecois, via its aboriginal affairs critic, did not oppose the bill on the Split Lake first nation settlement, which was given royal assent on December 15, 1994. Nor did the Bloc Quebecois oppose the agreements with the York Factory and Nelson House first nations, which were both given royal assent in April 1997.

The Bloc Quebecois is, therefore, in favour of the underlying principles behind this bill. So, at first glance, we see no litigious or confusing clauses.

However, the Bloc Quebecois has serious reservations about the process the Norway House Cree Nation will follow in approving this agreement. In the *Globe and Mail* of January 30, we learned that the federal government had approved a second referendum on this agreement, a referendum we consider undemocratic, to say the least. Let me explain.

After the initial referendum on the matter of the Norway House agreement failed to pass by five votes on July 29, 1997, the Minister of Indian Affairs agreed to another referendum but changed the rules beforehand. First, a problem with the voters' list was cited. This was reviewed, because native people living off the reserve had apparently voted in the first referendum.

Under the new rules, only native people living on the reserve could vote. The voting system had been developed by the federal government and published in a guide book.

For the second vote on the matter, the federal government also offered $1,000 to each voter supporting the agreement. We can understand that the approximately 5,000 native persons living at Norway House, who have a hard time making ends meet, were not going to spit on this money. On the contrary, it was manna from heaven just before the holidays. It seems that the federal government simply bought votes.

I would point out to this House that the second referendum, with the vote buying scandal, was held, believe it or not, at the very moment the federal government was asking the Supreme Court to decide on the legality of Quebec's unilateral separation from Canada. Rather ironic, is it not?

Obviously this sort of practice raises some questions. For example, what is the relationship between the federal government and the native peoples? Is vote buying common practice? Is this how the Minister of Indian Affairs consults the native peoples in this country?

• (1620)

How can we trust the federal government in the future, when we know that the Department of Indian Affairs supported such an unjust operation?

In the light of the role of the federal government in this obviously undemocratic referendum process, how can it then turn around and try to give Quebec lessons on the democratic consultation of its people and the interpretation of the results?

Whatever the case, while the Bloc Quebecois does not oppose this bill in principle, rest assured that our native affairs critic will be questioning the witnesses appearing before the standing committee on this highly irregular event sullying Bill C-56.

[*English*]

Ms. Louise Hardy (Yukon, NDP): Mr. Speaker, I to rise to support this bill.

Looking at it in the context of the four categories in the minister's statement ''Gathering Strength: Canada's Aboriginal Action Plan'', this bill would fit very well in renewing partnerships considering it has been 21 years with very little action or com-

pensation for the first nations that were flooded. It is important to be willing to renew an partnership. It will strengthen aboriginal governance. It will support strong communities, people and economies. But it remains to be seen whether it is a commitment to a meaningful and lasting change for these people.

The minister goes on to say that we have to learn from the past, that we cannot afford to repeat mistakes. First nations people have suffered disproportionately for the last 150 to 200 years. They cannot afford to have government make any more mistakes on their behalf.

The document deals with increased access to lands and resources, that many first nations lands and natural resources offer the most important opportunity for creating jobs and economic development. The government will work with first nations, provinces and territories to strengthen the co-management process and provide increased access to land and resources. This is a very important political document because it reaffirms the commitment to self-government.

My Reform colleague said he did not know what self-government meant and that it should be the same for everyone. But the whole objective of self-government is so that it is not the same. It offers each band within a framework the ability to set its own standards and laws. They develop very differently culturally than Europeans. They have justice systems and access to resources that are very different from ours.

In Yukon land claims are not such a scary idea. Most of the 14 first nations are now implementing self-governing land claims. It has been a real benefit to Yukon. It was a long struggle. Implementation is not easy. Our auditor general has said he does not know if the amount of money settled will be enough to achieve the objective of the claims. But it is still an improvement. It is an improvement in the communities that have self-government. We can see the change. We can see the activity. We can see the determination.

My colleague was also worried about first nations governments not being accountable. By having self-government they are accountable to the people who elect them rather than being accountable to a bureaucracy that doles out money. They have to answer to their people. The first nations leaders I know are very dedicated individuals who have worked tirelessly on behalf of their people.

Bill C-56 is concrete proof of a movement toward living up to the ''Gathering Strength'' document. It has two parts. Part one of the bill relates to the settlement of matters arising from the flooding of lands as provided for in an agreement concluded with the Norway House Cree Nation which is very specific to it. Part two establishes mechanisms to facilitate the implementation of claims settlement in Manitoba by the creation of reserves or the addition of lands to existing reserves. Some of the first nations were shortchanged when their reserves were developed. This gives them the opportunity to redress it.

Part one pertains to the master implementation agreement signed in 1997 by the Government of Canada, the province of Manitoba, Manitoba Hydro and the Norway House Cree Nation which was affected by the flooding arising from hydroelectric projects.

• (1625)

The first nations affected by the flood were Cross Lake, York Factory, Nelson House, Split Lake Cree First Nations and the Norway House Cree Nation.

Because of the 1997 agreement which was difficult to implement there was very little movement in settling long outstanding problems and compensation. There was a proposed basis for settlement and four out of five first nations have signed the master implementation agreement.

Part two is the reserve establishment. It is related to federal government commitments in Manitoba to treaty land and the entitlement framework agreement of 1997.

On the basis of agreement from the first nations, part two would facilitate the implementation of any Manitoba claim settlement where Canada commits to increase first nations reserve land base.

This document provides a guide to the future. Treaties impose serious obligations and we need to respect those obligations and move forward.

Mr. Greg Thompson (New Brunswick Southwest, PC): Mr. Speaker, I rise today to speak on Bill C-56, an act respecting an agreement with the Norway House Cree Nation for the settlement of matters arising from the flooding of land and respecting the establishment of certain reserves in the province of Manitoba.

This omnibus legislation deals with two issues, the Norway House Cree Nation's master implementation agreement resulting from the flooded land which we refer to as part one, and reserve establishment particularly in reference to the Manitoba treaty land entitlement framework agreement of 1997, part two. I will be speaking on these two issues separately and in the order I have just outlined.

I express my reservations about the combination of bills this legislation represents. While I certainly realize the issues are related, I feel these issues should be addressed separately to provide each bill with the attention it deserves.

With regard to the Norway House Cree Nation and the master implementation agreement that was signed by the first nation, the province of Manitoba, Manitoba Hydro and the federal government on December 31, 1997, while it was 1997 before the agreement was signed it was more than 20 years earlier that hydroelectric projects

changed the way of life for the aboriginal people living in northern Manitoba.

In the early 1970s the Churchill and Nelson Rivers diversification projects and the late Winnipeg regulation project flooded more than 212,000 hectares in northern Manitoba. The flooded area included 4,800 hectares of reserve land and an additional 200,000 hectares of land used by the aboriginal people for traditional purposes such as hunting and trapping. This affected five first nations, the York Factory, Split Lake, Cross Lake, Nelson House and Norway House Cree Nations, comprising approximately 12,000 aboriginal people.

Recognizing the severe impact of the hydroelectric projects on the first nations in the area, Manitoba Hydro, the province of Manitoba, the federal government and the affected first nations signed the northern flood agreement. The flood committee incorporated was formed to act on behalf of the five first nations in the area affected by the flooding. It was this organization that signed the northern flood agreement on behalf of the first nations.

The purpose of the northern flood agreement was to provide a framework for compensating the first five nations affected by the hydroelectric projects.

● (1630)

These projects included the construction of up to 14 power stations, four which were constructed by the mid-1980s and 10 which will not be finished until the year 2050, a full 73 years from the signing of the agreement.

This is a long process and the results of the projects are far-reaching, both in terms of the amount of land flooded and the future impacts these developments will have on the life of the aboriginal people.

Since its signing on December 16, 1977, the northern flood agreement has been fraught with all kinds of problems. This has led to the failure to implement many of the provisions contained in the agreement and the first nations have been forced to seek restitution through a dispute resolution program. This was noted by the auditor general in his 1992 report as a major fault and something the federal government should address since adversarial positions seldom assist those groups most affected, in this case the five first nations.

It is not my intention at this stage of the process to go into any detail about the advantages and disadvantages of this legislation and the agreement it represents. That is best left for the committee stage when we will hopefully have an opportunity to hear from those individuals impacted by the flooding and the subsequent agreement. If it is anything like the tobacco bill, that process will not unfold to the satisfaction of many of us in this House.

Speaking to the terms of the agreement, under the master implementation agreement the Norway House Cree Nation will receive $78.9 million in cash and hydro bonds, and approximately 24,000 hectares of new reserve lands. The settlements of the other first nations range from $47 million and almost 14,000 hectares of new reserve land as well as 1,100 hectares of fee simple for Split Lake to $62.5 million and 22,000 hectares of new land reserve for Nelson House. York Factory received more than $24 million and 7,700 hectares of new land reserve as well as a segment of fee simple land.

The money mentioned in these settlements is being placed in trust for the first nations. In the case of Norway House, Keenanow Trust will be handling the proceeds. This is an important revision of the agreement since the money will not come under the terms of the Indian Act. Instead, first nations will have greater control over how and where this money is spent.

In order for the federal government to negotiate settlements individually with the first nations it was necessary for the parties to negotiate the proposed basis of settlement. Since the first five nations were at various stages of agreement this was the only way for the government to bring to closure the northern flood agreement.

Cross Lake, the only first nation that has not signed an implementation agreement, remains opposed to doing so and has been active in seeking support for treaty recognition of the northern flood agreement.

The Manitoba aboriginal justice inquiry of 1991 stated that the governments of Manitoba and Canada recognize the northern flood agreement as a treaty and that the two governments should honour and properly implement the terms of the northern flood agreement. While the master implementation agreement signed by the four other first nations will ensure that they begin receiving the compensation promised under the northern flood agreement, the question of treaty status for the agreement has never been completed to the satisfaction of all parties involved.

● (1635)

The community of Norway House voted in a referendum to accept the master implementation agreement. While questions have been raised about the validity of the process, the community members voted to accept the agreement in the second referendum. This should reflect the community's acceptance of the terms of the agreement and their satisfaction with it, or at least a desire to move on.

This legislation is not necessary for the implementation of this agreement since it has already been going ahead. Instead, this legislation is another step toward implementing terms of the northern flood agreement and the federal government's obligations under the agreement with regard to the first nations which have signed implementation agreements. This does not apply to Cross Lake as I mentioned earlier.

This issue is one I look forward to studying more closely at committee stage, particularly in terms of the first nations' views of the agreement and the northern flood agreement. One advantage of this legislation should be the opportunity to move away from the dispute resolution process to a more conciliatory form of negotiation and discussion.

I would like to take a look at the second part of this legislation to establish reserves in the province of Manitoba. Part 2 of this legislation is expected to assist in establishing reserves where an obligation exists in a current or future agreement to set aside land for this purpose.

This has particular relevance for the signatories to the Manitoba treaty land entitlement framework agreement. Treaties signed between 1871 and 1910 and, in particular, the claims of 19 first nations affected by these treaties make up the treaty land entitlement framework agreement. These 19 first nations signed the agreement in May 1997.

Under the original treaties of 1, 2 and 5, each family of five was to receive 65 hectares of land. Under treaties 3, 4, 6 and 10, 260 hectares of land was to be provided for each family of five.

Problems arose, however, when the first nations claimed they did not receive their full entitlement. Some of the band member counts were inaccurate because members of the first nations were away hunting when the surveys were taken. It sounds like what happens to us when we attempt to set up a voters' list. The same problems occurred there. In some cases insufficient land was selected by the first nations when given the opportunity to claim their land under those very treaties.

These entitlements have never been settled with some of the first nations. In fact, only seven of a possible twenty-six first nations that did not receive their full allotment under the treaties have since settled their claims.

The land to be allocated to the 19 first nations who signed the agreement last year is 445,400 hectares. That is slightly less than 1% of the land mass of Manitoba and about 8% of the province of Nova Scotia. The province of Manitoba will provide most of this land from crown land that the federal government and Manitoba agreed would be used for this purpose. The remainder will be provided from private landowners on a willing-buyer/willing-seller basis. In other words, private landowners who do not wish to sell their land will be not be forced to do so.

What this legislation is attempting to do is make it easier to establish reserves from both the federal government's and first nations' perspective. One of the ways the legislation will achieve this is by providing the minister with the power to confer reserve status. That is an important point.

• (1640)

This eliminates the need to obtain governor in council approval, thereby reducing the time the process takes in facilitating full implementation.

In addition, changes are made in the legislation to address third party interests. If agreements currently recognize third party interests in the land, these interests would typically fall under provincial jurisdiction. With the creation of a reserve, however, they would fall under federal jurisdiction.

Accommodating this change in jurisdiction is a very time-consuming process. This has been mentioned as one of the major delays in processing land selections for reserves. With the legislation, reserve status will be conferred subject to that third party interest so the easement or right of way of the third party would be able to continue as the jurisdiction changes.

Perhaps of greater importance or significance, especially for the first nations, is that this legislation allows first nations to establish new third party interests, not just those existing at the time of reserve establishment.

This also allows first nations to take advantage of economic development opportunities as they become available instead of being forced to wait for the land to be given reserve status.

I would like to mention again that this legislation, both parts 1 and 2, requires greater research and consideration on the part and on behalf of the Parliament of Canada. This is something we look forward to doing at committee stage.

At the same time, I certainly realize that the agreement is already in place and functioning. The purpose of the legislation before us is to provide the government with the authority to implement some of these provisions.

Part 2 requires further study as well. It appears to be beneficial to first nations by allowing them to take advantage of conditions on a timely basis and speeding up the process of reserve creation. Obviously, this would be beneficial to the first nations, but again it needs to be examined very closely.

I look forward to studying this legislation, along with my colleagues, at committee stage and learning more about these issues. At this time I still have some serious reservations, as does my party, about this legislation.

Mr. Dale Johnston (Wetaskiwin, Ref.): Mr. Speaker, I noticed in the comments of the member for New Brunswick Southwest that he said that some portions of this bill are not needed because negotiations are ongoing. I did not quite catch what he meant, but it was something to that effect.

If I understand correctly, this is to finalize compensation for land flooded for a hydroelectric project that dates back some 21 years. I

am having an extremely difficult time understanding how such a project would go ahead without having the terms of the settlement in place before the project was undertaken.

As is the case with a lot of members of this House, I have some experience in municipal politics. I know that if a municipality built a road and annexed some land from neighbouring landowners, whether crown land, Indian reserves or fee simple land, and then later went back to the people who were affected and said ''By the way, we built a road on your place and we would now like to start to negotiate what it is going to cost us for that right of way'', for the land that has been taken off the title or out of production or whatever, that is an absolutely backward way of doing business.

• (1645)

One of the most important considerations in a project that is going to go ahead is what the acquisition of the land is going to cost. That is something that has to be determined up front, not some 21 years later.

I wonder if the member for New Brunswick Southwest would like to clarify the comments he made so that I could better understand where he is coming from.

Mr. Greg Thompson: Mr. Speaker, in terms of clarification and going beyond the member's question, I mentioned the historical impact of this bill. It goes back to the principle of negotiation and how these agreements are established in the first place.

I think the point the member was making was that before we go into this we need long term planning. In other words the government sometimes goes into these negotiations in the wrong way. We have seen it happen so many times and it is something we could accuse the government of doing almost on a day to day basis. We have to put some of those mistakes behind us. We have to proceed with the only process available to us. Recognizing that there have been mistakes in the past, hopefully we will minimize mistakes in the future as we hold the government's feet to the fire. Again I go back to the opportunity we will have at committee stage with regard to this bill.

Taking the member very seriously, he is absolutely right. So little planning has gone into some of these mega projects, developments and settlements that impact on a good many Canadians. Sometimes those projects and the disruption of the lives of families happen close to home.

Mr. Lee Morrison (Cypress Hills—Grasslands, Ref.): Mr. Speaker, I would like the hon. member for New Brunswick Southwest to comment on something that has been troubling me for a long time.

This government seems to be entering into a multiplicity of land settlements with native bands or groups of natives on an absolutely ad hoc basis. Nobody gets the same deal. It is not just a question of wanting one size to fit all, we have one size that fits practically nobody. Every time there is a problem or every time somebody has been shortchanged on their land entitlements, the government sets out through the department of Indian affairs and comes up with something absolutely new. This is not a sensible way to do business.

The problem is made even worse by the fact that most of the agreements when made contain what we call a me too clause. If one band gets a better deal on a particular problem than some other band got on its, then the other deal can be reopened and brought up to speed so that everybody gets treated equally. If everybody is going to get treated equally, why could we not have a set of rules, some guidelines, something to follow before we get into these things?

Mr. Greg Thompson: Mr. Speaker, I could not agree with the member more. It is a good question to ask.

I see that we do have the justice minister in the House this evening. She is probably in a better position to answer on behalf of the government than I am. More precisely hopefully the Minister of Indian Affairs and Northern Development will be in the House before the evening is over.

Those are legitimate questions that have to be answered by the government itself.

Mr. Pat Martin (Winnipeg Centre, NDP): Mr. Speaker, I would like to get involved in the last bit of the debate that is going back and forth.

I have some personal knowledge of the hydro dams in northern Manitoba. I worked on them as a carpenter. It was a good source of work for me but I was also quite sympathetic with what was being done in the outlying areas. I visited some of the communities prior to their being flooded and then again after they were flooded.

• (1650)

To help shed some light on the questions raised by the member for Wetaskiwin, I think that in 1977 when the northern flood agreement was finally negotiated it was actually about seven years after the main damage of flooding was done.

When the first big wave of flooding happened, the Notigi diversion from the Churchill River into the Nelson River, nobody really understood just how devastating that would be. They actually thought raw land could be flooded without clearing any of the trees first. They were flooding whole forests. They did not realize that mercury and other stuff leeching out of the soil after years would kill off the fish stocks. A mumbo-jumbo of trees fell to the point where the lakes were not navigable, even if people did want to fish.

In and around 1970 it was an NDP government that orchestrated a lot of the original flooding. It completely underestimated the damage from what it was doing. The government thought it could simply take people from one community, transplant them and flood the old land and they would still be able to use the lake and land in the same way. It just was not true.

When the northern flood agreement was negotiated, it was clear that far more compensation would be needed and far more impact studies would have to be done before any real package could be arrived at.

Happily we are now at the point where a lot of this stuff is being remedied. A lot of measures are being taken to try to put these people's lives back in order.

Somebody mentioned that $76 million is involved in the Norway House case. It is a lot of money, but the net profit to Manitoba from selling hydroelectricity is $250 million to $300 million per year. It is a huge revenue producer. Manitobans also get the lowest hydroelectricity costs anywhere in the country, two and a half cents per kilowatt which is about one-third of those in many other places.

Mr. Greg Thompson: Mr. Speaker, the comments of the member for Winnipeg Centre speak highly of him and show that he is very sensitive to the issue before the House.

In terms of sensitivity, I will go back to what the member said on the human tragedies that result because of some of these developments. That is something I do not think we have ever, regardless of what colour or stripe the government is, considered in the sense of how it should be considered when it is the environment and human tragedies that play out. Those are things that are left for others to clean up and deal with. It goes back to what some of the other members have mentioned. It goes back to planning, talking to the human beings who are affected by some of these developments.

This is a legacy we do not want to leave. We want to show that we are compassionate, that we have to act in the best interests of all Canadians. Disrupting people and the environment is not the answer.

[*Translation*]

The Deputy Speaker: It is my duty, pursuant to Standing Order 38, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Davenport, the Environment; the hon. member for Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, Employment Insurance; the hon. member for New Brunswick Southwest, Bill S-13.

[*English*]

Mr. Leon E. Benoit (Lakeland, Ref.): Mr. Speaker, I am pleased to take part in the debate on Bill C-56, the Manitoba claim settlements implementation act.

My comments will be on part 2 of the legislation which establishes a means to facilitate the implementation of land claim settlements in Manitoba through the creation of new reserves or the addition of land to existing reserves.

When government is adding new land to reserves or creating new reserves would be an ideal time to look at the problems in terms of accountability on reserves now and to deal with some of the problems. It is unfortunate that did not take place in conjunction with this legislation. There was very little change that will lead to any improvement in accountability.

• (1655)

During my presentation I am going to refer to a task force I put in place. It is a process that three aboriginal people from my constituency of Lakeland and I went through. We wanted to find out how aboriginal people felt on these issues. I will go through all the recommendations later and then talk a bit about how the task force was set up. I will start by summarizing the comments on accountability made by some of the aboriginal people who presented their cases before the task force.

They said that more transparent financial reporting by band and settlement administrators is needed. That is no surprise. We have brought example after example before this House of the complete lack of proper fiscal accountability on reserves. They were clear that governments at all levels, including native leaders, need to consult their members far more often to ensure that those consultations are reflected in policy. They even said that they would like an ombudsman set up to act on complaints laid out by aboriginal Canadians. They also said that more scrutiny needs to be applied to bands during elections. These are only some of the recommendations made by task force members.

When I looked at this piece of legislation, I asked how many of those recommendations have been implemented in this legislation. The response from Liberal members across the floor was why should they implement changes that came from a Reform MP. I would like to respond by saying that these recommendations did not come from a Reform MP. They came from a task force which included three aboriginal people and myself.

We make it very clear that the recommendations do not necessarily reflect Reform policy, which is fine. The fact is that none of the task force members are Reform Party members. I do not even know if any of them are Reform Party supporters yet, although I do believe that because of the work we have done some of them probably are. However, that is not important.

What is important is that the recommendations came from the aboriginal people themselves. And my question is, why are those recommendations not reflected in this piece of legislation? I believe the members across the floor will probably say ''Why

would we want to act on a document that has been presented by a Reformer''.

I would like to read the response from the Minister of Indian Affairs and Northern Development to the task force report we presented to her. She finally agreed after a little public pressure was applied to meet with the task force members. We met in September during the first week that the House sat in this session. She gave us ample time to present our case and I appreciate that.

I was very disappointed however by some of things she said. I will begin by referring to her letter of response to the task force report. My disappointment will become evident as I read through part of this letter:

> There is no question that accountability is an important issue. Accountability is key to governance. We cannot build self-sustaining, self-governing First Nation communities without it. It is an issue for us as Parliamentarians with a responsibility to Canadians, and it is an issue for First Nations who must be accountable both to their communities and to Parliament for the resources appropriated to support service delivery. That is clearly the conclusion of the work of the Lakeland task force, just as it was also identified as important in the work of the Royal Commission on Aboriginal Peoples and in ''Gathering Strength: Canada's Aboriginal Action Plan', our response to the work of the royal commission.

● (1700)

What the minister is saying is the Lakeland aboriginal task force presented really fits in perfectly with what has been presented in the past, including by the most recent royal commission and by her response to that commission. So she is acknowledging that what is in the report is what they heard through their commissions as well.

I guess my question is why has the minister not acted on it. Why has she not at least made some movement toward acting on some of these recommendations in this piece of legislation?

I will read more of the minister's response:

> Within ''Gathering Strength'', we set out four themes to be the foundation of a changed and better relationship with aboriginal people in Canada: renewing the partnership; strengthening aboriginal governance; developing a new fiscal relationship; and investing in communities, people and economies. In each of these themes, there is an opportunity and a commitment to focus on accountability.

She goes on to reinforce that accountability is important and there is a lot of work to be done:

> When we look at the tremendous challenge of building sustainable governments, and what a complex and difficult process that is, we need to recognize that there are reasons for this. For decades, we have tried to control virtually every aspect of the lives of the aboriginal people. First nations are making their own decisions—defining how they want to be governed; setting their own priorities; and speaking up to hold their leaders accountable.

I agree with part of that statement. Aboriginal people are speaking up to hold their leaders accountable. But what I do not agree with is the minister's statement that first nations are making their own decisions and defining how they want to be governed. What really is happening is that the leadership of first nations and the national leadership such as Phil Fontaine are saying what they want to see in terms of accountability. They are saying how they want leadership to look. But the aboriginal people have not been listened to at all. The grassroots aboriginal people have not been listened to and that is reflected in this legislation and what is missing from this legislation. I think I will leave my reading of the minister's response at that.

I would like to explain a bit about the Lakeland aboriginal task force and why we started it, how it was set up and then refer to some of the recommendations. I know I am not going to get through the recommendations but I am going to really try this time to get through the first five, because it is the first five that deal with accountability, both fiscal and electoral.

I think those examining this legislation and my colleague and others who have spoken on this legislation already have pointed out some of the things missing in terms of accountability. I am sure as this debate goes on others will point out how the minister has really missed the target in terms of taking the opportunity when she is expanding reserves and establishing new reserves of making sure accountability will be there. She has really missed the boat.

The reason I established the aboriginal task force in the Lakeland constituency was that shortly after the last election my constituency boundaries were changed substantially. Beaver River and Vegreville were put together, two-thirds of each, into a new Lakeland constituency. In Vegreville the constituency which I represented before the election, there were no reserves or Métis settlements. In the Lakeland constituency there are eight reserves and four Métis settlements, an aboriginal population of probably around 30,000 people which is quite substantial out of a total population of about 110,000.

Shortly after the election I started getting phone calls from aboriginal people, some on reserves, some in Métis settlements and some living in communities near reserves. Over the first couple of dozen calls I started to see common themes developing.

● (1705)

These themes were that there is virtually no accountability on reserves. What we have are chiefs and councils taking in the money, not accounting for it and spending the money the way they see fit. They do not necessarily follow the guidelines that are laid out by Indian affairs. What became very clear is that many people living on reserves, the people the money was supposed to find its way to, were being completely missed.

I heard one story after another of extremely crowed living conditions. People had nowhere to stay and did not know where they were going to spend this winter. People were not covered by health care for special expensive medication. They were being completely missed. I heard from a lot of people who are covered under Bill C-31 and who were supposed to have some of the benefits of reserves. They were being pushed aside and felt they belonged nowhere. Chiefs and councils decided they were not going to accept those people, so they did not. I heard from dozens and dozens of people throughout the task force process, some by telephone calls before we set the task force up.

I also got calls from people who pointed out specific examples of how money was being completely misspent. In some cases they pointed to cases of fraud which were borne out later by investigations and audits. Many of these people called for a forensic audit. They wanted audits that determined where the money was coming from, how much was coming in and how it was being spent. They felt that the current audits being done on the reserves were virtually useless. It was chiefs and councils that ordered the audits and determined what kind of audit they wanted. Furthermore, they would only make available a summary and in some cases nothing at all. The accountability was not there.

After I received enough of these calls I decided that I had to do something about it. As a member of parliament it is my job to represent my constituents. I went to some friendship centres in towns near reserves. I got together with a few people and asked them what could be done. They said they had different ideas but said we should get a group of aboriginal people together in one place and decide what could be done. We did that.

A group of about 20 aboriginal people met in Bonnyville and we set up the aboriginal task force of originally four aboriginal members and me. Then we laid out guidelines that would guide us in our process. We first determined that the purpose of the aboriginal task force would be to hear grassroots aboriginal people in the constituency. That was the purpose, to hear them, not to tell them what we thought on issues. That is what we did.

Throughout the process we heard from about 300 aboriginal members. That may not sound like a lot, but several of these people, recorded on tape and TV cameras, said they had never before in their lives had anyone in any position in government really listen to them. I thought that was a pretty sad statement. It did not come from just one. It came from several people.

They did say that from time to time they had a minister of Indian affairs listen to certain chiefs and council members. But it was rare. They said that people listened to Phil Fontaine all the time. The minister listens to Phil Fontaine but nobody has ever listened to them before. It was time and the task force was put together to do that.

We did listen and we did it in three stages. We started in the first stage with private, confidential consultations. We held these consultations at various native friendship centres around the constituency. The reason we did this was that more aboriginal people, particularly from reserves, felt comfortable coming in to native friendship centres. They did not feel that they would be detected easily. Think about that.

● (1710)

They felt more comfortable coming to native friendship centres but they certainly would not go to a hall in a community near a reserve because they were afraid they would be detected and that there would be a price to pay from chief and council. This was very common. Some people who went said they knew they would pay for going but they decided it was time to go anyway. And so they did. We heard from them. Some of them did pay a price.

Mr. Charles Favel was there more than once throughout the process. I heard from him before we started. I have a letter from his chief and council that says Mr. Favel will be banished from the reserve because he went to the media in Edmonton and because he was involved with this member of parliament. He was banished from the reserve. The letter is quite unbelievable. I have copies of it for anyone who would like to see it. It was a bit of a baptism for me as to what can happen and just how serious it can be for aboriginal people from reserves to dare to say things are not as they should be on reserve.

We also put the invitation to chiefs and councils by letter to all chiefs and Métis settlement councils in my constituency. The letter we got back said that I basically had no right to do this. I could not quite understand that so I sent a letter back saying I thought I did. They invited me to a tribal chiefs council meeting. I went to that meeting where some of the chiefs said that I had no right to do what I was doing. I thought that as a member of parliament I had not only a right but a responsibility to represent all constituents. I had not heard that Indian people living on reserves or Métis people living in Métis settlements or aboriginal people living in communities near reserves were not my constituents. Of course they are. I am going to represent them.

I will talk more about this aboriginal report during debate on this bill and on Bill C-49. Then I may get through all the recommendations. I am extremely disappointed that this legislation does not show the Indian affairs minister really means what she said in her letter of response to the task force when she acknowledged there are serious problems of lack of accountability, fiscal, electoral and democratic. She acknowledged that is the case but I would like someone to show me where that is reflected in this legislation, ensuring that as these reserves are expanded and as new reserves are established a proper level of accountability will be put in place so we will know the money that is going to the reserves is getting to the people it is intended to go to. It is not happening now.

Mr. Pat Martin (Winnipeg Centre, NDP): Mr. Speaker, for months we have been listening to the Reform Party thread together isolated incidents of problems on reserves. Reformers have been trying to thread those incidents into an overall package that aboriginal leadership is corrupt, inept or incapable of handling its own self-government. It is no coincidence that this kind of talk is escalating now as we get closer to the historic Nisga'a deal.

Throughout B.C. there has been a very organized campaign to try to stop the Nisga'a self-government deal. We have seen newspaper editors manipulating their stories in the press, those who are convinced they are against us. We have seen a former Reform Party researcher leave his job with the Reform Party, move to British Columbia and set up the B.C. chapter of FIRE, the anti-Indian organization from the United States. This is now the B.C. chapter of FIRE dedicated to holding aboriginal people back.

• (1715)

I have sat here and listened day after day to speaker after speaker trying to convince everyone that aboriginal people are corrupt, mismanage all their funds and some even wear expensive jewellery. I even heard allegations that aboriginal leaders are dressing too well, that they are rich and people on their reserves are poor.

To try to imply that it is some kind of national trend, that all aboriginal communities are corrupt, is absolutely intellectually dishonest. I have listened to it for about as long as I care to. I am sure we will hear more of it as the whole Nisga'a debate continues.

Some comments have been very revealing of the true attitudes. I heard the Reform member for Athabasca say ''Just because we didn't kill the Indians and have Indian wars, that doesn't mean we didn't conquer these people. Isn't that why they allowed themselves to be herded into little reserves in the most isolated, desolate, worthless parts of the country?'' Other Reform members likened Indians living on reserves to people living on a south sea island, courtesy of a rich uncle. Another member of the Reform Party accused native Indians of practising South African style apartheid because they want to set up their own aboriginal self-government and have control of their own communities, as if that is apartheid.

The first time that I heard of that position was on the front page of the *Up Front* magazine. *Up Front* is the publication of Heritage Front. That was the postulation of the president of Heritage Front, Wolfgang Droege, another former Reform Party member, two years ago. I have a copy of it if anyone would like to see it.

There is a disturbing connection between the extreme right winger in the country vehemently opposed to aboriginal self-government and the comments made by the Reform Party. It is being picked up in the mainstream media by other anti-Nisga'a campaigners like Gordon Gibson, the former leader of the Liberal Party in British Columbia, who is also involved with FIRE, the Foundation for Individual Rights and Equality.

These people believe that all people must be treated equally, whereas Judge Murray Sinclair, an aboriginal leader in Manitoba, pointed out clearly that to treat all people equally when they are in fact unequal is in itself a problem that compounds the problem.

I hear people laughing. To try to imply that we can allocate the same type of principles to all people equally is not recognizing the unequal situation that aboriginal people find themselves in now. Special circumstances are in order. That is why we as Canadians are willing to give special consideration to aboriginal self-government.

I guess I like the comments of the member of the Reform Party who spoke previously. Do you or do you not agree with the positions of the anti-Indian movement, FIRE, as chaired by a former federal Reform Party researcher, Greg Hollingsworth?

The Acting Speaker (Mr. McClelland): I remind members to direct their comments through the Chair.

Mr. Leon E. Benoit: Mr. Speaker, I do not know anything about this member's reference to a former Reform researcher being involved in some sinister kind of organization. It does not sound like something a Reform researcher would be involved in.

What we have heard from this member today is some of the most despicable kind of mud slinging I have ever heard. I have heard a lot of it before coming from across the floor, but I do not think I have ever heard anything any worse than that.

He virtually used all the ism words that he could imagine without saying them directly. I think the kind of tactic used by this member is what is killing fair and proper debate in the House of Commons and across the country.

• (1720)

He should be thoroughly ashamed of himself. For him to imply that Reform is trying to do anything but help aboriginal people completely ignores the truth. I hope the member would stand and apologize when he gets the next opportunity, because it is a despicable approach to take to debate in the House and he should be ashamed of himself.

I would like to refer to one of the member's comments. He thought I sounded like I was saying that all chiefs and councils across the country were corrupt. I do not believe that is the case, although we did hear from all eight reserves in the Lakeland constituency of very serious claims about money not being allo-

cated properly. Whether that constitutes corruption or not I guess is a matter for debate.

In many cases it is very clear that there was corruption because the audits have been done and it was proven through the audits. In some cases charges were laid and guilt was affirmed through the justice system. To say that it is across the country, I do not believe that is true. I do not believe it is on all reserves, but it is on many reserves and it is certainly a problem in my constituency. We are trying to rectify the problem by calling for proper accountability. That is what the Lakeland aboriginal task force heard from grassroots aboriginal people.

Let us get some real accountability into the system so the money that is being spent and coming into the reserves from taxpayers' through the federal government, the department of Indian affairs, and the money from oil and gas revenue as an example are accounted for. How much is coming in needs to be clearly accounted for and the people themselves need to know where the money is being spent. On all eight reserves in Lakeland constituency the people said very clearly that there was not proper accounting.

In the report we certainly were not attacking chiefs and councils. We were maybe a little kind but that is the tone we wanted in the report. Our recommendation No. 2 was on accountability. To assure sound financial management on reserves and settlements the government must provide better financial management support for aboriginal councillors and administrators. The second recommendation called for some help from the department of Indian affairs to teach chiefs and councils how to account properly.

Does that sound like we are slamming chiefs and councils? We deliberately took a very conciliatory tone. We did not attack chiefs and councils although some of the individuals who made presentations did. That is reality. We cannot change that. We deliberately presented it in a way that would allow chiefs and councils to improve so that they would become truly accountable. That is the tone we took and that is what we presented to the minister.

I close by saying that it is extremely sad and troublesome that after all this time we would still have the kind of attack launched by a member of the New Democratic Party against any member of the House. It would be unfair for any member to be painted in the way that he painted some of us today.

Mr. Howard Hilstrom (Selkirk—Interlake, Ref.): Mr. Speaker, I am pleased today to be in the House once again to talk about aboriginal affairs, particularly where they come into play in Manitoba.

Selkirk—Interlake is located in the centre of Manitoba. It borders and includes the very lake we are discussing today, Lake Winnipeg, which flows north into the Nelson and Churchill river system and ultimately ends up in the Hudson Bay.

• (1725)

If I could reiterate a bit, Bill C-56 deals with a settlement of matters arising from the flooding of land on the Norway House Indian Reserve and on other reserves. It is with respect to the establishment of certain reserves, the adding of land to land currently held. The land which was flooded belonged to the Norway House Indian Band and would ultimately have become their land under treaty entitlements.

All Manitobans, myself included, have benefited greatly through the actions of the Government of Manitoba and its crown corporation, Manitoba Hydro. Native people in Manitoba have also benefited greatly in that we now have hydro going into most reserves.

Some members from Manitoba, including the member for Provencher, seem to indicate they are experts on Manitoba natives. I agree that no doubt the member has some knowledge. However, like the member from Winnipeg Centre, they do not have all-encompassing knowledge of what is going on in reserves. They could have had historical references for the last six to ten years when the Reform Party talked about accountability.

I will deal with the bill in two parts. The first part will be with regard to the flooding of land and the second will be with regard to some accountability issues.

The Norway House band land which was flooded was excellent trapping land. It was land they had occupied for thousands of years. They should be compensated for that land. There is absolutely no problem with that on my part. I encourage the provincial and federal governments along with the aboriginal people as they proceed to compensate for the damage.

The parties to my right, my left and opposite seem to want to isolate aboriginal affairs into a stand alone situation. We share this land together. Our national boundaries are well known from coast to coast to coast. We and the aboriginal people share this common land.

For just a minute I would like to show that is the case. Organizations on Lake Winnipeg in my riding have had some spill over effect from the flooding. The organizations of which I speak are the Lake Winnipeg Property Owners' Association and a lady by the name of Lorraine Sigvaldason who is important in that organization, along with Baldur Nelson and Mr. Nelson Gerrard of the Bifrost Lakeshore Homeowners Coalition. Nowadays the lake is at a high level in order to accommodate the generation of hydro. All Manitobans are sharing in the benefits and the losses associated with major hydro electric developments.

Some problems experienced in the south end are with respect to ongoing excessive and rapid erosion of land, physical loss of highly assessed residential property, permanent destruction of prime sandy beaches, rapid deepening of the inshore lake bottom, devalu-

ation of prime real estate, destruction of wildlife habitat, hazards to marine activity in the form of floating and submerged debris, and severe financial losses and burdens for lakeshore residents. They suggest some solutions. This is a concern that has been around my riding and the province of Manitoba for some time.

● (1730)

Aboriginal people live along this lake that is affected by the flooding, including the Norway House band and the organizations I have spoken of, say the problem has to be acknowledged and addressed in an honest fashion. Lake level regulation must take into account actual water levels rather than statistically altered and wind eliminated or monthly average levels.

Their request to various levels of governments has been that those who have suffered losses deserve compensation whether such losses were the direct result of an act of God as in the flood in the Red River Valley or the acts of government and hydro.

Issues dealing with aboriginals have to be thought of in the context of dealing with all Canadians. That is what seems to be missing in some of the debates on the particular bill as it is with many other bills.

With regard to solutions on Lake Winnipeg, Mr. Wilfred L. Arnason suggested that additional causeways near Hecla Island, a narrow opening between the north basin and the south basin of Lake Winnipeg, could be spanned by additional bridges accommodating the inflows of all rivers, creeks and ditches entering the south basin. The idea that there would be an additional flow of water out of the south into the north basin would help to provide a solution with regard to erosion problems.

I am not privy to all the details of how the $78.9 million in cash and hydro bonds with regard to how compensation for the Norway House band was arrived at, but if the Manitoba government, the federal government and the aboriginal people agreed to that it would seem to be fair. I could support that on my part. The moneys owed under the agreement are not payable to the crown as Indian moneys but as moneys to be held by the minister in trust. I will deal with that in a moment.

I certainly agree with the creation of a resource co-management board with Manitoba. Co-management of resources is exactly what I have been talking about. It will be a good aspect of the agreement. As I have noted in past speeches, the ability of an aboriginal first nation to pass laws in conflict with federal laws, in other words the aboriginal law supersedes, is not in the best interests of Canada, of all Canadians or of our living together.

As a result when I see the terms co-management and working hand in hand, the people of Manitoba both aboriginal and non-aboriginal working hand in hand, that is exactly the way it is supposed to be. That is what I am attempting to promote as the member of parliament representing Selkirk—Interlake and, I might add, representing all Manitobans. I have been involved in various accountability issues with the first nations people where people from all parts of the province and most of the aboriginal first nations approached me with their problems, concerns and their solutions.

I mentioned that this money was to go to the first nations people to be administered in trust. This is where the member from Winnipeg Centre said that the Reform Party was—he did not say crying wolf—trying to take a few little incidents and make them into some kind of statement that all chiefs and councils are either crooked or mismanaging funds.

● (1735)

Earlier in my speech I said that members opposite, along with the members to my right, have not kept an eye on what happened in terms of the northern flood agreement which included about six other bands. I would like to refer to what happened when the Nelson House band was paid several million dollars from the federal government. It went into a Winnipeg account and through a lawyer. I will not repeat the exact amount of money that was to go to the band. A non-aboriginal consultant and the ex-chief of the Nelson House band were involved in handling the moneys.

It is well known in the House and back in Manitoba that I was a member of the commercial crime section of the Royal Canadian Mounted Police. We received a complaint with regard to how those moneys in trust were handled. We conducted an investigation. I will not take credit for doing the whole investigation because I had some able assistance from other members of the Royal Canadian Mounted Police. We laid charges of misappropriation of that money which was held in trust, the big guarantee, the guarantee that is referred to in the agreement, the money in trust. Many thousands of dollars were taken contrary to the trust agreement. We ended up in a court case that went on for some time and that chief was convicted of stealing the moneys held in trust.

I hear members talk in the House about the Reform Party making up stories about possible problems. I am telling the House and all members that the problems are real. The white consultant still had some assets which we were able to seize under proceeds of crime legislation and ultimately have forfeited to the crown. He passed away before the case went to court so I will not mention his name.

Just as we have seen in many thousands of cases across the country, when people receive something in trust such as moneys or other goods like lands or whatever it cannot be automatically assumed that with the fiduciary responsibility, the trust responsibility, they will handle the moneys in a manner according to the trust conditions, in this case for the native peoples of that reserve. I have

told members how the trust agreement did not protect the moneys of the Nelson House band.

Over the years I went through RCMP investigations, many times with aboriginal reserve complaints from people who felt that moneys were being mismanaged. There was no way, due to a number of different factors, of ever laying charges or having a solution through the criminal courts. We laid charges in this one case, the Nelson House case, with regard to northern flood agreement moneys.

I ended up retiring from the RCMP and in politics which is why I am standing here today. Once again I have a responsibility to the people of Manitoba and my constituency to speak out on behalf of constituents in my riding. Many people on reserves in my riding have come to me and said there was an accountability problem on their reserves. Not only did they have a lot of problems with social conditions and lack of housing. They could not find out where in the heck the money coming into the reserve was going. They saw some people doing very well on the reserve, primarily at the elected level, but they needed answers. They needed to find out what was going on.

● (1740)

When members opposite and the community at large in Canada see reports in the paper of Reform speaking out about these issues, we are speaking out on behalf of people who do not have a voice to speak out on their own. These are the non-elected people. Many of them are women and young people who are not in the aboriginal electoral process. They are not elected officials and are not in non-aboriginal government offices. That is why my colleagues and I speak out so strongly on this matter.

Accountability should be included in these agreements. Actually it should be included for aboriginal governments at the band level because each of the bands is separate. Certain things make for accountability in government. One of the biggest accountability factors is money, and I will start with that one.

The member from Winnipeg Centre certainly tried to indicate that we were trying to scare people and to paint people with a broad brush. I hope what I have said today shows how untrue that is. I would certainly be pleased to answer questions after my speech.

I have been advocating a couple of cornerstone democratic principles since the accountability meetings were held. I will list them before finishing speaking so that they remain in everyone's mind.

On October 31 the aboriginal people of Manitoba, not the Reform Party, organized a big meeting in Winnipeg at the Airliner Inn. Before that meeting took place I stood in the House and told all members about it. It is in *Hansard*. I told them October 31 was the date of the meeting and that all were invited. It was organized and run by the aboriginal people.

One outside politician came. It was not the member for Provencher. It was not the member for Saint Boniface. It was not the member from Winnipeg Centre. It was the Indian affairs minister David Newman from the province of Manitoba government. He attended the meeting and spoke for at least half an hour about all the serious issues dealing with financial funds and problems with aboriginal leadership and what could be done about it.

From all these meetings I have four basic cornerstones of democracy that would help provide accountability for the chiefs and councils. The first one is absolute, independent, fair election laws to ensure that elections of the chiefs are fair and true.

The second is an independent auditor general. That is the one that would provide for accountability of the financial funds. There is no reason the leadership of the aboriginal people in Canada and the federal government could not already have set up some kind of independent auditor general to take care of moneys that are for the benefit of aboriginals on our reserves.

Mr. David Iftody (Parliamentary Secretary to Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, I have been listening very carefully for the past couple of hours to a number of interventions made by members of the Reform Party.

● (1745)

I appreciate the comments made by the member of the New Democratic Party. His interventions speak very clearly to the problem of the misuse of language and the misrepresentation of the issues we are dealing with. I find the debate quite interesting as we debate the northern flood agreement.

We have heard talks about self-government, dealing with the Nisga'a deal, references to RMs, the most recent intervention from this member claiming that he speaks for the people of Manitoba on aboriginal issues and talking about the participation of the Minister of Indian Affairs and Northern Development at this rather odd undertaking at the Airliner Inn in Winnipeg. I find the debate is moving off into areas that are not intended in this bill.

This bill is about a bill of compensation that was properly addressed by the New Democratic member from Winnipeg. It is a bill about compensation. The member for Selkirk—Interlake talked about the fact he lives on the inlet. So do I. We were transferred to Norway House when they were building the power lines. My father was a pilot for the government air services for many years in 1950s. We spent a summer there.

I believe the hon. member misses the entire point of the debate about compensation. Some of his colleagues have referred to that. The hon. member for New Brunswick Southwest has spoken to it

very clearly. This is a question of hydro flooding these lands in northern Manitoba and doing it improperly without consulting the native people. I wonder, for example, whether the provincial minister who is responsible and is signatory to this agreement talked about that at the Airliner Inn in Winnipeg.

This is an agreement about compensation. It is an agreement about a contract and a breach of contract. There is a settlement between the parties, Manitoba Hydro, the Government of Canada and the first nations people, in this case the people of Norway House who voted on the bill. He referred to the cottage owners in Lake Winnipeg. Is it not proper, is it not right, that when somebody floods somebody's land, that the first nations people would be compensated for the lands that were flooded, that this is the proper thing for the Government of Canada and Manitoba to do? They all signed the agreement.

Mr. Howard Hilstrom: Mr. Speaker, the member for Provencher and I end up on the same plane lots of times, so we may even talk about this again.

I think we will refer to *Hansard* tomorrow and we will see that I spoke quite eloquently, I would say very eloquently, with regard to the fact that the Norway House band had serious loss of lands and that the compensation of $78 million that was agreed to by the various levels of governments, the aboriginal chiefs and the people was very fair and should be paid to them. We have no problem in agreeing on that fact.

The accountability problems deal with much more than this one agreement. As a member of parliament, where the issue at hand has brought the broad ramifications it has for the people of Manitoba, I would be remiss if I did not touch on those issues attached to the bill we are dealing with. One attached issue is accountability for the moneys that will be received by the band in trust. I agree it is normally a very good legal means by which money does not go missing. As I have said, I have seen so many thousands of cases of dollars go missing over the years, millions, from non-aboriginal and aboriginal holders of trust moneys.

We should not make light or cast aspersions on members of the House or others who speak up and say that everybody who is elected in aboriginal reserves to councils and chiefs are not crooks. They are average people who are getting elected to these things. But there are enough problems that have to brought to the attention of legislators and they have to be dealt with. To sit back and pretend that nothing is going wrong and that there is no room for improvement is sheer lunacy, to put it bluntly. I take pride in speaking out in my riding for my constituents. I have had so many comments from both aboriginal and non-aboriginal people that previous members of parliament did not stand up and speak in the very means that I am speaking today on behalf of aboriginal women and children and others who want to see accountability in first nations government.

• (1750)

Mr. Pat Martin (Winnipeg Centre, NDP): Mr. Speaker, seeing as I was made reference to a number of times in that address, I want to clarify a few things.

What I said in my remarks is that it is intellectually dishonest to try to take a bunch of isolated incidents of problems with funds and try to thread that together into an overall picture that aboriginal people in Canada are not ready for or capable of self-government or the implementation of the recommendations of the royal commission which our party stands for. I am not saying they are allegations. I am saying they probably are well founded incidents.

I made a number of connections with anti-Indian organizations like FIRE. The hon. member can deny any connection to them if he likes. As the ONFIRE begins now, the Ontario version of the anti-Indian organization, the director is a Reform Party member and activist Judy Kilgore. Brian Richardson, the founder of the Ontario FIRE organization, left his job with FIRE so he could run for the Reform Party in the last federal election. He did not want that crossover too public I guess.

Mel Smith, who was the salaried, paid consultant for the Reform Party's Indian task force, is the author of the book *Our Home or Native Land*. It is a play on words instead of our home and native land. The three major points are that aboriginal self-government must be stopped; that some government treaties with first nations should be either ignored or modestly interpreted; and that all government programs related to native people should be phased out, i.e. first nations people should be made real Canadians. In other words, no special affirmative action measures to try to recognize the historic imbalance.

Does the Reform Party stand behind the implementation of the recommendations of the royal commission on aboriginal people or does it subscribe to Mel Smith's points?

Mr. Howard Hilstrom: Mr. Speaker, we talk about listening to each other's speeches and I certainly hope that my speech was also listened to because there is no place that I would ever say that aboriginal self-government should not come about. I do not think that anybody can show me any place in Reform Party policy where it says we are against aboriginal self-government.

I would certainly not like to see condemnation by association or whatever, which the member for Winnipeg Centre is somehow trying to place on my shoulders. I think I have spoken quite clearly about what my beliefs and stand are and what I believe the beliefs and stand of the Reform Party are. My 59 colleagues as far as I know believe exactly along the lines and in the same general principles. The other groups or whatever the member for Winnipeg Centre is talking about, I do not know if they have been authorized

by the Reform Party to speak like that. I would very much doubt that. In fact I know it is not true.

People in the House have made some pretty wild promises over the years. I think back to some members who are currently sitting who talked about how they would get rid of the GST and all this. I would simply say that our politicians do need to have accountability imposed on them and I think the aboriginal leaders are no different.

• (1755)

Mr. Murray Calder (Dufferin—Peel—Wellington—Grey, Lib.): Mr. Speaker, I rise to address the House on Bill C-56, the Manitoba claim settlements implementation act. My colleague, the hon. member for Provencher, has made it clear that the proposed legislation will address outstanding commitments to several Manitoba first nations. I will comment on the elements of the bill that pertain to the establishment of reserves in Manitoba.

The overall objective of this part of the bill is straightforward, to advance the implementation of claims agreements in Manitoba by facilitating and thereby accelerating the transfer of lands to reserve status. In ''Gathering Strength: Canada's Aboriginal Action Plan'' this government stated its belief that treaties provide a basis for developing a stronger partnership with aboriginal people. But in order to move in partnership into the future we must first honour our past commitments.

One of Canada's longest standing commitments is to deal with treaty land entitlements, claims that involve lands promised under treaties and signed mainly with the first nations of the prairie provinces. This is for a variety of reasons. Not all first nations received the full amount of land promised to them when they signed the treaties. For example, in certain first nations incorrect counts of memberships occurred when reserves were created.

As hon. members can appreciate, this has been a contentious issue with first nations in western Canada for many years. Our government intends to bring closure to this difficult problem by fulfilling Canada's obligations to provide additional reserve lands to first nations with treaty land entitlements. This process has been spearheaded in Saskatchewan where a treaty land entitlement framework agreement signed in 1992 has paved the way for the final agreements with individual first nations. Now we are focusing our attention on righting this historic wrong in Manitoba.

While the majority of Manitoba first nations received their full land allocations when they signed treaties between 1871 and 1910, others did not. Over the past 50 years or so numerous efforts have been made to resolve this problem. Some progress was made between 1994 and 1996 when seven of the affected Manitoba first nations signed individual treaty land entitlement agreements that provided about 170,000 acres of land to be added to reserves.

The major breakthrough came in May 1997 when the governments of Canada and Manitoba signed a framework agreement with the treaty land entitlement committee of Manitoba on behalf of 19 first nations whose claims had been accepted. Under this agreement about 1.1 million acres of additional reserve land will be provided to 19 first nations. About 90% will be crown land provided by the Manitoba government. The remaining 10% will likely be purchased from private landowners by these first nations using cash contributions provided by Canada. The remaining 10% needs to be purchased privately because certain first nations are in the areas of the province where there is not sufficient crown land available.

We have now moved into the next phase of the settlement process in which each of the 19 first nations ratifies its own treaty entitlement agreement based on the broader framework agreement. Six such agreements have been completed and we hope to finalize a number of other agreements this fiscal year.

The process is moving forward but our experience in Saskatchewan has taught us the importance of having better legislative mechanisms to facilitate the transfer of land to reserve status. This is particularly true where these lands carry one or more interests held by third parties. Bill C-56 provides these mechanisms.

I bring the attention of hon. members to three main provisions of the bill that relate to the establishment of reserves under the Manitoba claims settlement. First, Bill C-56 will empower the minister of Indian Affairs and Northern Development to set apart as reserves any of the lands selected by Manitoba's first nations under a claims agreement. The Indian Act is silent on the power to create or add to reserves. However, the historic practice has been for the governor in council to issue an order in council granting reserve status. For the purposes of Manitoba claims agreements only, Bill C-56 will eliminate the added step of obtaining the order in council.

• (1800)

The second and third measures both deal with the issue of the third party interests on proposed reserve lands and in particular, with the timing of first nations' consent to the continuation or replacement of existing interests or the creation of new interests.

Under the government's additions to reserve policy, the reserve status can only be conferred on lands if third party interests on these lands have been identified and resolved prior to Canada's acquisition of the lands. Unfortunately it is often very difficult and sometimes impossible to meet this policy goal using the existing laws which can act to impede resolution of these interests. Let me give an example.

A Manitoba first nation has selected a certain parcel of land that it would like to purchase under its treaty land entitlement agreement. A hydro company happens to have an easement across this land which was previously granted to it by the province. Before the first nation can purchase that land, the additions to reserve process requires that the hydro company's interest be resolved. Typically the hydro company would require the first nation's consent to continue the easement.

Here is the catch. The Indian Act gives a first nation the power to consent to the creation of interests on land that is already part of a reserve but not on land that is simply being proposed for reserve status. Thus, the first nation would not have the power to consent to the continuation of the hydro easement. It would be a fairly big problem for anyone who is taking hydro off of that line.

Hon. members can no doubt see the dilemma. Without the first nation's consent that the easement will continue, the hydro company may be, quite understandably, unwilling to cancel its existing provincial easement. Through no one's fault, a potential addition to the reserve becomes stalemated. An opportunity to forge a new working partnership between the first nation and the hydro company is delayed and possibly even lost.

Bill C-56 will resolve this potential catch 22 by allowing a first nation to consent to a third party interest on selected lands before those lands have been granted reserve status. In this manner the third party interest is continued and not put at risk as it would be under the current regime.

The process for the first nations to grant such consent will depend on the nature of the interest. For example, exclusive use interests, such as leases, would require the first nation membership to give consent through a designation vote. Non-exclusive interests, such as rights of way, would require only the consent of the first nation council.

These distinctions are parallel to those applicable to the existing reserves under the Indian Act. That is to say the important feature of these new designation and permit powers is that they would allow the first nation to give consent when it is most needed, indeed at the very time at which it is the most helpful to the reserve creation process. Of course the interest consented to would take effect only if and when the land becomes a reserve.

I want to point out that the pre-reserve powers to designate lands or issue permits would be available to deal with the protection of existing interests and to allow the first nations to put in place new development deals that would take effect upon reserve creation. This ability to take advantage of the new opportunities will ensure that first nations do not have to leave their selected lands undeveloped until reserve status is granted and that first nations can compete on an equal footing even while the reserve creation process proceeds.

• (1805)

The driving force behind this legislative proposal is Canada's commitment to settle treaty land entitlements with 19 Manitoba first nations. The mechanisms in Bill C-56 will also be made available to the seven Manitoba treaty land entitlement agreements negotiated in advance of the framework agreement reached last May. Canada is also prepared with full provincial support to make the bill's mechanisms available to all other Manitoba claim settlement agreements, existing or future, which have addition to reserve components.

For example, two specific claims have been settled with the Manitoba first nations that oblige Canada to create new reserve lands. These first nations will be able to use the reserve establishment provisions of Bill C-56 in this process.

Hon. members will also be aware of the master implementation agreements signed by four Manitoba first nations to implement the northern flood agreement. In fact part 1 of Bill C-56 will affirm to certain elements of the agreement recently completed with the Norway House Cree Nation, an agreement that provides for the conversion of about 55,000 acres to reserve status. The reserves establishment provisions of Bill C-56 speak to this commitment and to reserve creation commitments Canada has made to other northern flood first nations. Given that Norway House is also owed additional reserve lands under its own treaty entitlement agreement, it will benefit from Bill C-56 on two fronts.

Finally as I have said before, any first nation that negotiates future claims that include a commitment to create a reserve land in Manitoba may opt into the new process.

I want to make it clear that the mechanisms to be made available by this legislation will be limited to additions to reserves that are the result of the Manitoba claims settlements where first nations ought to avail themselves of the legislation. The extension of these mechanisms to all types of additions to reserves in Manitoba and elsewhere across the country cannot happen now and would not happen without broad and extensive consultations with all our first nations and provincial partners.

Hon. members should also know that part 2 of Bill C-56 is not needed to give effect to any claims agreement in Manitoba. These legislative proposals are intended only to facilitate the creation of reserves under these agreements, in large part by achieving a key objective: enabling first nations to accommodate and to protect third party interests that are identified in the reserve creation process. This bill will significantly reduce the time required to add lands to reserve which under the current system can approach three years.

Given the technical nature of these provisions, it is fair to ask what the practical day to day effect will be on first nations communities, on children, on families and on businesses. The answer is this. By accelerating the implementation of the claims

agreement, the proposed legislation will pave the way for improved socioeconomic conditions in the first nations communities throughout Manitoba.

The sooner that selected lands can become reserve lands, the sooner the affected first nations can develop these lands and benefit from them. In many cases, lands will be selected because of their development potential, or for commercial and institutional ventures which in turn will contribute to real improvements in the lives of the aboriginal people.

Bill C-56 will move Canada forward in meeting our goal set out in Gathering Strength: to build stronger first nations communities and to end the cycle of poverty. The treaty land entitlement first nations of Manitoba have waited patiently for the day when their claims would be resolved. Bill C-56 will facilitate and accelerate this process to the benefit of all parties. It could serve as a legislative template for similar efforts in other provinces. It will send a clear message that parliament not only intends to live up to the commitments made to the aboriginal people but also stands ready to legislate a process that helps make this happen.

• (1810)

Third parties that hold an interest in the lands that a first nation has selected will also benefit from this legislation. Their continued interests will be protected by having the first nation's consent prior to the reserve addition, giving them the commercial certainty in the face of this process that they have long been seeking.

In closing, I want to assure hon. members that the Treaty Land Entitlement Committee of Manitoba has been consulted on this legislation. The bill was also shared with the province of Manitoba and the seven first nations that had previously signed individual treaty land entitlement agreements.

The bill has also been made available to the Assembly of Manitoba Chiefs and to the Treaty and Aboriginal Rights Research Centre which is operated by the representatives of the Manitoba first nations. The centre recently expressed its support for the legislation in a letter dated September 18 to the Department of Indian Affairs and Northern Development. In it Chief Jim Prince notes that with the new legislation in place, ''the process of conversion of land to reserve status will be considerably enhanced''.

Other parties were extensively consulted and represented by the province of Manitoba during the negotiations which led to the signing of the Manitoba treaty land entitlement framework agreement.

We have consulted. We have listened and we have acted. Manitobans want this legislation.

I urge hon. members to join with me in supporting this bill so that it can be sent to committee for review.

Mr. Lee Morrison (Cypress Hills—Grasslands, Ref.): Mr. Speaker, I would like to compliment the hon. member for Dufferin—Peel—Wellington—Grey for the ease with which he read a speech which he had not seen before. I think it was a wonderful job. I wonder if the hon. member was gambling. Did he lose the coin toss or did he get the short straw? Exactly how was the hon. member for Dufferin—Peel—Wellington—Grey selected to read the departmental speech?

Mr. Murray Calder: Mr. Speaker, the hon. member opposite has probably taken shots at any one of us over here out of his absolute frustration of the success of this government over the last five years. We have taken a deficit of $42.5 billion down to zero in five years. We have taken unemployment from 11.9% down to 8.1% in five years. I can understand the hon. member's frustration in making a statement like that.

Mr. Lee Morrison: Mr. Speaker, I wonder if the hon. member would reply to my question.

The Acting Speaker (Mr. McClelland): On questions and comments, the hon. parliamentary secretary.

Mr. Peter Adams (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I want to compliment the member for Dufferin—Peel—Wellington—Grey on his speech. I certainly enjoyed it.

Many members have been taking part in the debate today, especially those from Manitoba and that is as it should be. However, some of us take a great interest in these matters even though in this particular case we are not from Manitoba. The member and I share this very personal interest. I have in fact seen from the air and the ground the results of the flooding which we are dealing with in this case.

As some members may have noticed today, the Reform members have been dragging the puck for whatever reason. I do not know what the reason is. They do not like this legislation and have been drawing out the debate this afternoon at great length. We are now getting very close to voting time. They keep mentioning the matter of accountability. They raise the spectre of accountability of first nations.

My question will be based on my understanding that the trust fund which is going to be established manages the compensation moneys which was stressed by the parliamentary secretary.

• (1815)

We are talking about compensation for many, many years; decades of hardship resulting from the flooding.

The trust fund that manages the compensation moneys will be subject to provincial trust laws and will be administered according to generally accepted accounting principles. As well, all of the

parties to the master implementation agreement will receive an annual report on the trust's business affairs.

I do not know the laws of the province of Manitoba, but I would ask my colleague: Is it not true that in fact the moneys which will be allocated under this legislation will be properly managed and accounted for in the way that I have just described?

Mr. Murray Calder: Mr. Speaker, I would like to thank the member for Peterborough for his question. Yes, is the simple point and the answer.

We are debating this bill at second reading and it is going to go to committee. The hon. member across the way wants to know why I was chosen. My interests concern all of Canada. I am not only interested in what happens in Ontario, I am also interested in what happens in Manitoba, Saskatchewan, Alberta and B.C.

An hon. member: We are a national party.

Mr. Murray Calder: That is right. That is the point. Unfortunately, the Reform member opposite belongs to a regional party which represents the west and that is his only interest. My interests concern the nation.

When this bill is in committee, if the member has any problems with this legislation, that is the time and that is the place—

The Acting Speaker (Mr. McClelland): On questions and comments, the hon. member for Wetaskiwin.

Mr. Dale Johnston (Wetaskiwin, Ref.): Mr. Speaker, I want to say first of all that a member opposite said we have drawn out the debate at great lengths. I think it would only be appropriate if four, five or six Reform members spoke to this legislation, and I believe that is how many have spoken today.

The other thing I would like to comment on is the fact that my colleague for Winnipeg Centre is completely off the mark when he tries to cast aspersions on the Reform Party by implying that somehow we have condoned, possibly spawned and encouraged this organization, which none of my colleagues in this caucus have even heard of, let alone been made aware of what the aims or goals are. I think that is probably one of the sleaziest things I have seen happen in this parliament up to this point.

Having said that, I would like to ask a question of my colleague from Dufferin—Peel—Wellington—Grey. This agreement is an attempt to bring to a close 21 years of negotiation. The first thing that occurs to me is that when we are in negotiation for 21 years the people that benefit are not the stakeholders, they are the negotiators. This looks to me like a career for somebody to continue negotiations which started in 1978.

I would encourage my colleague across the way to remark on that or to enlighten me as to how he feels about the fact that this has dragged on and on. Who does he think have been the—

The Acting Speaker (Mr. McClelland): The hon. member for Dufferin—Peel—Wellington—Grey.

Mr. Murray Calder: Mr. Speaker, the fact that this has dragged on for 21 years and that it has taken this government to find a solution is the answer to the member's question.

For five years we have brought forward good legislation that has put this country back on track. For five years we have been working on solving problems that previous governments have not. I think we have done a darn good job of it.

• (1820)

Mr. Rob Anders (Calgary West, Ref.): Mr. Speaker, this is all about talking to the folks back home who are watching. It is all about Bill C-56. It is all about the government making a commitment it could not keep. That is basically what this is all about.

I will quote from an article written by John Gray of the *Globe and Mail*. It is entitled ''Referendum process leaves a House divided''. It is about a government trying to go ahead by buying votes. That is what it is about.

Maggie Balfour is the former chief of the Norway House reserve. She and other people on the reserve wanted to challenge the legality of a referendum with regard to the implementation of this whole agreement. She and other people had problems with the process and the way these things were done. They were going to put forward their challenge to what had happened.

What happened then? Ms. Balfour described it as bribery in the article. She said that basically everybody who had problems with the process was offered $1,000 just in time for Christmas. If they accepted the $1,000 then these dissidents would thereby kind of fall off this challenge. As a result, with $1,000 the government could buy silence from these people on the reserve.

Not only was the government complicit in these things, but the band council got control of the $1,000 payouts and could decide who would get them and who would not. It was even more selective than just whether or not you took your name off the list. There was complicity between the federal government and the band council.

The article touches on some other issues that we are dealing with in the country, particularly a province that I have in mind. They say here that if a referendum loses, then a second one should be called, and that is exactly what this situation had in mind. They were continuing to call referenda until they got the results they needed. This was all something the federal government was up to because it had made commitments that it just could not keep.

As a result, the federal government and the band were complicit in holding referenda again and again on the implementation on this whole agreement until they could go ahead and pass this legislation.

It says here that money and land was exchanged for a formal end to the obligations of the northern flood agreement.

I will quote directly from the article because it is particularly relevant in this case. It states: ''When the votes were counted on the night of July 29, the majority in favour of the implementation agreement was almost two to one. But the referendum was defeated because there was not a majority of eligible voters on the reserve in favour''.

What happened then? On August 1, three days after the defeated referendum at Norway House, Ms. Jackson, the federal negotiator, was laying the groundwork for a second referendum.

What happened here is that they could not get what they wanted in the first one, so by offering $1,000 and by plunging ahead into a second referendum the federal government, along with the band, hoped they were going to be able to get the results they wanted, despite the objections of some of the dissidents who had problems with what was being done.

The federal government asked questions about the accuracy of the voters' list at Norway House. By asking questions about the accuracy of the voters' list it was able to go ahead and force a second referendum. It even admitted that the rules could be changed for the second vote. ''If you consider it changing the rules, I suppose that is what it is''. That was a quote taken directly from Ms. Jackson, the federal negotiator in this whole deal.

In the days after the first referendum a group of Norway House residents took the band council to court on the grounds that the entire referendum process was improper. Some 186 band members signed the application to the court.

● (1825)

In the ensuing three months, three-quarters of those who had supported the legal challenge signed affidavits saying in effect that they did not sign or did not mean to sign the court application. This is because they were being bought off, bit by bit, with thousand-dollar increments of federal money.

The unemployment rate on this reserve is 80% to 85% and most people in town live on social assistance of only $205 per month. Not surprisingly, the money figures prominently in this glossy guide book to the implementation of the agreement published by the federal government. Most of these people are not very well off and $1,000 of federal government money to buy their votes seems like a pretty lucrative deal for some of them. If they only make $205 a month, $1,000 would be five months' salary.

On page 3 of the government's guidebook describing the implementation agreement is the promise of a $78 million trust fund. Page 13 has the promise that if the agreement is approved there will be three payments totalling $1,000 for all band members. Even more so, those aged 55 and older will get $1,500. This will pay off the band elders with a little more money.

Ms. Omand was one of the 186 who signed the challenge to the legality of the referendum. She acknowledges that later she signed the affidavit because she wanted the money. She speaks, frankly, for many of the people who were bought off with federal government money.

The first challenge to the referendum was rejected by the federal court. The dissidents discovered in the two referenda that it is difficult to be effective in a town where the band council owns and controls the only newspaper, the only radio station and the only television station. There is complicity among the band, the federal government, the money being spent by the federal government, the newspaper, the radio station and the television station. How are these dissidents, these people who have problems with it, supposed to be able to have their voices heard? Ms. Omand wrapped up her article by asking ''How can the government put us in such a devastating mess?''

In light of this, what does the Reform Party propose as a solution? My NDP colleagues criticized us earlier today so I am sure they would ask that question. The Reform Party believes that the chief electoral officer of Canada should have authority over Indian government elections to ensure they are fair and lawful. What we had here was a case of the federal government and the band buying votes. It was a thousand dollars a pop to have dissidents drop a legal challenge. It was easier to buy their votes than it was to have a fair election and get the results they wanted.

Some members have said today in the House that the Reform Party is bringing up these unfair elections and these problems in terms of democracy and what happens on the reserves. I think that is only fair. We are doing that in the spirit of people like Ms. Omand and Ms. Balfour, the former chief of the Norway House reserve. It is only fair that their type of consideration be heard in the House. These are not just allegations because they were willing to press ahead with them in court. These types of consideration should be taken into account.

Let us think about how this plays with the Liberal strategy in other areas. Liberals do not just buy votes on reserves and buy the complicity of bands and councils to get their way, they buy votes in provinces too. It is not only a strategy they keep up with aboriginals in this country. They buy votes in this country by giving out flags and through various programs that they adjust and tinker with for special interest groups—

The Acting Speaker (Mr. McClelland): I am sorry but I must interrupt you now. The time for debate has concluded. The hon. member for Calgary West will have 10 minutes when next this bill comes before the House.

● (1830)

[*Translation*]

It being 6.30 p.m., the House will now proceed to the taking of the deferred divisions.

Call in the members.

● (1850)

[*English*]

And the bells having rung:

* * *

JUDGES ACT

The House resumed from November 6 consideration of the motion in relation to the amendments made by the Senate to Bill C-37, an act to amend the Judges Act and to make consequential amendments to other acts.

The Speaker: The first deferred recorded division is on the motion to concur in the Senate amendments to Bill C-37.

● (1900)

(The House divided on the motion, which was agreed to on the following division:)

(*Division No. 258*)

YEAS

Members

Adams
Assad
Augustine
Bakopanos
Beaumier
Bélanger
Bellemare
Bertrand
Bigras
Bonwick
Bradshaw
Bryden
Caccia
Cannis
Carroll
Chamberlain
Chrétien (Frontenac—Mégantic)
Coderre
Collenette
Crête
Dalphond-Guiral
Debien
Dhaliwal
Discepola
Drouin
Duhamel
Eggleton
Folco
Fry
Gagnon
Gauthier
Godfrey
Graham
Guarnieri
Harb
Hubbard
Iftody
Jennings
Karetak-Lindell
Keyes
Kilgour (Edmonton Southeast)
Kraft Sloan
Lastewka
Lee
Longfield
MacAulay
Malhi
Manley
Marleau
Matthews
McGuire
McLellan (Edmonton West)
Mifflin
Minna
Murray
Nault
O'Brien (London—Fanshawe)
Pagtakhan
Parrish
Peric
Phinney
Pickard (Chatham—Kent Essex)
Pratt
Provenzano
Reed
Robillard
Rock
Sauvageau
Sekora
St. Denis
St-Julien
Telegdi
Thompson (New Brunswick Southwest)
Tremblay (Rimouski—Mitis)
Ur
Vanclief
Wappel
Wilfert

Anderson
Assadourian
Baker
Barnes
Bélair
Bellehumeur
Bennett
Bevilacqua
Blondin-Andrew
Boudria
Brown
Byrne
Calder
Caplan
Catterall
Charbonneau
Clouthier
Cohen
Copps
Cullen
de Savoye
DeVillers
Dion
Dromisky
Duceppe
Easter
Finestone
Fontana
Gagliano
Gallaway
Girard-Bujold
Goodale
Gray (Windsor West)
Guimond
Harvard
Ianno
Jackson
Jordan
Karygiannis
Kilger (Stormont—Dundas)
Knutson
Lalonde
Lebel
Lincoln
Loubier
Mahoney
Maloney
Marchand
Massé
McCormick
McKay (Scarborough East)
McWhinney
Mills (Broadview—Greenwood)
Mitchell
Myers
Normand
O'Reilly
Paradis
Patry
Peterson
Picard (Drummond)
Pillitteri
Proud
Redman
Richardson
Rocheleau
Saada
Scott (Fredericton)
Speller
Stewart (Brant)
Szabo
Thibeault
Torsney
Turp
Valeri
Venne
Whelan
Wood—156

NAYS

Members

Ablonczy
Bailey
Breitkreuz (Yellowhead)
Casson
Cummins
Earle
Forseth
Gouk
Grey (Edmonton North)
Hill (Macleod)
Hilstrom
Johnston
Lowther
Manning
Mayfield
Meredith
Nystrom
Penson
Ramsay
Ritz
Scott (Skeena)
Solomon
Wasylycia-Leis
Williams—47

Anders
Benoit
Cadman
Chatters
Davies
Epp
Goldring
Grewal
Hardy
Hill (Prince George—Peace River)
Hoeppner
Laliberte
Lunn
Martin (Winnipeg Centre)
McDonough
Morrison
Obhrai
Proctor
Reynolds
Schmidt
Solberg
Strahl
White (Langley—Abbotsford)

PAIRED MEMBERS

Alarie	Alcock
Asselin	Axworthy (Winnipeg South Centre)
Bachand (Saint-Jean)	Bergeron
Bonin	Brien
Bulte	Cardin
Chan	Desrochers
Dubé (Lévis-et-Chutes-de-la-Chaudière)	Dumas
Finlay	Girard-Bujold
Godin (Châteauguay)	Laurin
Lavigne	Lefebvre
Leung	Marchi
Martin (LaSalle—Émard)	McTeague
Perron	Serré
Shepherd	Steckle
Stewart (Northumberland)	St-Hilaire

The Speaker: I declare the motion carried.

(Amendments read the second time and concurred in)

PRIVATE MEMBERS' BUSINESS

[*English*]

ACCESS TO INFORMATION ACT

The House resumed from November 6 consideration of the motion that Bill C-208, an act to amend the Access to Information Act, be read the third time and passed.

The Speaker: The House will now proceed to the taking of the deferred recorded division on the motion at the third reading stage of Bill C-208.

Following the adoption of the 13th report of the Standing Committee on Procedure and House Affairs on November 4, the division will be taken row by row, starting with the sponsor and then proceeding with those in favour of the motion beginning with the back row on the side of the House on which the sponsor sits.

[*Translation*]

Then, after we have gone through all the rows on this side of the House, the hon. members on the other side of the House will have their turn, starting again with the last row.

[*English*]

All those on my right in favour of the motion will please rise, beginning with the mover.

● (1910)

(The House divided on the motion, which was agreed to on the following division:)

(*Division No. 259*)

YEAS

Members

Ablonczy	Adams
Anders	Anderson
Assad	Assadourian
Augustine	Bailey
Baker	Bakopanos
Barnes	Beaumier
Bélair	Bélanger
Bellehumeur	Bellemare
Bennett	Benoit
Bertrand	Bevilacqua
Bigras	Blondin-Andrew
Bonwick	Boudria
Bradshaw	Breitkreuz (Yellowhead)
Brown	Bryden
Byrne	Caccia
Cadman	Calder
Cannis	Caplan
Carroll	Casson
Catterall	Chamberlain
Charbonneau	Chatters
Chrétien (Frontenac—Mégantic)	Clouthier
Coderre	Cohen
Collenette	Copps
Crête	Cullen
Cummins	Dalphond-Guiral
Davies	de Savoye
Debien	DeVillers
Dhaliwal	Dion
Discepola	Dromisky
Drouin	Duceppe
Duhamel	Earle
Easter	Eggleton
Epp	Finestone
Folco	Fontana
Forseth	Fry
Gagliano	Gagnon
Gallaway	Gauthier
Girard-Bujold	Godfrey
Goldring	Goodale
Gouk	Graham
Gray (Windsor West)	Grewal
Grey (Edmonton North)	Guarnieri
Guimond	Harb
Hardy	Harvard
Hill (Macleod)	Hill (Prince George—Peace River)
Hilstrom	Hoeppner
Hubbard	Ianno
Iftody	Jackson
Jennings	Johnston
Jordan	Karetak-Lindell
Karygiannis	Keyes
Kilger (Stormont—Dundas)	Kilgour (Edmonton Southeast)
Knutson	Kraft Sloan
Laliberte	Lalonde
Lastewka	Lebel
Lee	Lincoln
Longfield	Loubier
Lowther	Lunn
MacAulay	Mahoney
Malhi	Maloney
Manley	Manning
Marchand	Marleau
Martin (Winnipeg Centre)	Massé
Matthews	Mayfield
McCormick	McDonough
McGuire	McKay (Scarborough East)
McLellan (Edmonton West)	McWhinney
Meredith	Mifflin
Mills (Broadview—Greenwood)	Minna
Mitchell	Morrison
Murray	Myers
Nault	Normand
Nystrom	Obhrai
O'Brien (London—Fanshawe)	O'Reilly
Pagtakhan	Paradis
Parrish	Patry
Penson	Peric
Peterson	Phinney
Picard (Drummond)	Pickard (Chatham—Kent Essex)
Pillitteri	

Pratt
Proud
Ramsay
Reed
Richardson
Robillard
Rock
Sauvageau
Scott (Fredericton)
Sekora
Solomon
St. Denis
St-Julien
Szabo
Thibeault
Torsney
Turp
Valeri
Venne
Wasylycia-Leis
White (Langley—Abbotsford)
Williams
Proctor
Provenzano
Redman
Reynolds
Ritz
Rocheleau
Saada
Schmidt
Scott (Skeena)
Solberg
Speller
Stewart (Brant)
Strahl
Telegdi
Thompson (New Brunswick Southwest)
Tremblay (Rimouski—Mitis)
Ur
Vanclief
Wappel
Whelan
Wilfert
Wood—203

NAYS

Members

*Nil/aucun

PAIRED MEMBERS

Alarie
Asselin
Bachand (Saint-Jean)
Bonin
Bulte
Chan
Dubé (Lévis-et-Chutes-de-la-Chaudière)
Finlay
Godin (Châteauguay)
Lavigne
Leung
Martin (LaSalle—Émard)
Perron
Shepherd
Stewart (Northumberland)
Alcock
Axworthy (Winnipeg South Centre)
Bergeron
Brien
Cardin
Desrochers
Dumas
Girard-Bujold
Laurin
Lefebvre
Marchi
McTeague
Serré
Steckle
St-Hilaire

The Speaker: I declare the motion carried.

(Bill read the third time and passed)

* * *

CHARITABLE DONATIONS

The House resumed consideration of the motion.

The Speaker: Pursuant to agreement made earlier today, the next deferred recorded division is on Motion No. 318.

● (1915)

(The House divided on the motion, which was negatived on the following division:)

(*Division No. 260*)

YEAS

Members

Ablonczy
Bailey
Benoit
Breitkreuz (Yellowhead)
Casson
Anders
Bellehumeur
Bigras
Cadman
Chatters
Chrétien (Frontenac—Mégantic)
Cummins
Davies
Debien
Earle
Forseth
Gauthier
Goldring
Grewal
Guimond
Hill (Macleod)
Hilstrom
Iftody
Laliberte
Lebel
Lowther
Manning
Martin (Winnipeg Centre)
Mayfield
Meredith
Nystrom
Penson
Proctor
Reynolds
Rocheleau
Schmidt
Solberg
Strahl
Tremblay (Rimouski—Mitis)
Venne
White (Langley—Abbotsford)
Crête
Dalphond-Guiral
de Savoye
Duceppe
Epp
Gagnon
Girard-Bujold
Gouk
Grey (Edmonton North)
Hardy
Hill (Prince George—Peace River)
Hoeppner
Johnston
Lalonde
Loubier
Lunn
Marchand
Matthews
McDonough
Morrison
Obhrai
Picard (Drummond)
Ramsay
Ritz
Sauvageau
Scott (Skeena)
Solomon
Thompson (New Brunswick Southwest)
Turp
Wasylycia-Leis
Williams—72

NAYS

Members

Adams
Assad
Augustine
Bakopanos
Bélair
Bellemare
Bertrand
Blondin-Andrew
Boudria
Brown
Byrne
Calder
Caplan
Catterall
Charbonneau
Coderre
Collenette
Cullen
Dhaliwal
Discepola
Drouin
Easter
Finestone
Fontana
Gagliano
Godfrey
Graham
Guarnieri
Harvard
Ianno
Jennings
Karetak-Lindell
Keyes
Kilgour (Edmonton Southeast)
Kraft Sloan
Lee
Longfield
Mahoney
Maloney
Marleau
McCormick
McKay (Scarborough East)
McWhinney
Mills (Broadview—Greenwood)
Anderson
Assadourian
Baker
Barnes
Bélanger
Bennett
Bevilacqua
Bonwick
Bradshaw
Bryden
Caccia
Cannis
Carroll
Chamberlain
Clouthier
Cohen
Copps
DeVillers
Dion
Dromisky
Duhamel
Eggleton
Folco
Fry
Gallaway
Goodale
Gray (Windsor West)
Harb
Hubbard
Jackson
Jordan
Karygiannis
Kilger (Stormont—Dundas)
Knutson
Lastewka
Lincoln
MacAulay
Malhi
Manley
Massé
McGuire
McLellan (Edmonton West)
Mifflin
Minna

Mitchell	Murray
Myers	Nault
Normand	O'Brien (London—Fanshawe)
O'Reilly	Pagtakhan
Paradis	Parrish
Patry	Peric
Peterson	Phinney
Pickard (Chatham—Kent Essex)	Pillitteri
Pratt	Proud
Provenzano	Redman
Reed	Richardson
Robillard	Rock
Saada	Scott (Fredericton)
Sekora	Speller
St. Denis	Stewart (Brant)
St-Julien	Szabo
Telegdi	Thibeault
Torsney	Ur
Valeri	Vanclief
Wappel	Whelan
Wilfert	Wood—130

PAIRED MEMBERS

Alarie	Alcock
Asselin	Axworthy (Winnipeg South Centre)
Bachand (Saint-Jean)	Bergeron
Bonin	Brien
Bulte	Cardin
Chan	Desrochers
Dubé (Lévis-et-Chutes-de-la-Chaudière)	Dumas
Finlay	Girard-Bujold
Godin (Châteauguay)	Laurin
Lavigne	Lefebvre
Leung	Marchi
Martin (LaSalle—Émard)	McTeague
Perron	Serré
Shepherd	Steckle
Stewart (Northumberland)	St-Hilaire

The Speaker: I declare the motion defeated.

GOVERNMENT ORDERS

[*English*]

TOBACCO ACT

The House resumed consideration of Bill C-42, an act to amend the Tobacco Act, as reported (with amendment) from the committee.

The Speaker: The next deferred recorded division is on motion No. 1 at report stage of Bill C-42.

● (1920)

Mr. Bob Kilger: Mr. Speaker, I rise on a point of order. If the House would agree, I would propose that you seek unanimous consent that members who voted on the previous motion be recorded as having voted on the motion now before the House, with Liberal members voting nay.

The Speaker: Is there agreement to proceed in such a fashion?

Some hon. members: Agreed.

The Speaker: Agreed.

Mr. Chuck Strahl: Mr. Speaker, Reform Party members present vote yes on this motion.

[*Translation*]

Mrs. Madeleine Dalphond-Guiral: Mr. Speaker, members of the Bloc Quebecois vote yes.

[*English*]

Mr. John Solomon: Mr. Speaker, NDP members present this evening vote yes on this motion.

Mr. Bill Matthews: Mr. Speaker, Conservative members present vote yes on this motion.

Ms. Colleen Beaumier: Mr. Speaker, I rise on a point of order. On the previous vote I did not vote and I would like to be recorded as voting no with my party.

The Speaker: I would inform the hon. member that she was counted in the first division that was held. It is all right. She voted.

(The House divided on Motion No. l, which was negatived on the following division:)

(*Division No. 261*)

YEAS

Members

Ablonczy	Anders
Bailey	Bellehumeur
Benoit	Bigras
Breitkreuz (Yellowhead)	Cadman
Casson	Chatters
Chrétien (Frontenac—Mégantic)	Crête
Cummins	Dalphond-Guiral
Davies	de Savoye
Debien	Duceppe
Earle	Epp
Forseth	Gagnon
Gauthier	Girard-Bujold
Goldring	Gouk
Grewal	Grey (Edmonton North)
Guimond	Hardy
Hill (Macleod)	Hill (Prince George—Peace River)
Hilstrom	Hoeppner
Johnston	Laliberte
Lalonde	Lebel
Loubier	Lowther
Lunn	Manning
Marchand	Martin (Winnipeg Centre)
Matthews	Mayfield
McDonough	Meredith
Morrison	Nystrom
Obhrai	Penson
Picard (Drummond)	Proctor
Ramsay	Reynolds
Ritz	Rocheleau
Sauvageau	Schmidt
Scott (Skeena)	Solberg
Solomon	Strahl
Thompson (New Brunswick Southwest)	Tremblay (Rimouski—Mitis)
Turp	Venne
Wasylycia-Leis	White (Langley—Abbotsford)
Williams—71	

NAYS

Members

Adams	Anderson
Assad	Assadourian
Augustine	Baker
Bakopanos	Barnes
Beaumier	Bélair
Bélanger	Bellemare
Bennett	Bertrand
Bevilacqua	Blondin-Andrew
Bonwick	Boudria
Bradshaw	Brown
Bryden	Byrne
Caccia	Calder
Cannis	Caplan
Carroll	Catterall
Chamberlain	Charbonneau
Clouthier	Coderre
Cohen	Collenette
Copps	Cullen
DeVillers	Dhaliwal
Dion	Discepola
Dromisky	Drouin
Duhamel	Easter
Eggleton	Finestone
Folco	Fontana
Fry	Gagliano
Gallaway	Godfrey
Goodale	Graham
Gray (Windsor West)	Guarnieri
Harb	Harvard
Hubbard	Ianno
Iftody	Jackson
Jennings	Jordan
Karetak-Lindell	Karygiannis
Keyes	Kilger (Stormont—Dundas)
Kilgour (Edmonton Southeast)	Knutson
Kraft Sloan	Lastewka
Lee	Lincoln
Longfield	MacAulay
Mahoney	Malhi
Maloney	Manley
Marleau	Massé
McCormick	McGuire
McKay (Scarborough East)	McLellan (Edmonton West)
McWhinney	Mifflin
Mills (Broadview—Greenwood)	Minna
Mitchell	Murray
Myers	Nault
Normand	O'Brien (London—Fanshawe)
O'Reilly	Pagtakhan
Paradis	Parrish
Patry	Peric
Peterson	Phinney
Pickard (Chatham—Kent Essex)	Pillitteri
Pratt	Proud
Provenzano	Redman
Reed	Richardson
Robillard	Rock
Saada	Scott (Fredericton)
Sekora	Speller
St. Denis	Stewart (Brant)
St-Julien	Szabo
Telegdi	Thibeault
Torsney	Ur
Valeri	Vanclief
Wappel	Whelan
Wilfert	Wood—132

PAIRED MEMBERS

Alarie	Alcock
Asselin	Axworthy (Winnipeg South Centre)
Bachand (Saint-Jean)	Bergeron
Bonin	Brien
Bulte	Cardin
Chan	Desrochers
Dubé (Lévis-et-Chutes-de-la-Chaudière)	Dumas
Finlay	Girard-Bujold
Godin (Châteauguay)	Laurin
Lavigne	Lefebvre
Leung	Marchi
Martin (LaSalle—Émard)	McTeague
Perron	Serré
Shepherd	Steckle
Stewart (Northumberland)	St-Hilaire

The Speaker: I declare Motion No. 1 defeated.

Hon. Allan Rock (Minister of Health, Lib.) moved that the bill, as amended, be concurred in.

Mr. Bob Kilger: Mr. Speaker, I rise on a point of order. I believe that you would find consent to apply the results of the vote taken on Bill C-37 to the matter now before the House.

The Speaker: Is there unanimous agreement to proceed in such a fashion?

Some hon. members: Agreed.

[*Editor's Note: See list under Division No. 258.*]

The Speaker: I declare the motion carried.

* * *

MARINE CONSERVATION AREAS ACT

The House resumed consideration of the motion that Bill C-48, an act respecting marine conservation areas, be read the second time and referred to a committee; and of the amendment.

The Speaker: The next deferred recorded division is on the amendment to the motion at second reading stage of Bill C-48.

● (1925)

Mr. Bob Kilger: Mr. Speaker, if the House would agree, I would propose that you seek unanimous consent that members who voted on the previous motion be recorded as having voted on the motion now before the House, with Liberal members voting nay.

The Speaker: Is there agreement to proceed in such a fashion?

Some hon. members: Agreed.

Mr. Chuck Strahl: Mr. Speaker, Reform Party members present vote yes on this motion.

[*Translation*]

Mrs. Madeleine Dalphond-Guiral (Laval Centre, BQ): Mr. Speaker, members of the Bloc Quebecois will vote nay on this motion.

[*English*]

Mr. John Solomon: Mr. Speaker, NDP members present this evening vote no on this motion.

Mr. Bill Matthews: Mr. Speaker, the Conservative members present vote yes on this motion.

(The House divided on the amendment, which was negatived on the following division:)

(*Division No. 262*)

YEAS

Members

Ablonczy
Bailey
Breitkreuz (Yellowhead)
Casson
Cummins
Forseth
Gouk
Grey (Edmonton North)
Hill (Prince George—Peace River)
Hoeppner
Lowther
Manning
Mayfield
Morrison
Penson
Reynolds
Schmidt
Solberg
Thompson (New Brunswick Southwest)
Williams—39

Anders
Benoit
Cadman
Chatters
Epp
Goldring
Grewal
Hill (Macleod)
Hilstrom
Johnston
Lunn
Matthews
Meredith
Obhrai
Ramsay
Ritz
Scott (Skeena)
Strahl
White (Langley—Abbotsford)

NAYS

Members

Adams
Assad
Augustine
Bakopanos
Beaumier
Bélanger
Bellemare
Bertrand
Bigras
Bonwick
Bradshaw
Bryden
Caccia
Cannis
Carroll
Chamberlain
Chrétien (Frontenac—Mégantic)
Coderre
Collenette
Crête
Dalphond-Guiral
de Savoye
DeVillers
Dion
Dromisky
Duceppe
Earle
Eggleton
Folco
Fry

Anderson
Assadourian
Baker
Barnes
Bélair
Bellehumeur
Bennett
Bevilacqua
Blondin-Andrew
Boudria
Brown
Byrne
Calder
Caplan
Catterall
Charbonneau
Clouthier
Cohen
Copps
Cullen
Davies
Debien
Dhaliwal
Discepola
Drouin
Duhamel
Easter
Finestone
Fontana
Gagliano

Gagnon
Gauthier
Godfrey
Graham
Guarnieri
Harb
Harvard
Ianno
Jackson
Jordan
Karygiannis
Kilger (Stormont—Dundas)
Knutson
Laliberte
Lastewka
Lee
Longfield
MacAulay
Malhi
Manley
Marleau
Massé
McDonough
McKay (Scarborough East)
McWhinney
Mills (Broadview—Greenwood)
Mitchell
Myers
Normand
O'Brien (London—Fanshawe)
Pagtakhan
Parrish
Peric
Phinney
Pickard (Chatham—Kent Essex)
Pratt
Proud
Redman
Richardson
Rocheleau
Saada
Scott (Fredericton)
Solomon
St. Denis
St-Julien
Telegdi
Torsney
Turp
Valeri
Venne
Wasylycia-Leis
Wilfert

Gallaway
Girard-Bujold
Goodale
Gray (Windsor West)
Guimond
Hardy
Hubbard
Iftody
Jennings
Karetak-Lindell
Keyes
Kilgour (Edmonton Southeast)
Kraft Sloan
Lalonde
Lebel
Lincoln
Loubier
Mahoney
Maloney
Marchand
Martin (Winnipeg Centre)
McCormick
McGuire
McLellan (Edmonton West)
Mifflin
Minna
Murray
Nault
Nystrom
O'Reilly
Paradis
Patry
Peterson
Picard (Drummond)
Pillitteri
Proctor
Provenzano
Reed
Robillard
Rock
Sauvageau
Sekora
Speller
Stewart (Brant)
Szabo
Thibeault
Tremblay (Rimouski—Mitis)
Ur
Vanclief
Wappel
Whelan
Wood—164

PAIRED MEMBERS

Alarie
Asselin
Bachand (Saint-Jean)
Bonin
Bulte
Chan
Dubé (Lévis-et-Chutes-de-la-Chaudière)
Finlay
Godin (Châteauguay)
Lavigne
Leung
Martin (LaSalle—Émard)
Perron
Shepherd
Stewart (Northumberland)

Alcock
Axworthy (Winnipeg South Centre)
Bergeron
Brien
Cardin
Desrochers
Dumas
Girard-Bujold
Laurin
Lefebvre
Marchi
McTeague
Serré
Steckle
St-Hilaire

The Speaker: I declare the amendment defeated.

Adjournment Debate

FIRST NATIONS LAND MANAGEMENT ACT

The House resumed consideration of the motion that Bill C-49, an act providing for the ratification and the bringing into effect of the Framework Agreement on First Nation Land Management, be read the second time and referred to a committee; and of the amendment.

The Speaker: The House will now proceed to the taking of the deferred recorded division on the amendment to the motion at second reading stage of Bill C-49.

Mr. Bob Kilger: Mr. Speaker, I believe you would find consent to apply the results of the vote just taken to the vote now before the House.

The Speaker: Is there agreement to proceed in such a fashion?

Some hon. members: Agreed.

[*Editor's Note: See list under Division No. 262.*]

The Speaker: I declare the amendment defeated.

ADJOURNMENT PROCEEDINGS

[*English*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

THE ENVIRONMENT

Hon. Charles Caccia (Davenport, Lib.): Mr. Speaker, on May 15 I asked the Minister of the Environment whether she plans to introduce legislation this fall to ban water exports.

Water is our most important natural resource. A price cannot be put on the value of fresh water to people, plants, animals and ecosystems.

• (1930)

Some people say we have a limitless supply of water but the fact is there is a limit to how much we can use and abuse. Once we contaminate the quality of water, as we have done in the Niagara River, the cost of replacement is high. It can come at the expense of another watershed. We have learned that water is a resource which must be treated carefully.

In 1983 the Liberal government commissioned a federal inquiry on water policy. Two years later inquiry chair Peter Pearse and his fellow commissioners recommended a full range of water related policy initiatives including drinking water, safety, research programs, intergovernmental arrangements and water export.

The central message of the inquiry's report, in the words of Peter Pearse, was:

> We must protect water as a key to a healthy environment, and manage what we use efficiently as an economic resource.

On the issue of water exports the Pearse report recommended the federal government adopt legislation setting out clear criteria for approving or rejecting water export proposals to ensure that Canadian economic, political and environmental interests would be protected. According to Peter Pearse:

> Since the late 1980s, the federal government's handling of this issue has been unhelpful. Although it declared its intention to adopt our proposal for legislation to enable it to regulate exports, it did not do so. Instead, it assigned the question to the interdepartmental legislative review group in 1989, which never reported.

It has been 14 years since the Pearse report. We are still waiting for a water export policy and for a comprehensive water policy.

In the vacuum created by the absence of a comprehensive policy and in the absence of a federal law banning the export of water came the application last spring by the Nova Group in northern Ontario for a permit to take water.

In March the Government of Ontario, in one of its frequent moments of galloping madness, granted the permit to take up to 10 million litres per day. At the time the government said it had no choice but to issue the permit, saying ''you can get a permit to draw water in Ontario as long as it doesn't cause any significant environmental damage''.

Then the Ontario government a little later came to its senses and decided to cancel the permit. Consequently the Nova Group appealed the decision to the Ontario Environmental Assessment and Appeal Board. While a number of public interest groups from the U.S. and Canada will be represented, it is sad to note that the federal government is not represented at the hearings.

Going back to July it is important to note that at the panel convened in Toronto by the ministers of the environment and foreign affairs, panellists from all sectors of society agreed that interbasin diversions, domestic or transboundary, should not be undertaken because of the serious environmental consequences.

We are now at the end of 1998. We still face a legislative gap crying out to be filled. We know there is broad support for the gap to be filled. We know we can expect proposals in future for water exports. Therefore I am again asking the minister when legislation will be introduced banning water exports.

Mr. Julian Reed (Parliamentary Secretary to Minister of Foreign Affairs, Lib.): Mr. Speaker, I want to go on record as saying that the federal government is opposed to bulk water exports.

There are no bulk exports taking place at the present time. The company to which my hon. colleague referred has had its permit revoked. The decision has been appealed to the Ontario environmental appeal board and the hearings are set for early in December.

The cumulative effects of tanker shipments by river or lake diversions are unknown and might be very serious. There might be effects on levels and flows of lakes and rivers. We want to take a cautious approach.

I point out to my hon. friend that this year particularly in parts of Canada one in 40-year droughts are taking place. Ontario is one of those that is suffering greatly at the present time. The levels of the Great Lakes are down, even to the risk of transportation on the seaway.

• (1935)

Considerable progress has been made regarding consultation with provinces on options to deal with this matter. Both federal and provincial governments have a role to play in deciding the outcome. The government will lay out its strategy for a comprehensive approach to water exports later this year. I can assure my hon. friend we will proceed with the utmost caution.

BILL S-13

Mr. Greg Thompson (New Brunswick Southwest, PC): Mr. Speaker, I had a question for the government House leader relating to the Minister of Health and Bill S-13, a bill that obviously originated in the Senate. We often call it Senator Kenny's bill.

It is an anti-smoking bill that would place a 50 cent levy on every carton of cigarettes. In a sense it appears as though the government will attempt to derail that bill. In other words, the government does not want that bill to come to the House of Commons.

I take exception to this because today in the House we were debating Bill C-42, amendments to the Tobacco Act. We were saying the bill does not have enough teeth in it. It does nothing. At the end of the day we will still have 40,000-plus Canadians dying each year from smoking. The point we are attempting to make is that Bill S-13 addresses some of the very problems we know exist with regard to the acceptance of smoking.

Bill S-13 does something about this. It would levy 50 cents per carton of cigarettes at the manufacturing level. The money would go into a foundation to educate Canadians, particularly young Canadians, on the dangers of smoking.

I mentioned that 40,000 Canadians die every year. Senator Kenny and many members on both sides of the House agree that it is a big problem, particular with our youth.

I have a very simple comparison but very graphic. If 100 people a day in Canada died as a result of an airplane crash, we would have slightly fewer than 40,000 Canadians dying a year. To be exact, 36,500 people. That would be absolutely unacceptable if the government did nothing about it but instead sat back and let it happen.

If a recurring problem such as an airliner going down every day in Canada killing 100 people occurred, the transport minister would have to resign within days. At the end of 365 days, there are 40,000 Canadians dying because of smoking. The government sits back and simply lets the tobacco giants control the agenda.

We want to see something done. We are saying that Bill C-13 would do something about that. Senator Kenny's bill does something about it. We are asking the government to give this bill some consideration, at least get this bill on the floor of the House of Commons so that it can be debated on its merits.

I am hoping the government will be receptive to this bill, consider it and debate it openly and honestly in the House of Commons where all members can express their points of view.

Mr. Peter Adams (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I share the concern of the member regarding smoking. On November 3 he asked whether the government would provide time for consideration of Bill S-13.

The leader of the government in the House replied that the appropriate forum for discussion of the future business of the House is the weekly meeting of all party House leaders. That answer stands.

• (1940)

The hon. member may, if he desires, ask his own House leader to raise the matter in the appropriate place. As the hon. member knows, the House has been developing in recent years increasingly effective procedures for the consideration of Private Members' Business and, if otherwise found in order, Bill S-13 would already benefit from certain advantages that our rules provide for private members' public bills emanating from the Senate.

As the hon. member also knows, however, there are certain fundamental procedural and constitutional considerations surrounding Bill S-13 that must be ruled on by the Speaker of the House of Commons, who is the only person authorized in our parliamentary system to rule on matters relating to the constitutional monopoly of the House of Commons to initiate fiscal legislation, and it is only fitting that we should await such a ruling to be made at an appropriate time.

[*Translation*]

The Acting Speaker (Mr. McClelland): The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

(The House adjourned at 7:41 p.m.)

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