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OFFICIAL REPORT
(HANSARD)

Thursday, June 10, 1999

Speaker: The Honourable Gilbert Parent

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HOUSE OF COMMONS

Thursday, June 10, 1999

The House met at 10 a.m.

Prayers

• (1000)

The Deputy Speaker: I wish to inform the House that there is an error in the notice paper. A bill entitled, an act to amend the Criminal Code (impaired driving causing death), in the name of the Minister of Justice, should have been under the heading "Introduction of Government Bills".

I regret any inconvenience this may have caused hon. members.

ROUTINE PROCEEDINGS

[*English*]

WAYS AND MEANS

NOTICE OF MOTION

Hon. Harbance Singh Dhaliwal (Minister of National Revenue, Lib.): Mr. Speaker, pursuant to Standing Order 83(1), I wish to table a notice of ways and means motion to amend the Customs Tariff. I am also tabling explanatory notes. I ask that an order of the day be designated for consideration of the motion.

* * *

INTERNATIONAL TREATIES

Mr. Julian Reed (Parliamentary Secretary to Minister of Foreign Affairs, Lib.): Mr. Speaker, I am pleased to rise in the House to table, in both official languages, international treaties that entered into force for Canada in 1993, a list of which is also tabled.

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HUMAN RIGHTS AND DEMOCRATIC DEVELOPMENT

Mr. Julian Reed (Parliamentary Secretary to Minister of Foreign Affairs, Lib.): Mr. Speaker, pursuant to Standing Order 32(1), I have the honour to lay before the House, in both official

languages, the five year review of the International Centre for Human Rights and Democratic Development, 1993 to 1998.

The centre is an independent organization dedicated to the promotion and protection of human rights and democratic development. The review covers the activities and organization of the centre and its role in the international human rights community.

* * *

BUSINESS OF THE HOUSE

Hon. Don Boudria (Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I would like to seek unanimous consent for the following motion:

That any recorded division requested on the concurrence to Government Orders Ways and Means Motion No. 28 later this day be deferred until the end of Government Orders today.

• (1005)

The Deputy Speaker: Does the hon. government House leader have the unanimous consent of the House to propose this motion?

Some hon. members: Agreed.

The Deputy Speaker: The House has heard the terms of the motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

(Motion agreed to)

* * *

[*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 seven petitions.

* * *

HOUSE OF COMMONS

The Deputy Speaker: I have the honour to lay on the table the document entitled "Individual Member's Expenditures" for fiscal year 1998-99.

Routine Proceedings

COMMITTEES OF THE HOUSE

FOREIGN AFFAIRS AND INTERNATIONAL TRADE

Mr. Bill Graham (Toronto Centre—Rosedale, Lib.): Mr. Speaker, I have the honour of tabling in both official languages the ninth report of the Standing Committee on Foreign Affairs and International Trade entitled “Canada and the Future of the World Trade Organization: Advancing a Millennium Agenda in the Public Interest”.

[*English*]

Mr. Speaker, as you can see from the size of this report, it represents a considerable amount of work which was done by committee members in a very short, compressed period of time. I want to thank members of the committee for the tremendous amount of work they put into it and for the enormous energy that went into preparing this report.

In addition to the report, we have produced a citizen’s guide to the WTO that I will be presenting to the House which we, the members of the committee, hope will be of use to the citizens of this country in understanding the importance of this organization to the future prosperity of Canadians.

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

[*Translation*]

CANADIAN HERITAGE

Mr. Clifford Lincoln (Lac-Saint-Louis, Lib.): Mr. Speaker, pursuant to Standing Order 108(2), I have the honour to present in both official languages the ninth report of the Standing Committee on Canadian Heritage, entitled “A Sense of Place: A Sense of Being: The Evolving Role of the Federal Government in Support of Culture in Canada”.

Having heard from a large number of Canadians over three years, the Committee’s report looks at culture from the perspective of key elements of cultural activity, creation, training, production, distribution and consumption, and makes 43 recommendations which call for better co-operation between federal departments and other orders of government.

[*English*]

The report attempts to capture the importance which Canadians place in the role of the Government of Canada in the promotion, protection and support of our culture and federal cultural instruments and institutions. A government response is requested pursuant to Standing Order 109.

I wish to thank members for their collegial and non-partisan effort, witnesses and those who submitted briefs and, last but not least, our staff.

[*Translation*]

HUMAN RESOURCES DEVELOPMENT AND STATUS OF PERSONS WITH DISABILITIES

Mrs. Carolyn Bennett (St. Paul’s, Lib.): Mr. Speaker, I have the honour to present, in both official languages, the sixth report of the Standing Committee on Human Resources Development and the Status of Persons with Disabilities.

[*English*]

This is the report of the Subcommittee on the Status of Persons with Disabilities which I had the pleasure to chair. This report will also be available in alternate formats.

I am also pleased to table the report of the recipient of the Centennial Flame Research Award for the year 1998, pursuant to subsection 7(1) of the Centennial Flame Research Award Act, chapter 17, Statutes of Canada, 1991.

We believe this has been an interesting exercise. We have called 12 ministers. We have embarked on a wonderful new methodology for parliament to be a tribune of the people and there will be a relevant role for parliament and stakeholders to contribute to the policy development of the government.

We thank all members of the committee, in particular the Bloc member, whose dissenting opinion is one of the most gracious and kind. We all want to move this agenda ahead.

• (1010)

NATURAL RESOURCES AND GOVERNMENT OPERATIONS

Mr. Brent St. Denis (Algoma—Manitoulin, Lib.): Mr. Speaker, I have the honour to present, in both official languages, the fifth report of the Standing Committee on Natural Resources and Government Operations. In accordance with its mandate under Standing Order 108(2), the committee has considered forest management practices in Canada as an international trade issue and has agreed to this interim report.

I want to point out that the committee intends to continue this work in the fall, having had a chance, first, to visit British Columbia.

I would like to take this opportunity to thank the members who participated. They did a terrific job. I would also like to thank our witnesses, as well as our clerk, Richard Rumas, and our researcher, Jean-Luc Bourdages, for the excellent work they have done in support of the committee’s work. I emphasize that this is an interim report. More work needs to be done, but our committee felt that the facts about Canadian forest harvesting practices need to be known in the international marketplace, as well as the fact that Canada is a world leader in forest management practices.

With that, Mr. Speaker, we wish you a great summer.

[*Translation*]

HUMAN RESOURCES DEVELOPMENT AND STATUS OF PERSONS WITH
DISABILITIES

Ms. Albina Guarnieri (Mississauga East, Lib.): Mr. Speaker, I have the honour to present, in both official languages, the seventh report of the Standing Committee on Human Resources Development and the Status of Persons with Disabilities, entitled "Looking Ahead: an Interim Report on Older Workers".

[*English*]

The committee is united in its determination to respond to the re-employment crisis facing Canada's aging workforce. On behalf of all committee members, I express a special thanks to Danielle Bélisle and Kevin Kerr for their hard work. I would also like to express a heartfelt thanks to all committee members for their dedication and commitment.

FINANCE

Mr. Maurizio Bevilacqua (Vaughan—King—Aurora, Lib.): Mr. Speaker, I have the honour to present, in both official languages, the 20th report of the Standing Committee on Finance, entitled "Productivity with a Purpose: Improving the Standard of Living of Canadians".

I want to bring to the attention of the House that this is a very important document which deals with a very important issue, that of productivity, which is a key determinant in raising the standard of living for Canadians.

I also want to take this opportunity to thank the members of the committee who worked very hard throughout this session. The finance committee held 193 meetings to deal with different issues related to finance.

I would also like to take this opportunity to thank the clerk, the interpreters, the researchers and every one involved in making sure that the committee of finance functions as well as it does.

I want to reiterate that the finance committee will continue to pursue this issue in the coming years.

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, pursuant to Standing Order 35(2), I will respond to the report presented by my friend, the chair of the finance committee.

I simply want to point out that in our supplementary report, which we attached to the productivity study, we expressed some scepticism about whether the government would be able to pursue the course of action laid down by my colleagues on the finance committee.

I would point out that there were some good recommendations in the report, recommendations to pursue freer trade, lower taxes and de-regulation. Sadly, it looks like we were prescient because now

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we see the Prime Minister suggesting that there will not be any more free trade type agreements, that free trade will not be extended, that low taxes essentially are un-Canadian. It appears that this report is dead on arrival, which is sad because I think many Canadians rightly expect that we should have lower taxes in Canada, right now.

Finally, before we wrap up, I want to congratulate the chair of the committee and my colleagues for a productive year. I also want to extend my thanks to the pages who will be leaving us soon. We have certainly had a chance to get to know them and we appreciate the gallons and gallons of water that they have brought to us all over the course of year.

• (1015)

Hon. Don Boudria: Mr. Speaker, I wish to seek unanimous consent to table, notwithstanding the fact that the notice was only served yesterday, an act to amend the Criminal Code (impaired driving causing death). I think you would find unanimous consent as it is pursuant to an agreement among House leaders yesterday.

The Deputy Speaker: Is there unanimous consent to proceed with first reading of this bill at this time?

Some hon. members: Agreed.

* * *

CRIMINAL CODE

Hon. Don Boudria (for the Minister of Justice) moved for leave to introduce Bill C-87, an act to amend the Criminal Code (impaired driving causing death).

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

* * *

[*Translation*]

HIGHWAY TOLLS ACT

Ms. Angela Vautour (Beauséjour—Petitcodiac, NDP) moved for leave to introduce Bill C-519, an act to limit the imposition of tolls on publicly financed highways, bridges and tunnels.

She said: Mr. Speaker, the aim of this bill is to prevent the imposition of tolls for the use of roads, bridges and tunnels funded by the federal government.

[*English*]

As the House is well aware, tolled highways are a big issue in New Brunswick. This totally unfair tax is causing trade barriers, financial difficulties for trucking companies and extreme hardship on low income families, seniors and businesses.

The purpose of the bill is to prevent any future highway tax grabs by provincial governments, and to prevent friends of the Liberals from making millions on the backs of taxpayers.

Routine Proceedings

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

* * *

[Translation]

EMPLOYMENT INSURANCE ACT

Mr. Bernard Patry (Pierrefonds—Dollard, Lib.) moved for leave to introduce Bill C-520, an act to amend the Employment Insurance Act (employer's bankruptcy).

He said: Mr. Speaker, I have the honour to introduce today in the House a bill to amend the Employment Insurance Act in the event of an employer's bankruptcy.

This bill would make it possible to take into account, for the purpose of eligibility for employment insurance benefits, the hours worked by a contributor who has not been paid for the hours he worked for his bankrupt employer, which the employer obviously did not make the contributions necessary for these hours worked.

Having been penalized as a result of the employer's bankruptcy by the loss of his job and, second, by not being paid for the work done, the claimant is again penalized when the hours he did work without pay are not counted so he may receive benefits while he is looking for another job.

I think, therefore, that it is very important to change the Employment Insurance Act as quickly as possible in order to provide a balance for workers of good faith.

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

* * *

PETITIONS

LOUIS RIEL

Mr. Denis Coderre (Bourassa, Lib.): Mr. Speaker, I wish to present a petition calling on the House to pass the bill introduced by other members and myself for the purpose of overturning the conviction of Louis Riel for high treason and officially commemorating his role in advancing the cause of Canadian confederation and the rights of the Metis people and the people of western Canada.

• (1020)

I also wish to mention the exceptional work done by two of the 120 young students involved. Véronique Pilote-Charron and Jacinthe Desforges did a particularly fine job on this file.

[English]

CHILD PORNOGRAPHY

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, it is a pleasure to rise on behalf of the citizens of my community, Brooks,

Alberta and the surrounding area who have asked me to present a petition respecting the appalling court decision in British Columbia that struck down Canada's child pornography law. There are over 500 names on the petition.

Petitioners pray that parliament take all measures necessary to ensure that the possession of child pornography remains a serious criminal offence and that federal police forces be directed to give priority to enforcing this law for the protection of children.

CANDU NUCLEAR REACTORS

Ms. Judy Wasylcia-Leis (Winnipeg North Centre, NDP): Mr. Speaker, I am very pleased to be able to present a petition this morning and, in so doing, also to pay tribute to you, Mr. Speaker, and all the table officers, staff and pages for serving the House so well in this past session.

I would like to present a petition signed by citizens of Winnipeg, Manitoba who are very concerned about the sale of Candu nuclear reactors to Turkey. They are concerned that high government subsidies will in fact represent an amount so high as to equal the income tax cuts of the last federal budget. They are also concerned that Turkey will probably use them to produce nuclear weapons of mass destruction and destabilize the eastern Mediterranean, a part of the world which has always been politically unstable.

The petitioners call on the government and parliament to oppose this sale and take all possible measures required to stop it.

MARRIAGE

Mr. Charlie Penson (Peace River, Ref.): Mr. Speaker, it is my pleasure today to rise to present a petition signed by 50 people from Fairview in my riding of Peace River as well as others from Stony Plain.

They request parliament to enact legislation that will define in statute that marriage can be only entered into between a single male and a single female.

MMT

Ms. Rose-Marie Ur (Lambton—Kent—Middlesex, Lib.): Mr. Speaker, pursuant to Standing Order 36, I am honoured to present a petition signed by residents of Grand Bend, Zurich and Corbett who urge parliament to ban the gas additive MMT noting studies underway at the University of Quebec are showing adverse health effects, especially on children and seniors, and that car manufacturers oppose the use of MMT.

MARRIAGE

Mr. Randy White (Langley—Abbotsford, Ref.): Mr. Speaker, it is an honour to present a petition, and particularly when you are in the chair today.

The individuals who have submitted this petition from my riding ask that parliament enact legislation such as Bill C-225 so as to define in statute that a marriage can only be entered into between a single male and a single female.

Thank you for your consideration in this House, Mr. Speaker. It is pleasure to be here with you today.

The Deputy Speaker: The pleasure is mutual.

THE FAMILY

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, I rise today with a petition signed by 34 people from Alberta. These individuals call on parliament to pass legislation incorporating the rights of children and the principles of equality between and among all parents.

ABORIGINAL AFFAIRS

Mr. Howard Hilstrom (Selkirk—Interlake, Ref.): Mr. Speaker, I have a petition today from 75 of my constituents and constituents from all over Manitoba who feel that parliament should re-enact legislation and reinstate chiropractic services for aboriginal people. These services have been eliminated and are no longer available. The health of many Manitobans are affected by this decision. They pray that this be brought back for the use of Manitobans.

Mr. Jim Hart (Okanagan—Coquihalla, Ref.): Mr. Speaker, it is an honour and privilege to rise today, pursuant to Standing Order 36, to present a petition not only from the residents of Okanagan—Coquihalla but from all across British Columbia who draw the attention of the House of Commons to the following: “Whereas a majority of Canadians are in favour of a fair agreement with the Nisga’a people that is complete and equitable to all Canadians; whereas there are court cases presently outstanding”—

The Deputy Speaker: Order, please. I know the hon. member, in a spirit of co-operation today, will want to comply with the rule in every respect and that is that he give a brief summary of the petition, rather than read it. When I hear him read “whereas” and so on, I can tell that perhaps he is not giving a brief summary. I know he would not want to give that impression to the House.

• (1025)

Mr. Jim Hart: Mr. Speaker, the people of British Columbia are concerned about the Nisga’a agreement and therefore are calling on parliament to reject the agreement.

There are 1,000 signatures today and by the time the House returns there will be over 100,000 from the people of British Columbia.

Routine Proceedings

CHILD PORNOGRAPHY

Mr. Roy Bailey (Souris—Moose Mountain, Ref.): Mr. Speaker, pursuant to Standing Order 36, I present today at least 300 more signatures from people in my constituency and across the province dealing with the same topic.

The petitioners pray that parliament will take all measures necessary to ensure that the possession of child pornography remains a serious criminal offence and that federal police forces be directed to give priority to enforcing this law for the protection of children.

* * *

QUESTIONS PASSED AS ORDER FOR RETURNS

Mr. Peter Adams (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, if Questions Nos. 199 and 212 could be made orders for return, these returns would be tabled immediately.

The Deputy Speaker: Is that agreed?

Some hon. members: Agreed.

[Text]

Question No. 199—**Mr. John Williams:**

With regard to the losses suffered by government departments and agencies of approximately \$1.3 million dollars worth of laptop and desktop computers due to theft, as shown in the Public Accounts of Canada, pages 3.25 to 3.31, Volume II, Part II, for fiscal year 1997-98: (a) from which locations did these thefts occur; (b) were these cases of theft reported to a law enforcement agency; and (c) if so, what were the findings from the law enforcement agency’s investigations?

Return tabled.

Question No. 212—**Mr. Gilles Bernier:**

Can the Department of Human Resources Development provide for the constituency of Tobique-Mactaquac the following information for each of the past five years, regarding the application and appeal process for disability pensions under the Canada Pension Plan: (a) how many people made an initial application for a disability pension and how many of these applications were accepted/rejected; (b) following the initial application, how long did clients have to wait for a response; (c) how many clients requested a review and how many of these requests were approved/rejected; (d) in how many cases did the Department request a review and how many of its requests were approved/rejected; (e) following a request for a review, how long did clients have to wait for a response; (f) how many clients appealed to the review tribunal, and how many of these appeals were approved/rejected; (g) in how many cases did the Department appeal to the review tribunal and how many of its appeals were approved/rejected; (h) following appeals to the review tribunal, how long did clients have to wait for a response from the tribunal; (i) how many clients appealed to the Pension Appeals Board and how many of these appeals were approved/rejected; (j) in how many cases did the Department appeal to the Pension Appeals Board and how many of its appeals were approved/rejected; and (k) following an appeal to the Pension Appeals Board, how long did clients have to wait for a response from the Board?

Return tabled.

Government Orders

[English]

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

The Deputy Speaker: Is that agreed?

Some hon. members: Agreed.

* * *

REQUEST FOR EMERGENCY DEBATE

CANADIAN MERCHANT NAVY

The Deputy Speaker: I am in receipt of a notice of motion under Standing Order 52 from the hon. member for Saint John.

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, I filed a notice yesterday requesting an emergency debate to discuss the Standing Committee on National Defence and Veterans Affairs' treatment of the Canadian Merchant Navy.

The merchant navy men have been asking for compensation for 55 years and every national veterans organization in Canada supports the merchant navy's request.

I was asked to table my motion by the standing committee, the chairman, and veterans affairs for compensation until we dealt with whether they would come under the War Veterans Allowance Act. I did that. We were led to believe at the standing committee that there would be an open mind at that table by all committee members and that they would hear and listen to everyone who came forward.

I cannot believe that the members on the government side voted this down because there was not a person who came before the committee to speak against it.

There is a need to discuss this before we take our summer break. I ask all of our members to agree to have this emergency debate for these brave men who brought peace to us here and around the world. We would not be here in the House if it were not for them.

I ask that we have an emergency debate before we break this summer with regard to the merchant navy's compensation.

SPEAKER'S RULING

The Deputy Speaker: The Chair has carefully considered the point raised by the hon. member for Saint John. While there is no doubt that she feels she has a grievance in relation to proceedings that may have occurred in the committee at some point recently, of which the House at this moment is technically unaware, I know that the member, in reviewing the standing order under which she has moved her application, will recognize that the Chair has to examine it in the light of cold hard facts. In this case the Chair feels that the application does not meet the exigencies of the standing order.

GOVERNMENT ORDERS

● (1030)

[Translation]

WAYS AND MEANS

EXCISE TAX ACT

Hon. Lawrence MacAulay (for the Minister of Finance) moved that a ways and means motion to amend the Excise Tax Act and a related act, the Cultural Property Export and Import Act, the Customs Act, the Excise Act, the Income Tax Act and the Tax Court of Canada Act, laid upon the table on Friday, June 4, be concurred in.

[English]

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

Some hon. members: Agreed.

Hon. Don Boudria: Mr. Speaker, I rise on a point of order. I do not want to be unfair to my colleagues across the way, but I think there was an understanding, and perhaps some colleagues did not know it, that they were requesting a recorded division. You might want to ask the question again, Mr. Speaker.

The Deputy Speaker: I would be pleased to do that. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

An hon. member: On division.

(Motion agreed to)

* * *

FOREIGN PUBLISHERS ADVERTISING SERVICES ACT

The House resumed from June 9 consideration of the motion in relation to the amendments made by the Senate to Bill C-55, an act respecting the advertising services supplied by foreign periodical publishers, and of the amendment.

Mr. Charlie Penson (Peace River, Ref.): Mr. Speaker, although I have had an interruption of several hours and time to reflect on the merits of the Senate amendments and the amended bill, it has not changed my mind.

Last night I was puzzling over the fact whether the heritage minister, in her grand design and maybe in her new capacity as playwright once she leaves the House in the capacity of heritage minister, has designed the production of a play that is either a farce or a tragedy. I have had time to reflect on that and it has to be in the category of a farce. Nothing else would really fit the badly and almost comical way the government has handled the issue of split-run magazines.

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This is all about the government having picked a fight with the Americans on an issue that it absolutely lost. It picked a fight and expended a tremendous amount of energy in an area which it knew it could not win. The government thought it would have a lot of people rally behind it, even in its own cabinet, and that simply did not happen.

I suggest this was a badly flawed bill right from the very beginning. The chickens have come home to roost and now we have the amended version of Bill C-55.

There has been a loss of credibility by Canada as a result of the government's actions on the world stage. We have legitimate concerns. We have legitimate problems with the Americans in areas where we need to fight the good fight. Softwood lumber is one of those areas. The matter of whether we are dumping cattle into the United States is another one. Softwood lumber is a very big issue in British Columbia. There are many of them.

This is the same government, by the way, which assured Canadian forest companies that if they signed the softwood lumber agreement we would have five years of peace with the Americans. The government's assurances are basically a bit like a Hollywood movie set. There is a false front, the nice looking hotel, with nothing behind it. That is how the government handles it. It tries to pretend that it is protecting Canadian interests when all it gives is empty rhetoric. It goes on and on.

On the issue of culture the government told us that there was a tremendous exemption which would protect the Canadian cultural industry. The cultural industry is based on that so-called cultural protection, and what do we find? It was not there but it keeps it going.

Now the government is telling the cultural industry that it will take it to the World Trade Organization in the next round of negotiations and that it will give the industry a new cultural instrument, a new cultural agreement in the World Trade Organization. If the cultural industry accepts that premise and builds its policies based on that, it will be disappointed once again.

It is not the only industry that has been subject to the Liberal government's fancy footwork in terms of pretending that it will protect them. As I said softwood lumber is one example, but it goes beyond that.

• (1035)

At the World Trade Organization-GATT back in 1993 in the Uruguay round, the government told the supply management industry that it would protect it and that it would not allow other countries to do away with article 11, which essentially was border closures or no access into Canada of dairy, chicken and eggs. What did we get? We lost. We lost and we had to accept tariffs. We still have very high tariffs in those industries but they will be coming down too.

I suggest supply management cannot believe the government either. It is now telling supply management that we lost at the Uruguay round but, not to worry, at the new round of the World Trade Organization it will protect that industry. I believe that assurance is worth nothing. The government knows that cannot be done, so it is misleading the Canadian public and it is misleading those industries.

How do we regulate a cultural sector. We do not even have a good definition of culture. There is not agreement in Canada on what culture is. There certainly is not an agreement on the Liberal side. We know that there were different ideas by different ministers. How do we regulate that? I suggest it cannot be done.

This does not mean that culture does not deserve Canadians supporting that sector. A better approach, one that is more enlightened, might be to promote our culture in the international trade forum, just like we do with any other business sector. Let us promote culture at our embassies and consulates. It deserves it. We know that Canadian artists deserve that promotion as well. That is a forum that is possible. It is possible to do.

There is another way in which we might address the issue. There are problems with Canadian films getting distribution rights. I suggest that we might look at international competition law or even Canadian competition law. We could even go beyond that and into the United States where competition law might be applied and where there is too much concentration in the hands of one set of business people.

There are forums to be used, such as competition law, to break down that terrific monopoly so that it is possible for Canadians to distribute their own films in their own country. There are things we can do but we have to be realistic. Pretending we can protect them in the forums of this government and in Bill C-55 is simply not realistic.

There are problems that may make Bill C-55, as amended, not even possible to implement. What might they be? On the matter of how much advertising revenues will be permitted for American publications by Canadian advertising companies there is a formula set in place: 12%, 15% and 18% by the end of a three year period. Canadian advertising companies are set to challenge that content regulation because they are being restricted under the charter. That is a substantial issue in itself.

What about the agreement? If it is based on gross revenue, net revenue or after tax profit, who will police it? Will we have another set of culture cops travelling around trying to decide what the revenue base should be? That is exactly what will happen. I suggest there is not common understanding, even with the United States, in the letters that were exchanged.

Do foreign publishers investing in Canada in the other section need to publish magazines with a substantial Canadian content or a

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majority content? In the letters exchanged just last week we can see where the problem is already starting to percolate.

These letters say that the United States accepts the terms of the agreement which state that a net benefit review by Canada of new investments in the magazine industry will include undertakings from foreign investors which result in a substantial level of original editorial content. The United States is saying a substantial level.

What is Canada saying? Canada is saying that we will use guidelines which call for a majority of original editorial content.

I thought we had an agreement. What kind of an agreement do we have when we cannot even get right if investment in Canada by American companies will have substantial content or majority content? They are entirely different.

• (1040)

We are sowing the seeds for the failure of this agreement. I suggest the Liberal government knew that all along. It is just another Hollywood movie front, the false front it is hiding behind, pretending that it is protecting the cultural industries. That is one aspect of a future problem.

Another aspect is that the Liberal government, in its lack of wisdom, will go into a policy that subsidizes Canadian cultural magazine publications upfront. The Americans are asking, if that is the case, whether they should qualify for it.

We have signed international treaties. We signed the NAFTA agreement. We signed the World Trade Organization-GATT agreement which says that we need national treatment. It is in there. Does the government not realize what kinds of international agreements it has signed? If the government subsidizes Canadian publications it will have to subsidize American publications as well. How absurd.

The whole concept of subsidies is wrong. It is ironic that we will now subsidize American publications. Is this not the height of irony?

In addition, how long will these subsidies last? Canada is going to the World Trade Organization millennium round, kicking off in Seattle this year, to argue against subsidies. It will argue to phase out subsidies internationally. The trade department is doing that and I agree 100%. The Reform Party has suggested that subsidies distort the marketplace. There is no place for them and in fact they are damaging sectors like agriculture very badly.

While the Liberals are speaking from one side of their mouth at the World Trade Organization, they are designing policies to put the very opposite into effect in Canada. How long will those subsidies stand up? This agreement was not designed to stand up very long at all. It is to get them through a critical period. This is a

full retreat. It is window dressing. It is trying to save some face in the face of a very badly designed agreement.

The heritage minister picked a fight with the Americans and she lost. The bill should never see the light of day. That is the position of the Reform Party. We will not be supporting it.

Mr. Mauril Bélanger (Parliamentary Secretary to Minister of Canadian Heritage, Lib.): Mr. Speaker, I am a little perplexed with what we are hearing from the official opposition which resisted Bill C-55 all the way through. It was totally opposed to any form of support for our cultural industries, the magazine industry in particular. All of a sudden it is crying that we have sacrificed this industry, which is total nonsense, by the way. It is rather amusing to see this huge flip-flop on the part of the official opposition, the only party opposing the legislation on some grounds on which it has now totally shifted.

In the process it has tried to direct personal attacks, as it always has. It gives the impression that it cannot do otherwise. It cannot debate the notion of ideas. It directs personal attacks to the minister, which is nonsense. That is not what it promised to do when it came to Ottawa. It is not living up to expectations.

These things need to be said. I will read a couple of quotes for members. One is from a fine gentleman who writes for the *Toronto Sun*, Hartley Steward. He used to publish the *Ottawa Sun*. He is certainly not a friend of this side of the House but perhaps more of the other side of the House. Here is what he had to say on this matter:

—despite claims by the magazine industry's lobby groups that this is the beginning of the end for Canadian magazines, the deal is a pretty good one for those who own Canadian magazines. American split-run editions will be allowed to carry only 18% Canadian advertising. Should they wish to carry more, they will have to set up a Canadian office and carry "substantial" Canadian content. If "substantial" is regulated to mean "majority" it is, indeed, a major concession on the part of U.S. trade officials.

Would the member like to comment on that quotation from Mr. Steward?

• (1045)

Mr. Charlie Penson: Mr. Speaker, the Reform Party was and still is, I believe, the only party that has resisted and said that it is dead against this agreement. The reason is that the evidence has shown that this agreement, this so-called exemption, did not exist. The exemption the government pretended was available to the magazine industry simply did not exist. I believe it was very misleading for the Liberal government to pretend it did.

When the free trade agreement was signed in 1988, Canada supposedly had an exemption clause on our cultural industries, but there was a cost to that, a price to be paid. The price to be paid was

that if Canada did that, the United States had the right to retaliate in equivalent effect. That is the essence of this. We have seen it come home. We have seen the cultural industries now say that they do not want any more exemptions. The government told them about how great these exemptions were but they are not serving them well at all.

Instead of saying that the magazine industry has been sacrificed, I would say it has been misled. It continues to be misled because this is the same government that suggests in a report tabled today that Canada is going to protect cultural industries in the next round of the world trade talks, that there is going to be a cultural instrument, a cultural agreement in place.

We know what happened in the so-called failed talks of the MAI. One of the key reasons that failed was the cultural industries exemption. They could not arrive at any agreement as a result of that. I suggest that there is not agreement and there will not be agreement at the World Trade Organization for that exemption clause or any cultural agreement.

Most Canadians would suggest that the United States is the main threat to Canadian culture. That is what is perceived. That is the reason these things are designed. We have NAFTA. We have the original free trade agreement, whether the World Trade Organization comes to an agreement or not.

The United States' biggest export, I believe, is its cultural industries. The Americans regard it as commerce. Think about it for a moment. It is their biggest export. If we think they are going to say that these things are off limits or exempt, I do not believe that position is credible.

It is wrong for the government to pretend that certain conditions exist internationally that will protect our cultural industries in that way. It is wrong and I do not think the government should be doing it, nor the parliamentary secretary or the Minister of Canadian Heritage.

The best thing that can be said about what has happened with Bill C-55 is that it is very much a face-saving gesture. Canadians lost. The Canadian government lost because now we are going to have to subsidize the magazine industries. The Liberal government lost. It got beat up very badly on this. It put the Canadian companies that were on the retaliation list through a painful period of time in our history. For one year they did not know if they were the industries that would be retaliated against.

We had all kinds of presentations from the steel, beef and lumber industries. They told us not to let this thing pass because they may be the ones that would face retaliation. Industries that had already faced tough times in dealing with the Americans possibly would be the ones that would be hit with further duties. It put them through an uncertain time which is unfortunate. It was an uncertain time.

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There are legitimate fights that we need to take action on with the Americans. This is not one of them.

There are legitimate fights in the area of softwood lumber. The agreement on softwood lumber is due to expire in less than two years. It is one where Canada has to make significant progress next time around. The softwood lumber managed agreement which this Liberal government put in place is not working. The United States has taken action against rough header lumber. It has taken action against pre-drilled studs. There is going to be more action. We were promised five years of peace by the Liberal government for the forestry sector. What did we get? Anything but.

There is going to be a fight. Energy will be expended in the area of softwood lumber in the next two years. I suggest that at least we put our energies where we have some chance of winning and where we are right on the issues. That is not taking place at the moment.

• (1050)

The cattle industry is facing dumping charges and countervail actions by the United States. The steel industry is continually harassed in terms of facing dumping charges and it has to defend itself against unreasonable action. That is where the trade department and the Canadian government should be putting their energy. Unfortunately that is not the case right now.

With that, I suggest to the parliamentary secretary that there are many different views from Canadians as to whether it is a win or a loss here. If he were to canvass some of his colleagues on the government front benches, he would find there was division all through this debate right inside his own government.

When Canadians are asked what is important to them, what are the priorities and what we should be fighting for, they are talking about things like lower taxes. They are talking about things like less regulation in their lives. The so-called cultural protectionism this government has been providing and advancing as a priority is certainly not a priority for Canadians.

We need to be honest with Canadians. We have to give them a firm assessment of what is possible and what is not possible in future trade talks. I would submit it is not possible to get this cultural protection in any international agreements because there is not international agreement out there.

The United States is probably one of the countries that is most opposed to the idea of cultural protectionism. The Americans very much see this in a different light than Canadians do. They see this as an aspect of business, of commerce, and this Liberal government does not.

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I am concerned when this government talks about cultural protectionism. What if other countries were to take the same attitude? What if other countries were to say that they were going to make their countries off limits to Canadian cultural businesses?

What about Canadian artists who want to work in Nashville? What about Canadian artists who want to work or who are currently working in Hollywood? If the Americans were to take this dog in the manger attitude that we have no access to their country, that they are going to protect it, a number of Canadian artists would not have the access to work in the United States.

It is badly designed legislation. The evidence of that is here in the amended version of Bill C-55.

Mr. Bob Speller (Parliamentary Secretary to Minister for International Trade, Lib.): Mr. Speaker, first I want to respond to the remarks of the hon. member from the Reform Party regarding this bill.

I am somewhat surprised that the Reform Party on the one hand keeps claiming we can direct U.S. policy on trade and that we should somehow be standing up for farmers. On the other hand, when it comes to our cultural industries and what is important to Canadians and identifying Canadian symbols, the Reform Party would have us just walk away and do whatever the Americans want us to do.

Before the hon. member leaves, I would like to say that in terms of his comments regarding the cultural industries in our committee report, we did not come out and claim that somehow in a new round we would be able to protect all of the cultural industries in Canada. Our recommendation stated that at the WTO there should be a way in which countries can come together to discuss culture and put forward some of the interests of Canadian culture. We feel the Canadian government and certainly the Minister of Canadian Heritage and her parliamentary secretary have done that very well with regard to Bill C-55.

We should take that issue further. At the next round of WTO negotiations in Seattle at the end of this year, we should come together with the different countries in the world that feel culture should be on the table and find a forum under which we can discuss those issues.

I appreciate the opportunity to speak to Bill C-55. The Department of Foreign Affairs and International Trade thanks the Minister of Canadian Heritage, her parliamentary secretary and her department for all of the hard work they have put into this bill. We are very appreciative of our Minister Marchi and the Prime Minister who together with the Minister of Canadian Heritage stood up for Canadian interests.

• (1055)

Mr. Howard Hilstrom: Mr. Speaker, I rise on a point of order. Have the rules changed in the House and we are going to refer to each other by our names in this place? The member was talking about Minister Marchi.

The Deputy Speaker: I did not hear the member refer to Minister Marchi. Normally if I hear that sort of thing I would certainly intervene. I am sure if the hon. member for Haldimand—Norfolk—Brant made such an error he would not want to repeat it.

Mr. Bob Speller: Mr. Speaker, I was so proud of the work done by the Minister for International Trade that his name might have slipped out of my mouth. It in no way was meant to go against the rules of the House. I would never do that.

The work done by them was work done on behalf of Canadians. It was certainly done under duress at a time when most of the opposition parties were onside with us, with the exception of the Reform Party. It constantly criticized us for not standing up for one sector of society and criticized us at another time when we were standing up for an important sector of our economy and standing up to the Americans.

Sometimes in international trade it is difficult to get a deal. Rules are complex and different interests and different parties are involved. These things take some time. Industries such as the steel industry in my riding, which is very important, have an interest in this.

I want to also take the time to praise the industries that did not jump on the bandwagon and take the American line like the Reform Party did. They put forward good arguments when discussing this matter with my minister and the Minister of Canadian Heritage as well as our caucus members. Again I thank the Minister of Canadian Heritage for standing up for the steel industry in her area.

It is important to recognize that these amendments to the bill represent a new stage of certainty and security in the evolution of Canadian culture as expressed by the Canadian periodical sector. In the legislative void created we accepted and implemented the WTO decision. It is very important to remind members that when the WTO came down with its decision, Canada followed the rules. We came forward and did what the WTO did, as we do internationally and as we hope other countries do. We went further to make sure Canadian culture was protected.

Security in the future of Canadian stories told in these periodicals will continue to thrive through an investment policy which will foster Canadian content. Most important, there will be jobs for Canadians in the periodical sector. Canadians will be provided with the opportunity to read about themselves and to know about themselves and to appreciate more what their country is about.

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We have achieved this end through discussion, through co-operation and through working together with our American friends. This is the way two countries so intertwined in trade should work. Rather than battle a country with which we share a common border and are close in many ways we should resolve these issues through discussion.

We pointed out that Canada has one of the most open markets in the world for foreign magazines. Canadians enjoy reading about themselves but they also enjoy reading about foreign lands and seeing these through a Canadian perspective.

We explained and we also listened. In the end we struck a deal that was not only consistent with our cultural policies, but for the first time in our bilateral relationship with the United States, it agreed to and has recognized that Canadian content is a legitimate Canadian trade objective. That is the first time our American friends have done this.

• (1100)

These achievements, however, did not come without a cost. In any negotiation there is some give and take. We had to provide something in exchange. That is how negotiations work.

We agreed to let foreign publishers have limited access to the Canadian advertising services market, but not enough to inflict damage on our ability to promote that market. It was enough to show that we were willing to give something in negotiation, but, most importantly, not enough to jeopardize Canadian culture as it is expressed in our magazines. However, it was enough to remove the threat of damaging trade action by the Americans.

Between January and last week no less than 10 meetings were held between Canadians and American groups working on this agreement. After all, we are each other's best customers. We find that if we can negotiate, if we can sit down, if we can show each other our differences, then we can move forward more quickly.

We have more than \$1.5 billion in trade crossing the border every day. That is why we sought to resolve these issues through dialogue. A trade war would have been far more damaging.

We gave a little, maybe too much for some of our friends on the other side, maybe too little for others, but that is what happens in negotiations. There is give and take.

We should also remember that Canada and the United States have agreed, through dialogue, to other agreements, which were mentioned by the Reform Party, concerning issues of softwood lumber, issues of wheat and agricultural products. When all of these issues came forward we did not end up with a battle; we ended up again giving a little, taking a little, but we ended up with an agreement.

I do not think anybody who knew about the free trade agreement and the NAFTA which followed expected everything to be rosy. In fact, I do not think any trade agreement in the world could make absolutely certain that there would not be disagreements with neighbours. However, we find the best way to deal with these disagreements is through negotiation.

The desire to resolve these disputes through discussion is not only a matter of preference between friends, it is also the practical approach and the best way to deal with these issues. If the United States did retaliate against those industries that were the targets—steel, apparel, plastics and lumber—there would have been a chilling effect on our export markets and our export contacts in these areas. While we would have had the right to challenge the United States pursuant to the NAFTA, Canadian exports still would have suffered. The rules are there and we have to make sure that we understand those rules to put forward our argument and to protect the industries that we hold important in this country.

That is why the Government of Canada preferred a negotiated solution; not a solution at any price, or one that played one sector off against another, but a mutually satisfactory agreement and a balanced agreement.

It was the balanced agreement which was signed last week that led us to introduce these amendments. The amendments to this bill provide increased certainty and security for the Canadian magazine sector and, thus, an ongoing and strengthening venue for Canadians to communicate with each other and to learn more about their country.

We certainly thank the industry itself, which provided the government with a lot of the information and a lot of the resources it needed to put forward this argument. That is the best way to do it; to work through the industry, through those sectors that are concerned about these issues, with the co-operation of the provinces, with the co-operation of Canadians and the NGOs to put forward an argument. That is why we win these arguments. That is why we have moved ahead in trade. That is why our trade numbers keep growing. Even though we are a somewhat small country, when we are put against our larger neighbour to the south I think we do pretty well. If we go around the world and talk to other countries that deal with the Americans on trade issues, most of them look to Canada to see how we do it because we have been successful.

• (1105)

I want to say thanks again to the Parliamentary Secretary to the Minister of Canadian Heritage, the Minister for International Trade and the Minister of Canadian Heritage for their hard work.

Mr. Gurmant Grewal (Surrey Central, Ref.): Mr. Speaker, I listened carefully to the hon. member, who spoke about the international trade aspect of the magazine bill which we are

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debating today. He said in his remarks that if Americans did retaliate there would be a chilling effect on our trade.

If he knows that there would be a chilling effect, why does he not bring the whole issue into perspective and mention it to the minister, whose selfish motive is to have this bill passed even if it affects the steel industry, the plastic industry, the agriculture industry and the textile industry? Would there not be significant damage done to the international trade relations we have with the U.S.? We have more than \$1 billion in trade with our major trading partner every day.

The member also mentioned that Canada will have to argue at the World Trade Organization in the case of retaliation. We all know that subsidies hurt Canadian businesses or Canadian interests. We know what the story is on softwood lumber. We know what the story is on agricultural trade. We saw what happened a few months ago with agricultural trade. We also know that the government sold out the Canadian interest on the Pacific salmon fishery in the recent treaty it negotiated. It has already lost the war on magazines with the Americans.

Can the hon. member shed some light on this? What will be the effect? Since he is an international trade specialist himself, can the hon. member shed some light on how much these subsidies will cost Canadian businesses, as well as American businesses? Because if this goes to the World Trade Organization, according to chapter 11 of the NAFTA, the subsidies will have to be given to American businesses as well. How shameful. Can the hon. member shed some light on how much these subsidies will cost Canadian taxpayers?

Mr. Bob Speller: Mr. Speaker, as I said earlier, international trade is a very complex issue. I think the hon. member should go back to his researchers to ask them why they would give him such false information as to put forward in the House the suggestion that we would have to subsidize American companies. That is not the case. It is not even on the board. Most people who have been following this issue know that.

I want to tell the hon. member, because it is a very important point and I think it is an important point for Canadians to know, that what we are talking about here is the 20% of the market that we now control. American and other foreign companies have 80% of the shelf space. We are only talking about 20%.

Is it his position and his party's position that we should all of a sudden give up this 20%, that we should not stand up for Canadian periodicals and Canadians? That is certainly not the position on this side of the House.

The hon. member should know if he is sitting in this House as an elected Canadian member of parliament that it is the role of the Canadian government to stand up for Canada; not to mouth American interests, not to mouth American big business interests, but to stand up for Canadians and to allow Canadians the

opportunity to learn more about themselves, to learn more about their culture.

We have a large country. We cover millions of square kilometres of space, with people from the far north to the west coast and to the east coast who want to know about each other, who want to be able to read magazines about life in these areas.

● (1110)

I want to make it clear that they are not afraid to read American magazines or foreign magazines, but they would like to know about these issues from a Canadian perspective. We are only talking about 20% of the market that we hold in that shelf space.

There is some point at which Canadians need to stand up to bullying tactics. That is what we did. We told our friends, and again I say our friends the Americans, that we were not prepared to let their invasion go any further. That is what the Minister of Canadian Heritage did and every Canadian should be proud of that.

Mr. Gurmant Grewal: Mr. Speaker, the hon. member mentioned in his speech that 80% of magazines on the stand are foreign magazines. Let me give him some true facts.

The government has also been saying that 50% of magazines purchased in Canada are foreign magazines, but the latest numbers on readership, taking into account controlled circulation, the magazines distributed via bulk delivery, including magazines received in newspapers, show that only 4.9% of magazines read in Canada are bought off the stands.

Magazines received by paid subscription account for 35.7% of magazines read in Canada, and 59.4% of those magazines read are received through controlled circulation. Therefore, 75% of all magazines read are received by controlled circulation and 95% of those magazines are Canadian owned.

In light of these facts, I ask the hon. member once again, in dollar terms, what is the value of the subsidies they will be giving to Canadian businesses and possibly to American businesses?

Mr. Bob Speller: Mr. Speaker, as my hon. colleague down the way says, nonsense. The fact is that we will not be giving any subsidies to American companies. That is just one of the facts.

At some point in time, as a government and as Canadians, we have to decide whether or not to take a stand. We decided as a government—the Minister for International Trade, the Prime Minister and the Minister of Canadian Heritage—that the Americans had crossed the line and that we were not prepared to give away that part of the industry.

That is exactly what we did. That is what these amendments are doing today. They are trying to make sure that Canadians in the

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future, our children and our children's children, will be able to read about their heritage and their country from a Canadian perspective. They will be able to read things which are written by Canadians and they will be able to see the world through a Canadian lens.

Had we not acted, that would not have been the case. I thank all of those in the industry, members on our side of the House, and those in the opposition who understand the importance of this, for their hard work. We took a stand and Canadians will remember that in years to come.

Mr. Gurmant Grewal (Surrey Central, Ref.): Mr. Speaker, I rise on behalf of the people of Surrey Central to speak in opposition to Bill C-55, as well as the Senate amendments.

However, I want to speak in support of my colleague's amendment, the amendment put forward by the heritage critic of the official opposition.

Bill C-55 concerns advertising services supplied by foreign periodical publishers. The heritage minister, right from the beginning, has mismanaged the bill.

If enacted, the bill will prevent Canadian advertisers from advertising in foreign magazines that come into Canada. This is not a heritage matter; it is an international trade matter.

• (1115)

The international trade minister and the heritage minister are fighting over the issue. The trade minister wants to do his job but the heritage minister will not let him do it. She goes so far as to almost ruin our trade relations with the U.S., our greatest trading partner.

When the minister bans Canadian advertisers from selling their goods and services in foreign magazines, the minister is telling Canadian advertisers that when it comes to freedom of speech they are second class citizens. The Surrey business community which I represent should not be told how to run its business. Businesses should not be prevented from doing anything that will grow their businesses, make them more prosperous and enable them to hire more workers or maintain the present jobs they have created in the small business industry.

In the government's attempt to control the American magazine industry, it is trampling on the rights of Canadian firms from coast to coast. Why should Canadian firms allow the heritage minister to dictate to them where they can or cannot advertise their goods or services?

Did the minister consider the damage that would be caused to these firms? I am sure she did not. Did the heritage minister consider the damage that would be done by the retaliation promised by the Americans if Bill C-55 is passed? I am sure she did not. She

is not concerned about the fate of small businesses and their lack of advertising opportunities. Once again we are experiencing the arrogance of this weak Liberal government with no vision.

Before I go further, Mr. Speaker, I will be sharing my time with the hon. member for Calgary East.

The big question is how much are these subsidies to the industry going to cost Canadian taxpayers? We asked the minister this question but did not get an answer. Canadians deserve to know the answer.

Canada's small businesses know what they need to grow and to be prosperous. They know how to run their businesses. They do not need to be dictated to and to have their freedom restricted by the government. The government continues to kill jobs in Canada.

It is not bad enough that Bill C-55 will hurt our economy and our firms, what is worse is the minister pushed the Americans into promising retaliation if Bill C-55 is enacted. She is going ahead with Bill C-55 anyway without knowing what the effect will be on Canadian businesses.

This is the same minister who insisted that she would abolish the GST in order to get elected. That promise was broken and she was forced to abandon her stubborn ways and seek re-election because the GST was a lot more powerful than she was. The business community across Canada suffers from the effect of the GST and the heritage minister has already shown us that she cannot help us with the GST problem. There should be no mistaking the American promise of a billion dollar trade embargo for a Liberal GST promise.

The Americans are not fooling. They are not desperate Liberal members of parliament who will say anything to get elected. They mean what they say. The Americans are quite serious when they say they will hurt our economy badly with trade retaliation in the steel, plastics, textiles, lumber and agricultural industries. The heritage minister has poked the American elephant with a sharp stick. The American elephant has already warned her that the American elephant does not fear mice or former rat packers.

What purpose will the minister serve with this bill if she succeeds in having Canada slammed by an American trade embargo? What is the point? What is the use of Bill C-55 if we are slammed by a trade embargo by our biggest and oldest trading partner? A billion dollars of trade a day; it is going to affect our economy.

• (1120)

Why is the government not more concerned about building trade rather than damaging trade? Why would the government allow the heritage minister to pursue her policy, which is Bill C-55, that promises to be so terribly destructive to our trade? Let me tell the

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minister that when she lives in a glass house she should not throw stones at others.

There is another important aspect I would like to bring to the attention of the House. As a multicultural country, many of our ethnic communities or minorities rely on foreign publications to keep the Canadian communities in regular communication. The heritage minister's Bill C-55 will restrict the advertising that Canadian firms can buy in these foreign publications. Why would the minister be so negligent as to penalize these diverse and sometimes small ethnic communities? These communities do not have their own newspapers, magazines or other publications.

The heritage minister has set Canada up for U.S. trade retaliation risking the jobs of thousands of Canadians and our country's standard of living. The Senate cannot fix this bill with its amendments. It cannot repair the damage done to our trade relations with the Americans because of what the heritage minister has done. When she banned Canadian advertisers from selling their goods and services in foreign magazines, the minister told Canadian advertisers that when it comes to freedom of speech they are second class citizens.

Bill C-55 should be opposed because it puts an unreasonable limit on free speech and freedom of the press. Furthermore, Bill C-55 impinges on property rights and freedom of contract as granted by the 1960 Canadian bill of rights and common law.

Bill C-55 is not worth the potential damage it will do to our economy and our job market. Bill C-55 is not worth the risk to Canada's international reputation as an advocate of rules based trade that is supported and promoted by international trade tribunals for settling trade disputes.

Therefore, I oppose this bill and I tell Canadians that this bill is damaging Canadian trade relations and Canada's trade.

Mr. Deepak Obhrai (Calgary East, Ref.): Mr. Speaker, it is a pleasure for me to rise today in the debate on Bill C-55, an act respecting advertising services supplied by foreign periodical publishers.

Before I do that, as I think this is my last speech in the House before we break for the summer, I would like to wish all the members a good summer. I would like to remind government members that today the united alternative results will come out and they will have a lot to think about over the summer.

I am glad to have one more opportunity to debate this bill before the House breaks for the summer. This is a very important piece of legislation. As the official opposition trade critic, I am particularly interested in this bill because it explores the contradiction between our role as an open free trading society and the defence of our culture.

Canada is blessed with a diversity of cultures. Culture is an extension of a civilization. It is an evolution and its maturity depends upon how the citizenry chooses to nourish it.

Canada's identity and culture is the sole domain of its own citizens. It is not the role of the bureaucrats to legislate what Canadians will read, think or write, yet this is precisely what we have with Bill C-55.

The official opposition values the cosmopolitan Canadian culture we have today contrary to what other parties may think. We value the right of every Canadian to pursue the logic extension of their culture and religion. Yet we have here in Bill C-55 an attempt by the minister, by her bureaucrats and by self-interest groups to push their own vision of Canadian identity on the majority knowing full well that this is not what Canadians want. The Liberals continue to pursue an agenda of protection in the name of Canadian identity at the expense of other industries.

• (1125)

Last year in October the Minister of Canadian Heritage introduced Bill C-55. Last year the World Trade Organization handed down two rulings which found the provisions under the previous magazine advertising legislation ran contrary to GATT and WTO.

The government chose to introduce Bill C-55 which has never enjoyed wide public support. This bill is not about protecting Canadian identity; it is about protecting the Canadian publishing industry. This bill is about money, plain and simple.

In this debate I have heard the minister and colleagues across the House speak about wanting their children to read Canadian stories. They want their children to read about Canadian achievements. There is nothing wrong with that. That is a good idea. I think every Canadian would like to read about the achievements of their fellow Canadians, about culture, the works of Canadian authors. On that part I agree 100%, but this legislation is not doing that.

This legislation is wrong. This is ill thought out legislation. Why do I say that? Plain and simple, this legislation attempts to protect a small industry, the publishing industry. The publishing industry can survive on its own. Canadians will read what is written by other Canadians.

This bill is not about that. I disagree with the government when it says this bill is about Canadians and about Canadian achievement. It is not. This bill is the protection of one industry, forgetting that Canada has huge industries, forgetting that other industries are involved. We have signed trade obligations that we have to live up to as well. How will we do that? It is very simple. When they write and read what is published, Canadians will decide.

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The fundamental point is that what is going to be read by whom is not for the government to legislate down our throats. It is for Canadians to decide what they want to read, what they want to buy, what they want to do. Those who are in the Canadian cultural industry have risen to the occasion without government support. They do not need government support. There are excellent cultural artists in this country who write good books, who write good stories. They do not need a government prop-up. They can do it and Canadians will love to read their writings. We can start by doing it in our schools.

This business of attempting to force on the Canadian public what the minister of heritage thinks should be cultural policy is wrong. A fundamental point on this bill is that the government should stay out of it and let Canadians decide. The artists who are capable do not need to be propped up by the government. That is the fundamental problem we have in supporting this bill. That is why we are not in agreement with this bill.

It is wrong for others to say that we are against what can be called our Canadian culture. We are not. We take extreme pride in seeing the achievements of our artists and people who work in the cultural industry but we also have obligations to other industries and this is impacting other industries.

The U.S. is right across the border. It has a huge cultural industry. We may feel threatened, but I do not think we will feel threatened with education and with the Government of Canada publicizing the great achievements of Canadians and such things. We can do more service for Canadian culture, for Canadian artists than just shoving a bill down our throats.

We have opposition from the advertising industry which is the one that is going to pay the price for this. We have opposition from other industries, the steel industry. All over the country we have this problem. Why? For just one little bill that is not going to have a major impact, I am sorry to say. Do we really think Canadians will go out there just because of this bill and read about these things? They will not. Canadians will read about Canada and Canadian achievements when the books and the things they desire are out there and when they have the desire. Canadian identity is on the rise in this country. We are all proud to be a Canadian.

• (1130)

The bill is absolutely wrong and that is why we are opposing it. We are not opposing it because we do not believe in Canadian culture. We are opposing it because it is an ill-thought out bill that has an impact on other industries and on jobs. It has a narrow definition of Canadian identity and Canadian culture.

Ms. Libby Davies (Vancouver East, NDP): Mr. Speaker, I am very pleased to have the opportunity to rise in the House today to speak to Bill C-55.

I know members are eager to return to their ridings and to go home, but we in the NDP believe that the bill today is a very important bill. We intend to have as many members as possible speak to the bill because it is very critical in terms of the protection for our cultural industry.

Earlier today, the member for Saint John rose in the House to call for an emergency debate on the merchant marines. She stated that the merchant marines who served in the war have never had recognition nor have they had their pensions. I make this remark because she said very eloquently that we would not be here today if the merchant marines had not fought or contributed to defending our country and democracy. That is very true. We would not be here today in the House or in this kind of democratic institution.

In the same vein, we should think about what it is that defines us as Canadians, which is partly what the bill is about. What is it that defines us as Canadians. Sometimes people believe that is a difficult question to answer. I, as do my colleagues in the federal New Democratic Party, believe that one of the things that defines us as Canadians is our culture. Whether it is our writers, our filmmakers, journalists, editors, publishers, printers, readers, children who may be involved in creative writing, our artists, visual artists, performers or theatrical artists, our Canadian culture and diversity is something that is very critical to who we are as a nation and as a people.

That is why members of the NDP are so concerned about Bill C-55. Even though it represents a small portion, just one piece of our cultural industry, it is an important piece and needs to be examined under the microscope of whether or not the bill will protect and enhance Canadian culture in this country or whether it is taking us down the slippery slope and the road toward further destruction.

In listening to the debate today, in particular from the Reform Party members, it has been very interesting to hear the discussion and the points of view that are held and to hear the Reform members raise the question of how we regulate culture. I have heard Reform members say that it cannot be done. However, in their next breath, they have also pointed out that the biggest export from the United States, a very massive economy to the south of us, is the cultural industry.

Reformers say that culture cannot be regulated or protected, but just a few moments ago we heard a Reform member say that culture is just another industry. The Reform member said that we should not worry because the bill was just about another industry and that we should leave it to marketplace. We in the New Democratic Party have a very different view. We believe that, yes, there is a cultural industry but it is intrinsic to who we are as Canadians and it demands, because there are imperatives, whether it is on magazines, broadcasting, the printing industry or the performing arts, that we stand in solidarity with the 987,000 cultural workers in this country who give us that definition of who we are and who allow us to speak to one another with vast

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differences in the regions, where we have come from and who we might be.

• (1135)

The NDP believes that we must stand up and protect our cultural industries and our magazines. That is why we believe this debate on Bill C-55 is so important.

My riding of Vancouver East is home to many cultural workers. I think there is a myth that somehow Canadian society or the government subsidizes cultural workers and the arts. In actual fact, I think the opposite is true. Cultural workers, and very often the culture industry, subsidizes the rest of us.

I know from artists, writers, people involved in magazine writing and independent journalists that people are desperately trying to get a message out about what is happening in their own communities and in their own lives and to have debate about different issues. Many of those people operate in an environment that is threatened all the time. This is again why the NDP believes very strongly that we have to stand in defence of Canadian culture and Canadian cultural workers. Our critic, the hon. member for Dartmouth, has expressed this many times in the House. She is, herself, a well-known Canadian playwright.

It is really coming from that sort of premise that we in the NDP are very distressed, maybe not surprised but certainly distressed, about the route and direction that Bill C-55 has taken.

Originally, our party gave lukewarm support to Bill C-55 as something that would provide some protection. However, what has become increasingly clear over the course of many months and so-called negotiations is that the government has caved in. I have to agree with the Reform member who just spoke. It is not just on this issue that the government has caved in. One just has to look at the salmon treaty in my province of British Columbia to know that the Canadian government caved in on that one too.

It is distressing because the Liberal government had an opportunity to defend Canadian interests in dealing with the Americans and protecting our cultural industry. By not using the cultural exemption contained in NAFTA, which is yet untested, and by ignoring even its own legal advice about Bill C-55 being WTO-proof, the government in these so-called negotiations has actually shown that we have no interest in protecting our own culture.

It is also distressing because what we have learned from this process is the lesson the Americans have learned. They know that if they threaten a trade war, we will surrender. I heard a Liberal member earlier proudly stand up and say that we did not end up in a battle with the U.S. on this. I would agree, but the reason we did not end up in a battle is because we simply gave in to it. We should have had a battle. We should have been out there on the front lines, maybe with support from other parties. I know our critic would

have been there if she had been invited to the table. We would have been there with cultural workers to say, "yes, this is something we want to have a battle on because we are not about to give in. This is the thin edge of the wedge".

By refusing to use the existing trade rules to protect our split runs in magazines, we are basically saying that we will allow the Americans to make up international rules as they go along. We are very concerned about this. It is the thin edge of the wedge. It is only a matter of time before this massive industry, the largest export industry in the U.S., which is culture, goes after Canadian content on television or ownership levels in broadcasting. They might even go after our book publishing industry which, as we know, has been a very dynamic industry over the years. It is a dynamic industry but it is also very vulnerable to the massive industry south of the border. They could also threaten our Canadian film industry and our feature films. The list goes on and on.

• (1140)

I and my colleagues believe that the debate today on Bill C-55 is not just about the specific provisions of the bill. The debate is also about what will happen in the future, what the Liberal government will decide to do, and what course it will chose to take in terms of our cultural industry.

I would like to spend a few minutes just looking at the highlights of this so-called American deal, which I think we would characterize as a Liberal sell-out, and the amendments that have come back from the Senate. The reality is that the deal was made after the Americans threatened a trade war. Canadian trade experts, both inside and outside the government, have stated repeatedly that the Canadian version of Bill C-55 was WTO-proof and that the cultural exclusion in NAFTA would also protect Canada in any trade war.

What have we seen? After months of behind closed door negotiations, we have learned that the Prime Minister directly intervened and, as a result, Canada surrendered. If somebody doubts that, they just need to read the debates in the House, the discussions and the questions during question period.

The member for Dartmouth, our critic for culture and communications, has been following and monitoring this very closely because she has a keen interest in it and has a very good understanding of what the debate is all about. To give the member for Dartmouth credit, she has been able to expose and bring forward in the House just what a sell-out Bill C-55 is.

It is curious that the Liberal members characterize the amendments that have come from the Senate, that were part of this so-called American deal, as providing certainty and security. We have to really question that. What certainty and what security? It seems to us that the only certainty is that we are now embarked on a

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course where our interests are continually being put on the table and then whipped off the table because they have been sold off.

We know that the heritage minister responsible for this industry and for this bill went to the Senate and introduced the amendments that we now see in the bill. These amendments are really implicit to the capitulation that took place to the Americans. In fact, after using time allocation in the Senate, the Senate passed the bill—surprise, surprise—and we have it back in the House today.

What did Canada give away? Well, definitions of Canadian content, now editorial content, is considered Canadian as long as it is original to a magazine aimed exclusively at the Canadian market, not, and I stress not, if it was written by a Canadian. I think that is a very disturbing kind of definition.

The precedent is now set for the Americans to challenge the definitions of Canadian content under the WTO and NAFTA, which could have profound impacts on our protections in broadcasting, book publishing, film and even protections around all of our cultural institutions.

When we had control of our own market under the original Bill C-55, it was illegal for new split-run magazines to accept Canadian advertising. Under this deal, the Canadian government has agreed that we will allow new split runs to be created to invade our market with up to 18% Canadian advertising and, as we know, over a three year period. Since Canadian advertisers can write off a portion of their ad expenses spent on Canadian magazines on their taxes—and remember that can now include magazines with no Canadian content—the government is actually saying that it is Canadian taxpayers who are providing a subsidy.

• (1145)

When Bill C-55 first came forward it was with the support of the NDP caucus. We felt it was better than nothing. We were lukewarm about it but we did provide some support. It offered some protection to Canadian magazines from new split-run editions of American magazines.

We expressed our frustration very clearly. The bill seemed to be subject to bargaining with the Americans behind closed doors. Even so, the minister gave us her assurance that the spirit of Bill C-55 would be respected in any deal. We raised this point in the House continually, and we were always assured that the substance, the spirit and the intent of the bill would remain solid and would not be given away.

We now know differently. The so-called deal that was made is actually substantially different and has set us in the direction of completely selling out. The negotiations have not provided the kind

of protection and the kind of defence that the minister stated publicly time and time again in the House and elsewhere.

The deal that was put together committed Canada to amending Bill C-55 in the Senate to permit foreign owned publishers to benefit from increased market access with respect to advertising directed primarily at the Canadian market. The deal also committed Canada to amending our foreign investment policy so that it falls under section 38 of the Investment Canada Act, allowing cabinet to regulate or prescribe what and how much foreign ownership Americans can have in our industry.

The agreement also forces Canada to allow for increased ownership, up to 51% after 90 days and up to 100% within a year, subject to the benefit test. The deal also committed the Canadian government to change the Income Tax Act to allow advertisers to receive deductions for placing ads in American publications aimed at the Canadian market.

When we consider what has taken place over the last few months, the deal really sets out the surrender of our market by prescribing the formula to allow for American split runs to invade our market up to 18% within 36 months. As we have heard, we are already flooded with American material.

One of the most disturbing points for the NDP is that in creating this so-called deal it is curious the amendments and the process came through the Senate. Should that not have happened in the House of Commons? Why is it that the government allows that to happen in terms of introducing those amendments after the original introduction of Bill C-55? Why is it that took place in the Senate, a body that is undemocratic and unelected?

We are now debating a substantially different bill with major amendments from the Senate. The bill should have originated in the House with debate and discussion in the House. On those grounds alone we have very grave concerns and opposition to the bill because of the process used.

I will give an example of what the bill means. It is a very technically complex bill. I will lay out the following scenario of what might be possible. What is possible under the amended Bill C-55 if it goes through?

Suppose Mr. Jesse Helms set up a magazine in Miami aimed it at the Canadian market to attack our policy on Cuba. This is not an unlikely scenario. A majority of the editorial content of the magazine is written only for that magazine, meaning that under the Senate amendments to Bill C-55 it is considered a Canadian publication.

Canadian advertisers in that magazine can therefore deduct a portion of their advertising costs from their taxes. This allows the publisher, Mr. Helms, and his magazine to supply lower ad rates. The only Canadian who touches this magazine would be the

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consumer, if anyone happens to read it. No Canadian writers, no Canadian editors, no photographers or printers are required for the magazine to be considered Canadian under Bill C-55, the new deal.

• (1150)

The consequence is that existing Canadian magazines will suffer as a result of the subsidized ads in the new magazine, the so-called Canadian content, when ads are no longer placed in existing Canadian magazines. That is the consequence of the so-called certainty, security, defence, and protection from the Liberal government for our magazine industry.

This is why we stand in the House today to say that we will not go along with it. We can see through it and we will tell Canadians that this is a sellout. We have seen capitulation on other issues in this session. This is a sellout. We will not go along with it but not for the same reasons as the Reform Party. We want to defend and protect our cultural industry for Canadians because it defines us as Canadians.

Mr. Mauril Bélanger (Parliamentary Secretary to Minister of Canadian Heritage, Lib.): Mr. Speaker, I listened carefully to the comments of the hon. member for Vancouver East. I sometimes have had a soft spot in my heart for the NDP when it stands for certain things.

Some hon. members: Hear, hear.

Mr. Mauril Bélanger: I did say sometimes, especially when it stands for its principles. Lately we have been exposed to a few cases where it has not been very consistent. That is neither here nor there.

The member used some words repeatedly, ad nauseam throughout her remarks: capitulation, surrender, sellout and cave-in. I would like her to comment on the following quote. I asked the same question of the member for West Nova yesterday so there has been fair warning if she has followed the debates. It is a note that the Minister of Canadian Heritage received on May 25 and it states:

Dear Minister:

Congratulations for hanging tough on your recent negotiations. A compromise was forced instead of the usual capitulation. They play hardball—but so do you! I admire your style. Stay healthy and strong.

Best regards,

Norman Jewison.

I would expect the member would agree that Norman Jewison is certainly a very well respected Canadian icon in our cultural field. How then would the hon. member reconcile what he had to say with what she has just said?

Ms. Libby Davies: Mr. Speaker, I am very proud to say that the NDP is a party that has principles. We stand by them. We have stood by our principles when we were the CCF and now that we are

the NDP. We know what we stand for, unlike the Liberals who like to shift around and basically take the direction of their strongest opposition, listen to the Reform Party and go down that road. We are a small group but we are very proud of the fact that we have the courage to defend our principles.

An hon. member: We don't cave in.

Ms. Libby Davies: We do not cave in. In terms of the letter, it is a very nice letter to the minister; but on an issue like this one, or any issue really, we should look at the total breadth of the issue. We should look at the debate that has taken place. It is easy for the member to pull out one letter, a nice personal letter to the minister from someone saying she did a good job.

We could pull out any number of debates, comments, media commentary and discussion around Bill C-55 which tell the member loud and clear that the real judge, the Canadian people who watch this debate and see what is going on, do not hold the same opinion. They do not think the government held tough. They do not think the Canadian government defended our cultural industries.

On balance, I believe that my comments are defensible and credible. I stand by them. We were sold out.

• (1155)

Mr. Scott Brison (Kings—Hants, PC): Mr. Speaker, it is a pleasure today to speak to Bill C-55. Canada has a longstanding commitment and a tradition of commitment to protecting the Canadian magazine industry. This began in 1961 with John Diefenbaker's O'Leary commission, which was designed originally to develop a plan to protect the Canadian magazine industry against dumping from the U.S. and foreign magazines.

In 1965 the split-run legislation was introduced, again to protect the Canadian magazine industry. This is an issue which combines the elements of the free market with the elements of the importance of protecting Canadian culture.

We are not alone as a country in seeking to protect our culture. Most countries in trade agreements around the world have sought and successfully attained protection for their culture in trade agreements.

The Progressive Conservative government of Brian Mulroney was successful in protecting Canadian culture in both the FTA and in NAFTA. Unfortunately the Liberal government fervently opposed the free trade agreement and now embraces free trade. It has not even utilized the cultural protection instruments within the free trade agreement at this juncture to protect Canadian culture.

The parliamentary secretary said that he had a soft spot in his heart for the New Democrats. The only thing worse than hardness of heart is softness of head. I would argue that the U.S. arguments

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and threats of what would be illegal retaliation are far in excess of the dollar value of the Canadian magazine industry's advertising revenues in question. This revealed elements of an industry in the U.S. that demonstrated hardness of heart. In response we have a government whose softness of head provided very little opposition and in fact capitulated before the battle even began.

U.S. industry groups that made these threats were not the trade negotiators. They were not representatives of the U.S. government. They were members of U.S. industries with a vested interest. The threats that were made were in unrelated industries. The sanctions would have involved for instance steel and specifically targeted in a rather nefarious manner the home city of the minister of culture. The threats were in the amounts of up to \$600 million when in fact the government had determined that \$100 million was the actual dollar value of the advertising revenue in terms of Bill C-55.

The minister seemed to be standing firm during this debate and assured the House that Bill C-55 was tenable, was the right thing and would be consistent and defensible in our trade agreements. She provided reassurances to the House that it was a lock-tight agreement and that we would be able to protect the Canadian industry without incurring the wrath of our trading partners.

At the very last minute, after using the House in a very manipulative manner to develop Bill C-55 and providing those assurances, she gave in. It was almost as though the minister throughout that process huffed and puffed and then the Americans blew our house down. It was not the steadfast visionary leadership which is constructive in both protecting our culture and at the same time further promoting and developing our trade relationships with our trade partners.

The Reform Party has had a position from the beginning as being opposed to Bill C-55 and supporting in some ways the illegal U.S. threats. The Reform Party has said that it does not believe in regulating culture and that culture should not be regulated.

This is the same party whose literati have suggested that the book *Lolita* be removed from the parliamentary library because it is somehow offensive. On one hand it wants to regulate culture and on the other hand it does not want to regulate culture. I cannot quite figure it out. Perhaps we should be able to regulate tawdry publications like *Lolita*, but we should not be able to regulate culture to protect Canadian jobs and Canadian culture within the confines of our country. I disagree with that inconsistency demonstrated by the Reform Party.

• (1200)

The PC Party and the government of Brian Mulroney had the foresight to protect culture under NAFTA and the free trade agreement. During the free trade agreement negotiations the

Liberals were saying that we would lose our culture and that it would not be protected. The Liberals were saying that we would lose our medicare because of the free trade agreement.

Interestingly enough, since 1993 some of the Liberals' predictions have actually occurred. Our medical system has been attacked in an unprecedented manner. Across Canada the medical systems are in a shambles or in crisis in many provinces. That has nothing to do with NAFTA. It has to do with a government whose priorities were clearly not on the health care system in Canada.

We have seen a further example of an inconsistency with the Liberal position. We see the diluted and gutted Bill C-55 potentially threatening Canadian culture. Not only have we seen our health care system attacked by the Liberals and not because of NAFTA, but we are seeing our cultural industries threatened by the Liberals' weak-kneed capitulation. They are not really fighting the good fight and utilizing the cultural protection elements and instruments in NAFTA which the Progressive Conservative government had the courage and foresight to put in there.

That is part of a larger issue. It is one of vision, foresight and understanding of public policy, of not just where the Liberal Party is going in the next election but where the country is going in the next century.

Last weekend I attended the Free Trade at Ten Conference in Montreal. The conference evaluated the impact on Canada of free trade over the past 10 years and of agreements like the FTA and the NAFTA. Donald MacDonald was there. He is a former Liberal cabinet minister and chairman of the MacDonald commission who came forward in the early eighties with a recommendation that the free trade policy with the U.S. be pursued.

It was very interesting to hear him compare former Progressive Conservative Prime Minister Brian Mulroney and Wilfrid Laurier. He said during his speech at the opening of the conference that Mr. Mulroney had the foresight and vision to do what would help Canadians in a new global economy. He compared Mr. Mulroney to Mr. Laurier except he added that Mulroney was able to achieve more of his vision than was Laurier.

That type of visionary leadership is very important and critical now as Canada faces more challenges in a global environment than we ever have. The protection of culture is becoming an increasingly complicated affair because of the advent of technology, globalization and the pervasive nature of the Internet and the fact that we are increasingly going to develop electronic means to effect change on issues of censorship and regulation in terms of protecting culture.

It is a new world and there are significant challenges. We should not be folding up our tent and going home. We should be rising to these challenges and fighting to protect Canadian culture.

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The Liberals are responsible for the capitulation on this very fundamental agreement, this longstanding tradition of protecting Canadian culture which began in the 1960s. This has nothing to do with NAFTA. The Liberals have refused to exercise the instruments of cultural protection.

• (1205)

A New Democrat member said earlier that there are instruments within NAFTA and the free trade agreement to protect Canadian culture. Before utilizing those and before taking every possible step to protect Canadian culture, the Liberals gave in because of threats from the U.S.

This creates a tremendously dangerous international precedence. Whenever there are threats of trade wars, sanctions, or retaliation from any of our trade partners on any range of issues such as culture or the environment, we have demonstrated that we will give in before we exercise to their fullest extent the instruments we have within our trade agreements to defend them. This is clearly inconsistent with the principles of NAFTA and the free trade agreement.

The Liberals' gutting of Bill C-55 is inconsistent with the heritage of the Liberal Party of Canada which in the past has been consistent in the defence of culture. At this juncture the Liberals have turned their backs on a very important heritage. It appears less and less to be the Liberal Party of Pierre Trudeau. It is becoming the party of knee-jerk reaction, Earnscliffe polling, focus group economics and all types of crisis management and poll driven populism. Frankly it is the antithesis of what Canadians need at this juncture.

I mentioned earlier that the government has used parliament as a pawn in this agreement. It has used parliament in the passing of Bill C-55 as a bargaining chip with the U.S. More offensive than that, the amendments made by the Senate to Bill C-55 have dramatically changed the intent and direction of this legislation. Whether or not the legislation is in order is in question.

When a piece of legislation is changed so dramatically and completely emasculated by a government and when it is not consistent with the general principles and directions of that legislation as passed in the House, it should require a whole new legislative process and a new piece of legislation. Clearly, the end agreement is not consistent with the agreement that the minister and the Liberals were talking about for so long. Their platitude to describe this agreement was that it would allow Canadians to talk to one another and communicate with one another. When the government gets through with this, the only way Canadians will be able to communicate with one another is by telephone.

The government has turned its back on a longstanding tradition, a tradition that was protected by the government of Brian Mulroney

in both free trade agreements. In its commitment to Canadians the heritage of the Liberal Party should create a sense of conscience to be consistent in its protection of Canadian culture. Instead of fulfilling the promise to Canadians and instead of the minister fulfilling her promise and commitment to the House that she would stand up and defend Canadian culture, she gave up before the fight.

I am very concerned not just about the contemptuous use of parliament as a bargaining chip and a pawn in this process, but also about the international precedent this will set, that any of our trading partners can bully us with threats of illegal sanctions and retaliatory actions without those claims being researched. Even when legal experts have advised us that these claims and retaliatory measures were untenable and would be illegal in their nature, we have given up. We have given up. That is not the signal we should be sending as we pursue more trade agreements and as we negotiate to play a larger role in a global environment, an environment that is becoming increasingly protectionist.

• (1210)

For instance, both on the far right and the left in the U.S. the protectionist movement is gaining steam and getting stronger. As that occurs and as we demonstrate at every possible turn that we are willing to give in, to cave in and to knuckle under when someone from another country in a specific industry group huffs and puffs, over a period of time the benefits we have gained in NAFTA and the free trade agreement will be lost significantly.

We will not have commensurate dispute settlement. We will not be utilizing the dispute settlement mechanisms that have been put in place intentionally to not only ensure access for Canadians to markets in other countries, but also to ensure that the issues and concerns that are important to Canadians, be they environmental or cultural, are protected.

While there are some who argue that this is some form of protectionism, the free trade agreement and NAFTA were both consistent in providing instruments by which we could defend our Canadian culture. Those are what we should be focusing on. We should be exercising those to the fullest extent. The government has clearly abdicated its responsibility to do so.

If we want to move forward on this and if we want to examine the types of policies that would really help further the competitiveness of the Canadian magazine industry both within domestic sales and potential opportunities for export, in the long run the best trade policy would be a sound domestic economic policy.

The PC Party would argue that the government has to couple its trade policy with a more forward thinking economic and fiscal

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policy. We have to address the issues of personal and business taxation in Canada.

The Mintz report on business taxation recommended that the corporate tax system in Canada be made more neutral. Treat all industries as consistently as possible and eliminate the non-neutralities and distortions within the corporate tax area.

The Mintz report also recommended that corporate taxes to the greatest extent should be based on profitability. The profit insensitive taxes should be removed. Taxes on capital which have a negative impact on investment and a negative impact on productivity should be removed.

Canada has the third highest corporate tax levels in the OECD countries. Canada has a capital gains tax regime that is twice as repressive as that in the U.S. Our personal income taxes are the highest in the G-7. All these have a negative impact on all types of Canadian enterprise and business, including the Canadian magazine industry.

While we support and believe that, we need to ensure that Canadian culture is protected through the vehicle that has been espoused by parliament since the 1960s through the split-run legislation to protect the Canadian magazine industry against dumping from the U.S. We also believe that the best way in the long term to ensure the viability of the Canadian magazine industry and all industries and small businesses in Canada is to ensure that we have a sound, innovative and forward thinking economic policy. Tax reform should be an integral part of that.

The government should utilize this opportunity now, not just for tax reduction in small politically palatable directions where the government sees fit and focused on a leadership convention or the next election, but in the long term on what Canadians need in the next century. A visionary and holistic approach to the systemic issues within the tax system is needed.

Mr. Speaker, have a good summer.

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, my friend in the Conservative Party gave an eloquent defence of protectionism in the area of culture. He suggested that we need to have that. However, would my friend agree that culture really is in the eye of the beholder and that when it is in the eye of the beholder it makes it impossible to defend through any type of protectionist measure?

• (1215)

I wonder if my friend would not agree that when we start putting up barriers to protect culture, ultimately what we are doing is putting up barriers to protect somebody's very narrow definition of

what that constitutes. I would argue that is the wrong way to do it because everybody has a different view of what constitutes culture. What we are doing is leaving it to bureaucrats and politicians to make those decisions.

I ask my friend, what is his definition of culture? How can we protect culture in Canada with legislation when it means something different to everyone?

Mr. Scott Brison: Mr. Speaker, the hon. member is absolutely right, it is difficult to gauge or evaluate what is culture. It is fairly nebulous in some ways and it evolves over time. I know he argues that we should not even be trying to regulate culture, yet there are members within his party who feel we should remove *Lolita* from the parliamentary library based on some definition of what is culture. I would point to an inconsistency in that regard.

The issue of culture and the issue of what is unique to Canada, what is unique to Nova Scotia or Alberta, the distinctive elements of both our regions and our country, are clearly within the realm of Bill C-55 to protect, to ensure that there is an ability for Canadians to produce Canadian-originated stories about Canada and about the issues that are relevant to Canadians, and that there are vehicles to ensure that those stories and publications actually reach other Canadians. That is the issue.

When U.S. commercial interests are given unimpeded access to the Canadian magazine industry, the possibility for dumping magazines becomes immense. We have an 18% limit, which is a huge shift in policy. Actually, it becomes a trade issue because U.S. magazines have already covered their fixed costs.

I know that the hon. member's party has some real difficulties with the CBC. It is the same argument. However, there is a role for the CBC to deliver the stories and cover the issues that are relevant to Canadians. If we are to continue to be a knowledgeable society, a people respected globally for our global vision, a citizenry that fully supports the role that we play as Canadians as a middle power in an increasingly complicated world, we need to maintain and protect the Canadian identity. This is not, as some would argue, an anti-American view. Let us face it, we sit next to a cultural juggernaut, the U.S., and we are in a very difficult position.

The U.S. has one of the largest cultural industries in the world, particularly pop culture. We have to be very careful to ensure that the Canadian identity is not swamped as we progress into the 21st century.

Mr. Monte Solberg: Mr. Speaker, I think my friend is going down that same vague, muddy road. I asked him what constitutes Canadian culture and I think he was completely unable to tell me. Then he said that we need to protect the Canadian identity. I would argue that is the same sort of nebulous term that means something completely different to everybody.

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• (1220)

What this boils down to is deciding what is culture for ourselves or what is our Canadian identity. To some people it will be toques and back bacon and drinking beer. To other people it will be going to the NAC to see the symphony orchestra. We have to decide that ourselves. If we do not decide for ourselves it will be decided for us by bureaucrats, which is how we got programs like *Bubbles Galore* and all of the other boondoggles we hear about.

I say to my friend again, until we can reconcile this problem, how can he possibly say that the United States can somehow put in place these protectionist policies which are completely contrary to the whole idea of free trade? How can my colleague say that we can do that when everybody has a different view of what constitutes Canadian culture and Canadian identity?

Mr. Scott Brison: Mr. Speaker, the perspective which Canadians have on Canadian culture is one of the things that makes Canadians and Canada uniquely diverse and distinct. If we ask Canadians what their definition is of culture, we are going to hear a significant breadth and depth of perspective on that issue.

I would agree with the member for Medicine Hat that culture is a difficult issue to define. It is interesting that we are having in the House of Commons perhaps an unprecedented discussion between two finance critics about culture. It really frightens me about where we are going.

Culture is very difficult to define. We have a significant amount of indigenous culture in my home province of Nova Scotia which has been successful in global markets. I would like to say that part of it is completely market driven, but often the incubation of that cultural entity is provided with some level of protection.

We have in Canada a very small population which is spread over a huge land mass. This is also part of the national unity issue, about which I remain very concerned. The ability for us to maintain some level of distinctiveness may be one of the threads which keeps the country and the regions together.

I do not think any country in the world can define culture in a paragraph or in a sentence. Most countries are interested in, devoted and dedicated to protecting some element of culture. As we get into a more global environment, as we see the decline of the role of the nation state in terms of the government's influence slowly declining and economies being integrated, it makes it increasingly important for citizens and for nations to protect their cultural entities and identities. This is very important to people. People want to participate in global trade opportunities and we can.

The U.S. agreed in both the NAFTA and the free trade agreement to a set of conditions and a set of instruments to respond to this

kind of debate and specifically to protect culture. My argument and my party's argument is that they were included specifically and the government has not utilized those mechanisms.

Censorship is going to be another issue that we will have to watch very closely, as well as privacy issues, especially with the evolution of the Internet. All of these things are evolving. I would say that it is best for us to have discussions here and to collectively develop solutions. We should certainly not turn our back on Canadian culture, as nebulous as it may be. We should seek to understand culture and perhaps to define it better, but we should never stop protecting what is unique about this country and our cultural distinctiveness.

• (1225)

Mrs. Michelle Dockrill (Bras d'Or—Cape Breton, NDP): Mr. Speaker, the government has once again caved in to American pressure. The government has once again tried to tell the Canadian people that a slap in the face is a pat on the back. The government is happy to sell out the interests of the Canadian cultural industry and happy to pretend, despite all evidence to the contrary, that this deal, this watered-down bill, is in the best interests of Canadians.

When the Minister of Canadian Heritage spoke yesterday in the House she asserted that the new requirements for Canadian content were in some way a victory for the Canadian magazine industry. Let us get some things straight.

Before these amendments were introduced, Canadian content was not even an issue. Split-run magazines were to be illegal, banned and prohibited. American companies were to be stopped from sending recycled American stories into our country and stopped from taking Canadian advertising dollars out of our economy, out of our industry and placing them in American bank accounts. For the minister to claim that these new requirements are a victory for Canadians simply beggars belief.

Perhaps, if I could be so bold as to suggest lines for the minister's speech writers, the government should shift its emphasis and tell the truth to the Canadian public. The truth is what we have with this new and neutered Bill C-55. It is a conditional surrender; not an unconditional surrender, but one where the Liberal government was allowed by its American masters to preserve a shred of its dignity in the hopes, no doubt, that this ever so pliable administration would be around for years to come to do the bidding of those in Washington.

This surrender will be the first step in a wholesale attack on the protection Canadians have erected to preserve their cultural industry. We can expect to see the American magazine industry pressure their government to launch a challenge to our laws under the provisions of the WTO and the NAFTA. This surrender, the loss of

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this first battle, has opened a hole in the Canadian defences which threatens the very heart of our culture.

By acknowledging the ability to negotiate Canadian content requirements for magazines, the Liberal government has laid down a carpet for the long line of American entertainment businesses which are all too eager to swamp our country with their cheap television shows, low quality radio broadcasting, American books and movies.

Now that they know we are willing to trade on our heritage, to trade on the minds of our writers, actors, painters and broadcasters, there will be no stopping them. I know that the government dismisses fears such as those that I have just expressed as being apocalyptic, anti-American and who knows what else, but I disagree.

I have no problems with the United States and I stand with all members in the House in admiring the many contributions our neighbour has made to human progress. However, that admiration is qualified, as all admiration should be if it is not to descend into fawning hero worship. That is what I fear has gripped the government: an awe at being so close to such a powerful country that it has rendered the Liberals unable to discern what is in Canada's best interests, an awe that has opened the doors of our country to ideas about American health care, American justice and American governance, thinking of the ever increasing power of the prime minister's office and making comparisons between it and the American president's white house.

Those are elements of America that I am happy to see remain on the south side of our border. The line between admiration and adulation is a thin one and I fear it may have been crossed. We are truly the mouse lying down with the elephant.

That is not a negative reflection on either party, for we in the New Democratic Party are firmly committed to the equality of all things. It is simply a reflection of the reality that America's cultural industries are the largest in the world and we, because of our close ties, are more susceptible than any other country to domination by them.

• (1230)

There is no reason for us to slam the doors and introduce protectionist measures that will exclude American magazines from the Canadian market. Our objection is that we should pay U.S. companies to take money out of our country. That is what Bill C-55 calls for.

At first that level may be 18%, but we can bet that in a couple of years it will increase and then increase again. Those magazines with their large budgets and market penetration will be able to

attract Canadian advertisers through the simple exercise of the law of supply and demand.

We cannot blame those companies for choosing to advertise in split-run publications. They are simply making the best use of their advertising dollars. However, we can blame the government which allows those magazines to exist for choosing to cave in to American threats instead of defending Canadian businesses that will lose out because their government refused to defend them.

All too many times we have heard members opposite insult my party for our stand on business. The New Democratic Party is proud to defend Canadian businesses, to defend this whole industry, while the government is happy to serve as the B movie cast of this Hollywood controlled production.

What we are debating should not be reduced, as some have tried to do, to an argument over culture. Another battle in the war I referred to earlier is for the right of Canada to determine its own economic and cultural policies. If the bill becomes law, those whose interests may be threatened will examine every bill passed by the House. They will see that laws can be changed to suit their needs and that as long as the compliant majority government sits in the benches opposite, no law, no bill, no act or motion need pass without their veto.

In the years since the transformation of the GATT into the WTO and the FTA into NAFTA we have seen numerous violations of those agreements by the Americans. Whether it be softwood lumber, salmon and now magazines, there is a consistency to those disputes that bears mentioning. Every one was won by the Americans. Some they lost on paper, as international tribunals and other august bodies passed judgment in our favour, but when it came down to it the logic of the mouse and the elephant came into play.

The elephant knows that it can win every time. It only needs to move a bit to make us do what it wants. The elephant really has moved with the bill. The Americans have pushed the government into doing exactly what it promised would never happen by allowing new split-run magazines to be introduced with watered down requirements for Canadian content and a built-in flexibility that is bound to see the percentage of allowable Canadian advertising in split runs increase year after year after year.

The Minister of Canadian Heritage promised that whatever changes were made the spirit of the legislation would remain unchanged. She was either misled or misleading.

The original Bill C-55 presented to the House contained solid planks upon which to build a defence of the Canadian magazine industry. One by one those planks were removed under American pressure until eventually nothing was left.

The minister asked for credit because the trade dispute with the United States was avoided. How much credit should we give

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someone whose actions will damage Canadians in much the same way as a trade war while denying us the right to retaliate in kind?

I was elected to protect jobs in my riding. One of the few sectors of the Cape Breton economy that is booming is our cultural sector. It makes me angry when I look through the provisions and implications of the legislation and realize that government funding for local magazines, concerts, festivals and recordings could be threatened. The government may be so enamoured of American culture that it is happy to watch it engulf our own.

I believe that there is much worth fighting for in this country, not the least of which is our culture.

• (1235)

Once again Canadian advertisers are not at fault. They are simply trying to get by, but the failure of the government to resist the bill means that in due course there will be no Canadian magazines left to protect.

The minister's discourses on percentages and phase-in periods will amount to nothing more than sound bites to be excerpted in the latest edition of *Time*, the Canadian edition with George Bush Jr. on the cover, with stories about storms in Kansas and fires in California and advertisers from The Bay, Canadian Tire and CIBC on the inside. O Canada.

Mr. Howard Hilstrom (Selkirk—Interlake, Ref.): Mr. Speaker, I am pleased to debate Bill C-55 and the amendments that have come along with it. I would like to share my time with the hon. member for Medicine Hat.

What is Bill C-55 really about? We have heard all kinds of comments involving culture, which seems to be the primary issue involved. I am being told from individuals in my riding and from my own heart, soul and mind that the bill is about big money and big government trying to impose its version of culture on Canadians. Those are the two issues the bill is all about.

I refer to the the order paper of June 8. The Senate is sending a message to the House of Commons on an act respecting advertising services supplied by foreign periodical publishers. It is very clear that it is not about culture. It is about money.

I refer to quote from a Canadian publisher that will benefit from the money aspect of Bill C-55. It is by a gentleman by the name of Jean Paré, publisher of *L'actualité*. He says that Bill C-55 is a fold, a capitulation. He says that the government is giving our lunch to the Americans, lunch meaning money, and is proposing to give us welfare. Canadians will be providing more money. Rarely do we see any talk about culture until we get into the House.

Maude Barlow is chairwoman of the nationalist Council of Canadians. That is almost a misnomer. The material I have seen coming from Maude Barlow literally makes me sick to my

stomach. She does not represent a majority of Canadians by any means. She represents a small minority of people who end up in the NDP camp. That should be made very clear.

She says that this is total capitulation by the government and a farce. Our NDP critic says we are now in danger of not only losing our magazine industry but our national soul as well. That gigantic emphasis of an issue is not even factual.

• (1240)

Had Bill C-55 had not been brought to the House, could anyone say that Canadian culture would have suddenly stopped and we would no longer make progress in developing our culture as individual Canadians? It would have continued with much less waste of money and time than we have spent in the House on the bill. It has cost us gigantic sums in our relationships with the Americans. We may not be able to put an exact dollar figure to it, but why would we as a country want to literally antagonize our best friends in the whole world?

I have personal dislike for the supposed nationalists of the House and of the country slamming Americans. That is exactly what is being done in the House today. My grandfather came to the country in 1902 from Iowa. His family was in that neck of the woods. Whether or not anyone likes it, we in Canada are Americans. We are on the North American continent. We are in a relationship with people and together we comprise the North American continent. When I hear people speak against Americans and refer to the United States, in essence they are talking against ourselves.

Let us talk about the fact that our heritage minister has personalized the debate to make it evident to everybody in the country what the bill is about. I have listened to her many times in question period and in her speeches in the House going on and on about what would happen if the bill did not go through and we do not protect culture. She wants to force the culture she believes is Canadian down the throats of every Canadian. I do not believe she has a full idea of what Canadian culture is, but she certainly wants to force her version and the Liberal government's version of culture down our throats.

She refers to her daughter and providing culture for her daughter and for my daughters and those of everyone else by extension. The government's and the minister's version of culture literally makes my stomach turn. I will tell the House why. The minister and the government have put large sums of money into their version of culture, which includes among other things pornographic movies such as *Bubbles Galore*. She has put gigantic sums into Canadian culture as she perceives it in a dumb blonde joke book.

The National Film Board, which is funded by taxpayers, is producing movies that degrade, demonize and make our military into something that it was not. Our military was recognized worldwide for the great job it did in World War II. The veterans of the country said that our culture was not expressed in the glory and

valour type movie put out by the film board. That is not what they went to Europe to fight for. They fought for the right to be free and to develop the Canadian culture which flows naturally out of the interaction of humans and is not forced.

• (1245)

What is happening is that Bill C-55 is an attack on freedom of speech. I have already mentioned the negative impact it has had on trade and will have in the future. I mentioned that it is force-feeding a culture that is in essence not real. It is an artificial concept of what the government believes.

I wonder how independent this great magazine industry can be when it is going to be subsidized to the tune of millions of dollars, probably per annum, which will not take too many years before it will be in the billions, in order to help it to compete with the rest of the world?

Once anyone receives money from the government, the government calls the shots. Believe me when I say that the magazine industry is going to have to pay attention when the Prime Minister calls up and says that the government would like to slam the NDP or the Reform a little bit more, or wants an article massaged to make the government look good. I wonder if that does not have a real negative impact on Canadian culture and on the country.

We saw what was done with the Canadian Broadcasting Corporation. If we look at its reports, its media analysis and the way it portrays this country and the various political parties, it might as well have been written by the Prime Minister's office. The Prime Minister appoints all of the directors and the chief executive officers of the CBC.

We see a loss of this ability to be independent. It is a big negative on the country to have that happen. The CBC is a good example of what the magazine industry will be coming up to. The industry will lose its independence. I do not know whether it feels it is independent now, but it will certainly become a lot less independent.

I just want to deal with the issue of culture. Canada's landmass has existed for billions of years. The best historical evidence available is that about 11,000 years ago the aboriginal people came to this country. Even without government subsidies, they somehow managed to establish a culture and have kept it going to this very day.

I look at my riding. The Icelandic people came to this country and established a tremendous culture. They have written tremendous books and magazines and have done tremendous paintings without any government subsidy. They have not been told by government that their culture is not what they think it is, that it is

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going to buy their culture and force-feed it to them and then they will end up being Canadian.

My final comment is that we Canadians will develop our culture. We will do a lot better developing it without the federal government telling us what it will be and how we are going to do it.

Mr. Julian Reed (Parliamentary Secretary to Minister of Foreign Affairs, Lib.): Mr. Speaker, I would just like to ask the hon. member how he can have it both ways? How can he first talk so easily about the freedom in this country and then pass an opinion about the content of certain cultural entities? I do not understand it. Is this freedom according to the Reform Party or the Reform Party's interpretation of freedom? Whose freedom is it? It seems to me it is either freedom or it is not freedom. We cannot qualify freedom. This debate has been going on for many years in this country. In the 1970s, the province of Ontario had censorship of films. That was done away with in favour of classification as society grew more mature and in the name of freedom of expression.

• (1250)

I ask the hon. member to search his conscience and determine in his own mind what kind of freedom he is talking about. Is it his brand of freedom, his interpretation of freedom, or is it freedom?

Mr. Howard Hilstrom: Mr. Speaker, the freedom that we are talking about here is the freedom to be free of government propaganda. It is the freedom to develop a culture that flows naturally from our youth and from people living in the countryside today.

Out west we spend a lot of time outdoors. Quite often, in order to protect ourselves from the sun, we wear a big hat called a Stetson. That is a kind of culture thing of the west.

If we take this to the logical conclusion, where Bill C-55 is saying that we have to protect culture, the Liberals are protecting what they think is a small little piece of culture like this in the magazine industry. However, culture is much bigger than that. By logical extension from Bill C-55, Canadians should be told by the government that, for instance, since Montreal people like to wear berets all Canadians should wear berets because that is Canadian.

I have a couple of real good quarter horses that I use for sorting cattle and working my ranch. We now have the government and the Bloc on the other side trying to tell me that the Canadian horse is some horse that is raised down here in Ontario and Quebec. Well that cultural horse is not the kind of horse we use out west. Here again is big government imposing its vision of culture on us. We want the freedom to develop it ourselves without all the propaganda that flows when the government puts money into magazines and tells the magazine industry what it should do.

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I want to be free from the excessive taxation. The government puts billions of dollars into the magazine industry in order to protect it so that the magazine industry can somehow put out cultural articles so Canadians will know about each other. Why should I as a taxpayer have to pay these magazine publishers to put out a magazine? That is what we will be doing if we subsidize them through Bill C-55.

The government is talking about tax breaks. Every tax break to an industry means those are taxes that I, as a businessman without any subsidy like that, will have to kick in out of my own pocket.

I think those are the freedoms that we are talking about: freedom from big government and freedom from the Liberal government especially.

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, I want to congratulate my colleague from Selkirk—Interlake for an excellent speech. He told people how it is. I just want to follow up on what my friend said, because I think he was going down absolutely the right track.

I think Canadians used to have a lot of respect for the term liberalism in the classical sense at one point. One hundred years ago we had some respect for that. Do hon. members know what it stood for? It stood for limited government, one of the greatest human achievements of all time. It stood for free trade.

In fact, at the turn of the last century we know that the Prime Minister's own hero, Wilfrid Laurier, was pushing free trade. He was a free trade advocate. He believed in that because he was a liberal in the classical sense. They believed in personal freedom. That is what classical liberalism was.

I would argue that the Liberals across the way are so far from that today that they desecrate the memory of that type of liberalism. This government seems to believe that culture is what it chooses it to be, even though, as my friend pointed out, everybody has a different view of what culture is.

• (1255)

As I pointed out to my Conservative colleague down the road, if there are 30 million different views of what constitutes culture and Canadian identity, then who ends up choosing? Should it be each individual for himself or herself? I think it should be. That makes sense to me. Should it be bureaucrats who impose their values and vision on the rest of us and do it with our tax money? They take the money out of our pockets for what they believe is culture and we have to pay for it. We then have spectacles like *Bubbles Galore* being produced, a lesbian porno film that the rest of us have to pay for. That is absolutely ridiculous.

I cannot believe my friend over there is laughing and thinks it is funny. I think it is absolutely ridiculous that the Liberals would defend that so-called vision of culture.

I would argue that this party has changed to the point where it cannot be recognized anymore. The classical Liberals of 100 years ago are spinning in their graves when they consider how interventionist this government has become.

I simply want to point out that in the period when we had real classical liberalism throughout the world in the 17th, 18th and 19th centuries, we saw an unprecedented advancement in human happiness when governments were limited. For millennia, we had toiled under governments that imposed their own will upon the people and taxed them as they saw fit. There was no freedom.

We then saw an outbreak of freedom, going back into the 17th century. It grew and grew through the 18th and 19th centuries. We saw tremendous advancements in human happiness. We saw people become wealthier. We saw standards of living go up. We saw people become healthier. We saw people live to a much older age because there was more food and health care.

Then, in the 20th century somehow we lost sight of what it was that had happened and what the root was of all this prosperity. We started to build up these big governments again. I would argue that the bloodiest of all centuries has been the 20th century precisely because we somehow forgot the lessons of those previous centuries and started to embrace big government. We had huge government, Utopian-type governments. We had national socialism in Germany and we had communism in the Soviet Union. It was bloody and it was hell on earth for many people.

I am not suggesting this government is like that, not at all. I am suggesting that it forgets what it is that gave us all that prosperity and that today it is still the root of the prosperity, to the degree that this government allows it to show its face. I am talking about those principles I talked about before: limited government, free trade, personal freedom. Those are great things but we cannot simply say that we want to have personal freedom on Monday, but that on Tuesday, when we are dealing with culture, that we do not really want to have that because we have a better idea of what constitutes culture. I reject that.

I say that the Liberals do not have a better idea. I say that each individual has to make that decision. That is why I reject Bill C-55 on principled ground. It is a violation of the freedom of speech. It is a violation of our right to trade freely and exchange goods and services on a voluntary basis. It is ridiculous that we have the nanny state intervening and telling us what we can watch when we have to pay for it. I think it is absolutely crazy, but that is what the government defends every day.

When the government does this, I believe it desecrates the memory of classical liberalism and what it used to mean to be a real liberal in that classical sense.

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I want to talk a little about some of the specifics of this legislation. I want to argue, just on a pragmatic basis, that to enter into this legislation was perhaps one of the most ridiculous, stupid political moves I have ever seen in my life. We live in a country that is very dependent on free trade, especially with the Americans, with whom our trade is worth over \$1 billion every day.

• (1300)

What do we do? We basically poke them in the eye with a sharp stick and say that we want to defend this undefined nebulous concept called culture which means something completely different to everyone else. In doing that we are going to jeopardize this trade that we do every day and the millions upon millions of jobs that go with it.

Did the government for a moment consider that? Apparently not. It wandered into this and suggested that this nebulous concept of culture is more important than food on the table and jobs for many people. Of course, the Americans were not blind to this. They said that they would retaliate in areas like steel and plastics. Interestingly, steel is the industry we see very much of in the heritage minister's riding. As a result of that the government started to back away when it saw that the Americans were fighting hard.

I do not believe that this is an issue of backing away from the Americans. To the contrary, I believe what this issue is ultimately about is the belief that Canada can compete without protection in any field. We do not need the nanny state telling us what to do and protecting us. We can compete because we are as good as or better than the Americans and everyone else. Our people are just as competent. No, they are more competent. I believe that. I am sad that this Liberal government does not believe it.

I am sad that the Liberals do not respect their heritage, from where they came 100 years ago when they used to believe in those sorts of things. They have given that up. They have bought into this inferiority complex that has become a national joke. I think it is sick. I am embarrassed that the Liberals sit across the way and laugh about this. They smirk. I think it is absolutely ridiculous. They should be embarrassed.

We are approaching Canada Day. Some day I would like to see a Canada Day when we do not have to have all these regulations, barriers and so-called protections for the government's narrow little definition of culture. We are grown up enough to stand on our own two feet.

I am ashamed that this government would do this. I just wish we had enough people on this side to stop this ridiculous legislation.

Mr. Mauril Bélanger (Parliamentary Secretary to Minister of Canadian Heritage, Lib.): Mr. Speaker, I want to comment on some of the comments we heard from some of the Reform members this morning.

The member for Peace River said earlier when he was criticizing the legislation before us that it was creating barriers to the American publications. I want to make sure that the people listening to this debate know that that is totally inaccurate.

The Canadian magazine market is totally accessible to all foreign publications. Anyone can go into any magazine shop in any city or town in the country and buy just about any magazine published in the United States principally, because we happen to receive about 80% to 90% of the export of American magazines in Canada.

For the member to argue that we are creating barriers is tantamount to misleading the House. I want people who are listening to be aware of that.

The member for Peace River said that the foreign publishers would be eligible for subsidies should we provide subsidies to our Canadian publishers. Under the WTO arrangements and under our national treaties, agreements of this kind have never required national treatment under subsidy programs. To make that affirmation that should we desire to help our magazine industry in Canada we would have to extend the same to the American publishers is inaccurate. I wonder on what basis the member made such a suggestion.

Then the member for Selkirk—Interlake talked about how terrible it was that the government would personalize this debate, and that the Minister of Canadian Heritage would infer that she wanted her daughter to have access to stories from Canadians about Canadians in Canadian magazines. That came from a member who just prior to that had made extremely disparaging remarks about someone else, about Maude Barlow. We may or may not agree with the views of Maude Barlow but to say comments like “whatever comes from Maude Barlow turns my stomach” and then say the government is personalizing a debate is uncalled for.

• (1305)

The member for Selkirk—Interlake made a comment which I think a lot of people are going to find rather strange. He said that chastizing the NDP for attacking the Americans does not matter because “we are all Americans”. I have news for him. I am not an American. I am a proud Canadian and I sure as hell want to keep it that way.

The latest intervention was from the member for Medicine Hat, the theory of social evolution à la Monte. I am starting to understand where the Reformers are coming from.

Mr. Speaker, I thought this was questions and comments.

The Deputy Speaker: The parliamentary secretary is right. It is questions and comments but he has taken almost four minutes of

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the five that are available. The member for Medicine Hat does have the right of reply.

Mr. Mauril Bélanger: Mr. Speaker, I was wondering if in the member's comment that all things bad come from government, he has in his social theory the notion of wealth sharing for the common good, and is he prepared to abandon that? Is he showing the true colours of the Reform Party? Industries and common good do at times have precedence and do count for something in this country but the member obviously does not care about that.

Mr. Monte Solberg: Mr. Speaker, I want to address some of the issues my colleague has raised.

He suggested that there are no barriers being created to American magazines. Of course that is completely untrue. The fact is that if American magazines want to come here and pursue advertisers, then they have to follow certain Canadian rules. Those are barriers. It does not mean they have unfettered access to come in here. They have to follow the government's regulations. Again they want to micromanage the industry and in doing that they deny Canadian advertisers the ability to advertise with whomever they want without facing a penalty.

The member mentioned the WTO and whether or not we would have to give national treatment to foreign magazines coming into Canada. There is a long established principle of reciprocity under free trade agreements. It is not beyond the pale that this would be the case. The Americans would pursue this under the WTO and ask for reciprocity and the same sort of dealing for their publications as are given to Canadian publications. I think the member is talking through his hat.

My friend across the way said that the member for Selkirk—Interlake said that we were Americans. He was talking about all of us being from the Americas, North Americans. Although my friend is trying to push the anti-American hot button, it is not going to work.

I simply want to make the case that I argued for limited government, something the member's party believed in some time ago when Canada was a country that was growing and was a lot more prosperous than it is today. The member should be ashamed that he abandoned that.

Mr. Gordon Earle (Halifax West, NDP): Mr. Speaker, I am pleased to make a few comments concerning Bill C-55. This is a very important issue for all of us. What we are debating embodies some very important principles.

The House of Commons, with the support of the NDP caucus, passed the Canadian version of Bill C-55. I say Canadian version because we know that what we are looking at now has a slightly different approach to it. When we passed this bill a few months

back we gave our support because of the protection this bill offered to Canadian magazines from new split-run editions of American magazines. That was the reason for our lukewarm support. We had a lot of concerns about this bill but we did stick with the government and we did support the bill.

At that time we expressed frustration because the bill seemed to be the subject of bargaining behind closed doors with the Americans. This concerned us greatly. The minister gave us her assurance that the spirit of Bill C-55 would be respected in any deal that was worked out. How wrong we were to have believed that.

● (1310)

Let us look for a moment at the contents of what we call the Canadian bill. What did it provide?

Bill C-55 would make it an offence for a publisher to provide advertising services aimed at the Canadian market to be placed in foreign periodical publications, except for those currently receiving Canadian advertising. They could continue at the current level of Canadian advertising under the grandparenting provision.

An offence was enforceable by a Canadian court in any Canadian jurisdiction chosen by the crown after an investigation ordered by the minister using powers of investigation borrowed from the Criminal Code. The penalties ranged from a maximum of \$20,000 for an individual first offence on a summary conviction to \$250,000 for a corporate offender on indictment. There were also provisions for jail terms.

Offences that took place outside Canada by foreign individuals or corporations were deemed to have taken place in Canada for the purpose of enforcement of this act. The government could collect unpaid fines levied upon conviction in the same manner as a civil judgment.

There were a lot of things in this bill that perhaps merited some consideration. But what happened to this bill? The Americans became concerned and they threatened a trade war. Canadian trade experts both inside and outside government stated repeatedly that the Canadian version of Bill C-55 was WTO proof and that the cultural exclusion in NAFTA would also protect Canada in any trade war. Yet after months of behind closed door negotiations the Prime Minister directly intervened and Canada gave in. We surrendered. We caved in.

An hon. member mentioned earlier that we are all Americans, but we know full well that there is quite a difference between Canadian culture and American culture. Even though we all are part of the North American continent, there is quite a difference in approach and in cultural identity and so forth between our two countries.

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Quite often we see that Canada gives in to the Americans. We give in on matters that involve our environment. We allow substances to be put into our environment because the Americans will sue us if we do not allow those substances to be used. We give in to big brother so to speak.

The heritage minister had the Senate introduce amendments which we now see in this bill in order to implement our capitulation to the Americans. After using time allocation in the Senate, the Senate passed the bill and it is before the House today.

What exactly did Canada give away? Let us look at the definitions of Canadian content, editorial content or non-advertising. It is considered Canadian as long as it is original to the magazine and aimed exclusively at a Canadian market; not if it was written by a Canadian, but as long as it is original and aimed at the Canadian market.

The precedent is now set for the Americans to challenge the definitions of Canadian content under the WTO and NAFTA. This could have a profound impact on our protections in broadcasting, book publishing, films and even our protections in all cultural institutions.

An hon. member from the Reform Party made some reference to the NDP critic's description of culture and the use of the term soul. I am proud that we in the NDP are concerned with issues that relate to the soul. We are concerned about things that are meaningful to us. We go beyond the dollar and cents value that quite often is placed upon things by so many others. Quite often that dominates and determines what the end policy is going to be, rather than the heart and soul having some role to play in terms of our Canadian culture.

With respect to control of our own market, the original Bill C-55 made it illegal for the new split-run magazines to accept Canadian advertising. Under the American deal we will allow new split runs to be created to invade our market with up to 18% Canadian advertising phased in over three years. Canadian advertisers can now write off on their taxes a portion of their ad expenses spent on Canadian magazines. In a sense the government is making the taxpayers subsidize the American industry.

• (1315)

The original bill grandfathered existing split runs such as *Reader's Digest*, *Time*, *Sports Illustrated* and so forth, but the new bill allows for new split runs and that is the real threat to our magazine industry.

I could go on at some length about some of the problems with this deal, but it is a cave-in by the Canadian government. Often the Liberal government caves in, sells out and gives up on the basic values that are important to us.

I could go through a number of examples of how this happens. I look, for example, at the need for a national shipbuilding policy. Again this is an issue on which the government has caved in. It is afraid to face up to the fact that we need a national shipbuilding policy to enable many skilled people who are looking for work in this area to pursue that work in a meaningful way.

The government constantly says that it has a policy. It gives one or two examples of a few concessions here or there but nothing that sets any sense of direction for a national shipbuilding policy.

Let us look at the most recent issue of the treatment of merchant mariners. These honourable veterans served their country well. Yet after the war they ended up being mistreated. They were not given the opportunities that were given to the regular military. These men have been fighting for years to be recognized as having contributed in a meaningful way to the protection and well-being of their country.

We get to a point where finally some recognition is given through legislation. However they are saying they want some compensation for lost opportunities. They want the government to show in a symbolic way that it understands what they went through and what they suffered, not at the hands of the enemy so much but at the hands of their own government.

The government had the opportunity to correct the situation. An all party committee listened to witnesses from across the country who felt that these men should be adequately rewarded. What did the government do when there was the opportunity to correct the situation? Again it looked at the bottom line of the dollar figure and caved in.

We receive letters from many constituents on this matter. One letter was from a navy veteran in the province of New Brunswick and concerned the article in the *Times* transcript today. He did not agree with the chairman of the committee that most veterans did not think they should get the \$20,000 payment. He did not know to whom the chairman had been talking but he knew the way veterans felt about it and that they did not feel that way. He wanted something to be done to ensure that the actual feelings of the veterans were heard. We feel that these merchant mariners should get this compensation.

Other veterans are speaking out on behalf of merchant mariners. People from all across the country are speaking out. Yet the government caves in.

Then we have the issue concerning the military ombudsman. Well over a year ago the government put in place a system designed to facilitate men and women in the armed forces in obtaining an independent means of redress of their concerns. Even then the government did not make it truly independent. Rather than the

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ombudsman being accountable to parliament, he ends up being accountable to the Minister of National Defence.

We thought we should give it a try and see how it would work. Well after a year the military ombudsman is sitting powerless. He produced a report which he called *The Way Forward*. He sent it on to the minister for a response. That report has been sitting on the minister's desk for over 150 days. The minister is sitting silent. He has caved in again, perhaps to the top military brass. We do not know. With hundreds of complaints waiting and thousands expected, the minister has not yet responded to the military ombudsman's report to enable him to begin his work.

There is clearly a need for the government to look seriously at accountability and fairness and how these concepts can be enhanced through an ombudsman concept for the military and perhaps even for the federal government as a whole.

Again it is an example of caving in, an example of looking at the dollars and not giving any consideration to the other principles involved in trying to help people resolve their problems.

• (1320)

Then again we look at employment insurance and the employment insurance grab that took place, another example of grabbing the dollars and forgetting about the unemployed men and women out there who could benefit from those funds in a meaningful way.

Recently with Bill C-78, the pension surplus grab, the pension funds of the Canadian military, the RCMP and public servants were being grabbed for the government's coffers without any consideration of how best to improve the benefits being received by survivors and contributors to the pension funds. Again it is a cave-in by the government. We could also look at pay equity, another big example of a cave-in by the government.

I return to one example that is very dear to my heart and very important to me. I am referring to a small community in my riding that is without a good, clean, healthy, drinking water supply. One might ask in this day and age how it could be possible that a community is drawing water from wells that is not suitable for drinking and not suitable for washing clothes. There are young children and older people in that community. These people are living next to the main water supply for the city of Halifax. It passes them by. It is unbelievable in this day and age.

We have been struggling to get funds to enable the project to move ahead to get these people hooked up to the central water system. We are only asking for a small contribution from the federal government for that project, a contribution which could have well been handled under the Canada infrastructure works program. Because of a slight mix-up the project did not get in under that program. Even money that had been committed by the federal

government has been taken off the books. We are struggling to get some money to assist with the project.

Where are the government's priorities? Cave-in, cave-in, cave-in. That is what is happening with Bill C-55. The changes that have been made to the bill are a cave-in by the government. It is an attempt to try to avoid protecting Canadian culture. If we are to be seen as truly proud Canadians, at some point we must stand up and be counted.

I spoke to an hon. member from the government side who said to me just yesterday that it was awful to have to do something one does not want to do. I asked him if he was referring to the merchant marines and he said that was right. I told him that I thought it was time he stood and was counted and that he did not have to do something he did not want to do.

When I was campaigning I said very clearly to my constituents that I did not want politics to change me. If it ever get to a point where I will not stand up for what I believe to be right and make a decision based upon my conscience and upon what I know to be right, I will be ineffective in politics and it is the time for me to get out.

Whenever we are considering changes to legislation hon. members should remember that we have to stand and be counted. We have to base our stand upon the principles we believe in as individuals. We have to be true to ourselves if we are to be true at all in forming legislation that will be meaningful.

With those remarks I would say the amendments and changes to the bill do nothing to enhance Canadian culture. They do nothing to secure or protect our magazine industry. I urge all hon. members to consider this point, to reject what we call the American deal, and to promote a truly positive deal for Canadians.

Ms. Judy Wasylycia-Leis (Winnipeg North Centre, NDP): Mr. Speaker, I am also pleased to have an opportunity to participate in this important debate on Bill C-55.

To follow the words of many of my colleagues in the New Democratic Party, I remain firmly committed to our objective of preserving and enhancing Canadian culture and see the bill as exactly opposite, an anathema to that objective.

As my colleagues have done, I would also like to acknowledge the work of the hon. member for Dartmouth who has been so vigilant on the issue from the beginning. She brought her personal involvement in the cultural artistic fabric of the nation to the process and the bill, which gives them real meaning and definition. I congratulate her for leading our caucus in preserving a sense of meaning around the debate and doing everything possible to persuade the Liberal government that what it is doing is wrong when it comes to preserving Canadian culture.

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• (1325)

I bring us back to what it means when we talk about culture. What does Canadian culture mean? Many others have done the same in this debate. They have tried to talk about how culture is the spirit of a nation. Many others have talked about culture being the mirror which reflects the lives, the history and identities of Canadians.

It is a celebration of everything that is unique, special and important about a nation. It gives expression to our struggles, our history, our values, our beliefs, our troubles and our moments of ecstasy and joy in the development of a nation.

Many have written on this subject. Many have tried to find the words that will impress upon governments everywhere the importance of acknowledging what culture is and how important cultural policy is in the pursuit of adhering to the true definition of culture.

I refer to a couple of writers who have tried to express what we are talking about. I am drawing on a document produced about a year ago by the Canadian Conference of the Arts called the "Final Report of the Working Group on Cultural Policy for the 21st Century". I will refer to this document on several occasions throughout my speech because it encompasses much of what we are all about today, why the bill is so important, and why we are so concerned about the direction the government is taking us.

That report uses quotes from a well known author, essayist and novelist, Hugh MacLennan, who said in 1978:

We know intuitively that we will become great only when we translate our force and knowledge into spiritual and artistic terms. Then, and only then, will it matter to mankind whether Canada has existed or not.

That is the essence of what we are talking about today. We are talking about the means by which we can translate our past, our present, our hopes and our aspirations into spiritual and artistic terms. Others from all walks of life have tried to express these thoughts as well.

I also want to put on record the quote of a Vancouver businessman, David Lemon, who said in 1993:

The arts are intrinsic to a sense of nation. They are intrinsic to the cultivation of a shared identity. They are intrinsic to a prosperous economy.

This is something that has been overlooked in the debate. We talk about the importance of culture as an expression of our inner most feelings and of our history as a nation. We talk about how it is a mirror and how it gives us some identity, but we sometimes overlook the value of arts and cultural activities in terms of the economy. Certainly it is a message I would hope Reform members

are listening to and trying to understand in order to rethink their policies when it comes to culture. We are not short of studies which show that this whole area of the arts and cultural industries is probably one of the most labour intensive aspects of our economy and one of the greatest contributors to our prosperity as a nation.

• (1330)

Mr. John Solomon: It is one of the top five.

Ms. Judy Wasylycia-Leis: My colleague from Regina—Lumsden—Lake Centre has reminded me that culture and the arts are ranked among the top five contributors to the economic life of this country. There are many spinoff benefits. There is an incredible economic value to this whole sector which we cannot ignore.

If we put together our intrinsic belief in upholding and preserving the culture of the nation with the economic benefit, surely we have a formula that is beyond reproach in terms of support and significance in terms of government action, legislation and policy.

That obviously leads to a strong cultural policy. It is important to note that this country does not have a national cultural policy. For at least 10 years groups like the Canadian Conference of the Arts and many others across this country have been clamouring at the doorsteps of the government for a national cultural policy.

To this day, June 10, 1999, we do not have a national cultural policy. We have seen study after study after study, but no action. Another subcommittee of the heritage committee has just completed another cross-country tour trying to find out what Canadians think about cultural policy. It heard the same message again and again. Yes, we need a cultural policy to give meaning to what it is that we want to preserve as Canadian culture.

Given the fact that we are dealing with Bill C-55, I am beginning to understand why we may not have a national cultural policy. I am beginning to understand that it may have been a lot more difficult for the government to bring in this regressive American legislation on the magazine industry of this country if it had in place a national cultural policy.

I will quote again from the policy paper of the Canadian Conference of the Arts, which was released in June 1998, just one year ago. It makes a very important point. It asks the question:

Why do governments exist? What is the purpose that sustains them and gives them the moral and political grounding necessary to continue to function? The essence of the answer is sovereignty—the right of a nation to take charge of its own destiny and chart its own course through history.

According to the conference, sovereignty has three key components. The first is political sovereignty, a great deal of which we have given up in the course of the last couple of years in terms of

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how this place functions, how many times the government has brought in closure, how many times it has bypassed parliament, how many times it has said one thing and done another, and the list goes on.

According to the Canadian Conference of the Arts, another key component is economic sovereignty. We do not have to look too far to appreciate just how much we have sold off as a nation, how much we have given away, how much we have thrown to the wind in the interests of the globalized economy, in the interests of large multinational corporations which would like to have access to a completely unfettered marketplace without any barriers in their way, including such things as a national health care plan, which we used to have in this country, including such things as a universal pension plan, reasonable unemployment insurance, and I could go on to mention any number of areas.

There is a third key component of what it means to truly have what we all want and that is cultural sovereignty. The definition applied to that is:

The affirmation of the right of sovereign nations to foster and promote the creation, production, distribution and preservation of the works of the imagination in their many forms, or artifacts and objects of importance to the collective history of the citizenry of the nation state, through direct governmental measures.

• (1335)

I could add, through a proactive government, through a government that has the wherewithal and the political will to ensure that cultural sovereignty is preserved and is a reality.

The Canadian Conference of the Arts provides some very good words around just how important that is. It says in its report at page 8:

Cultural expression reflecting the common and diverse experiences, observations and aspirations of the citizens of a nation state is central to the creation and maintenance of a shared sense of identity and the promotion of understanding among diverse elements resident within the same political boundaries. Cultural expression builds a sense of common purpose and tolerance, and a respect for the differences inherent in peoples who have brought to the nation a wide array of distinctive traditions, values, and perceptions. Cultural expression fosters and expands the fundamental cohesive elements within a state.

I think that just about says it all in terms of why we on this side of the House are so concerned about the preservation and enhancement of Canadian culture and why we are so opposed to Bill C-55. We had an opportunity to use the tools of government to ensure that we create that sense of identity, that sense of tolerance, that expression of appreciation for all the diversity that makes up this nation and we blew it. In that typical scenario of the mouse beside the elephant we allowed ourselves to be squashed. Maybe it is more like the flea on the mouse sitting by the elephant. We allowed ourselves to be squashed, to be stamped out. We could have stood up to our American neighbours to the south.

I want to take us back a few years to 1986, 1987 and 1988. At that time I happened to be the minister of culture and heritage for

the province of Manitoba. I, along with my colleagues in the provincial government of Manitoba, as well as many colleagues from different parts of the country, worked day in and day out to express our concerns about the proposed free trade agreement. We identified at that point that the free trade agreement would be dangerous, would be a barrier, would be devastating in our pursuit of the preservation of Canadian culture.

I hope Conservative members are listening. We were told at that time by the Brian Mulroney government of the day not to worry, there was an exemption for culture. We were told that we would never lose anything by way of cultural artistic expression in this country because there was a strong exemption which would prevent any kind of erosion as a result of American actions.

This government had a chance to test the cultural exemption in the free trade agreement and the NAFTA. It could have tested that exemption to stand firm on its earlier commitments and to show clearly that it was prepared to do everything possible to preserve Canadian culture. It caved in.

There was an indication from the WTO that Canada had a strong case. There was certainly all kinds of support from the cultural community in Canada. There were all kinds of legal arguments. There was all kinds of advice. There was all kinds of solid evidence to suggest that the government use that supposed, absolutely rock solid provision which would preserve Canadian identity, that exemption for cultural affairs in this country, and the government chose not to.

• (1340)

The result, as my colleague from Dartmouth said, is a sellout to the Americans. There is no question that Bill C-55, as amended by the Senate, according to the wishes of the Americans, particularly the giant media magazine corporations in the United States, is a sellout. Others have used the term cave in, but it is the same thing because we did have a choice.

In making the deal on magazines this government has shown that it is willing to sacrifice Canadian cultural policy without a fight. When the Americans come back with more threats against other cultural initiatives, whether it is Canadian content, ownership of our broadcasting industries, subsidizing the CBC or even our support for artists through the Canada Council, the precedent is set for us to cave in.

Instead of taking this opportunity, using that supposed wonderful exemption, fighting for and setting a precedent for all aspects of Canadian culture, the arts and creative enterprise, this government chose to cave in, just like we saw it do on the MMT issue. It could have stood and fought. It could have shown leadership and used the provisions that were available to make the case, but because it was threatened, because it was intimidated, because there was a question of retaliation, a question of suits, a question of financial

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compensation, the government chose to cave in before it had even fought the battle. The precedent is set.

Do members opposite not understand why we are so concerned about this bill? Do they not see where it might lead us? Do they not understand how dangerous this can be for the future?

It does not matter whether we are talking about culture, water or pharmaceuticals. Let us not forget what this government did when it caved in on pharmaceuticals. Liberals stood in the House before they formed the government in 1993 and said that Brian Mulroney was wrong to bring in Bill C-91, which extended patent protection to the pharmaceutical giants, because it would give profits to those big corporations and hurt the poor and the sick in this country. What did it do? It caved in to the giant pharmaceuticals.

Today this government is caving in to the giant American based magazine industry, and we will all pay the price. It is not too late for the government to reconsider, to understand that it is important to stand for Canadian culture. What we are talking about is our very identity, our very traditions around tolerance and acceptance of diversity and appreciation for struggling together for the common collective good.

I urge the government to reconsider. I urge it to stand for Canadian culture.

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.): Mr. Speaker, I was not intending to speak to this bill, but in listening to the NDP, the Liberals and the Tories talk about a national cultural policy, it just sounds like something I would hear from some socialist communist regime.

Canadians do not want government telling them what our culture is or government shaping and moulding it. Government will promote and foster what it values and it will unlikely reflect the values and culture of its people.

In my own view I see this as just a means of social engineering society. When I hear words like tolerance and values, I believe they are code words for "see things the way I see them or you are wrong in your views". I am very apprehensive about government trying to shape and mould culture. That smacks of a government which thinks it knows more than the ordinary people. It is telling us what to think, filtering what we will hear and telling us what we are going to say. Generally this is a huge waste of money.

• (1345)

How would a cultural policy reflect the views of Canadians when the government that would implement it was elected by 38% of the vote? The hon. member talks about how dangerous it is to not

bring in some strong bill like this. I think it is much more dangerous to get government into moulding culture.

Ms. Judy Wasylycia-Leis: Mr. Speaker, the Reform member in making those kinds of comments is insulting just about every individual and every organization that has played a part in contributing to the quality of life in Canada.

The words I used to define culture come directly from the working group of the Canadian Conference of the Arts and its report on cultural policy for the 21st century. Those organizations together said that Canadian culture is about the expression of our common and diverse experiences, observations and aspirations. It is about building a sense of common purpose, tolerance and respect for the differences among people.

Is the member from the Reform Party suggesting that is not a noble goal? Are we not all here trying to ensure that we are tolerant and respectful of one another and trying to build a sense of common purpose, trying to ensure that public good takes precedence over selfish greed? Is that not what we are all about? Is that not what culture is all about?

The Reform member can insult me all he wants. But what he has just done is insulted the Confederation Centre of the Arts, the Canadian Museums Association, the Canadian Book Publishers Council, the Specialty and Premium TV Association, Simon Fraser University, the Pacific Music Association, the Office for Cultural Affairs in the city of Vancouver and on and on. Every organization involved in this field has been absolutely committed to do the opposite of what the Reform Party is suggesting.

As my colleague from Saskatchewan has just said to me, maybe that is why the Reform Party is at 9% or 10% in the polls. The most important thing for us today is to get beyond where Reform is coming from.

I will quote once more from the Canadian Conference of the Arts paper:

When cultural sovereignty is eroded, lost or subsumed within narrow political or ideological objectives the nation state is deprived of one of the most compelling bonds of nationhood.

Mr. Allan Kerpan (Blackstrap, Ref.): Mr. Speaker, I listened to the member give her speech and my colleague make his comments. In any country of the world where culture has been a forced issue, in other words where a government or some group has been forcing culture upon any group of people, it does not work. That is quite obvious in history. A recent case is the Soviet Union where culture and politics were forced upon people and we all know what happened.

Would the NDP member like to comment on that? She quoted from a study done by a group of people who in my opinion are forcing a culture upon Canadians.

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Ms. Judy Wasylycia-Leis: Mr. Speaker, when one has blinkers on, I suppose it is very hard to understand what we are talking about when we propose a cultural policy for this country and when we express our opposition to this bill.

I want the member to know that no one is trying to force anything down anyone's throat. Whenever members of the Reform Party have difficulty with something, they like to portray it that way.

• (1350)

We are trying to create a climate where our artists, writers, movie producers, filmmakers, book publishers, singers and dancers can have an opportunity to use their talent and express their sentiments. Surely that is something we all appreciate and enjoy, the freedom of expression.

We are not talking about forcing anything on anyone. We are talking about the fact that it is very hard as Canadians to compete with the Americans to the south of us. It requires proactive government. It requires us to do whatever we can to support the artistic cultural fabric of this nation. Otherwise it will be stamped out and I would hope that the Reform Party is not suggesting that for one moment.

Mr. Garry Breitkreuz: Mr. Speaker, I rise on a point of order. I think the member is twisting what we are saying. We support museums and all the various groups around the country that promote—

The Deputy Speaker: That does not sound like a point of order to me. It sounds like debate.

On questions and comments, I will go to the hon. member for Surrey Central. He has not had a chance to do that yet.

Mr. Gurmant Grewal (Surrey Central, Ref.): Mr. Speaker, I heard the hon. member preaching about what Canadian culture is and how it should be dealt with. She mentioned imposing culture on all Canadians. She should commend the Reform Party which believes in the equality of all citizens. We believe that every community has the right to promote their culture, but it is not up to the government to promote Canadian culture.

I ask the hon. member if taking God out of the constitution is the culture she wants to promote, as an hon. member from her party is trying to do.

Ms. Judy Wasylycia-Leis: Mr. Speaker, I am glad the member for Surrey Central said I was preaching. I certainly feel as if that is what I am doing today. I am preaching to people who have yet to be converted to just what it means to have an expression of who we are

as a nation, to be able to share that with the world, to be able to pass it on to our children.

I do not understand the gist of the question as posed. To do anything but what we are proposing today would be to say let American culture rule the day; let us stamp out all of our unique expressions.

When it comes to the whole question of economics, we are not talking about wasting money and causing taxpayers extra burden. We are talking about the opposite. The member should know that the largest subsidy to the cultural life of Canada comes not from government, corporations or other patrons, but from the artists themselves through their unpaid or underpaid labour. When creative activity is diminished because many artists are unable to earn a decent living, something is lost to all of us and our entire culture fails to fulfil its promise.

Mr. Garry Breitkreuz: Mr. Speaker, I just wanted to correct the record. We support museums and we support various groups around the country promoting their culture.

My question for the member is, are we not Canadian and do we not have a culture without government trying to get involved in shaping it?

Ms. Judy Wasylycia-Leis: Mr. Speaker, as I said earlier to the member for Surrey Central, I think the members of the Reform Party by their words are suggesting that we give it up and allow the American culture to dominate everything.

As I said earlier we are simply trying to create the climate with every tool possible provided by government to support the unique aspect of Canadian culture, to ensure that we can express what is unique about being Canadians to the rest of our society and to the world. I cannot think of a more noble objective if we are truly interested in preserving any sense of nationhood and allowing our children to understand exactly what it means to be Canadian and all of the history that has been before us.

• (1355)

[Translation]

The Deputy Speaker: In the event the House does not sit beyond today, I wish to thank all members for the way in which they have co-operated with me in my role as Speaker of the House in recent months.

[English]

I know that all chair occupants appreciate the co-operation of hon. members and since I may not be sitting again this afternoon, I wanted to tell all members to have a very pleasant summer.

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STATEMENTS BY MEMBERS*[English]***MEMBER FOR BURNABY—DOUGLAS**

Mr. Paul Steckle (Huron—Bruce, Lib.): Mr. Speaker, over the years I have been faced with numerous situations that have tested my personal convictions and beliefs. Despite this, nothing could have adequately prepared me for the most recent attack upon one of the key moral foundations of this nation. Sadly this unprecedented attack originated here.

Earlier this week the Ottawa *Sun* ran a disturbing headline. The said article quoted the member for Burnaby—Douglas as saying God “is offensive to millions of Canadians”. As if these ridiculous comments were not bad enough, this member continued throughout the week to advance these outrageous and inflammatory notions.

Few should argue that we are in this place to provide leadership and representation to the people of Canada. This country has existed and flourished for over a century in part as a result of our pluralistic society’s moral and spiritual foundations under God.

Make no mistake: as a Christian member of this House I will defend the reference to God in the charter, in the constitution, in our national anthem and in all acts adopted by this House. I applaud the NDP leader for her party’s strong public religious reaffirmation and in light of recent events I urge all hon. members to do the same.

* * *

CHILD HUNGER

Mr. Deepak Obhrai (Calgary East, Ref.): Mr. Speaker, “Feed the Children, a Report on Child Hunger in Calgary” identified there are at least 14,500 children who experience persistent or intermittent hunger in the city of Calgary.

The effects of child hunger are wide ranging and include psychological, economic and behavioural consequences. A number of community based programs designed to combat this problem are currently in place. However, despite their strengths and the dedicated work of many volunteers, gaps in the system continue to exist.

The federal government must take a proactive role in eliminating child hunger by providing tax cuts to low income and single parent families. The costs of leaving the issue of child hunger unaddressed are simply too high to be ignored.

* * *

55TH ANNIVERSARY OF D-DAY

Mrs. Rose-Marie Ur (Lambton—Kent—Middlesex, Lib.): Mr. Speaker, I was honoured on June 6 to take part in the rededication ceremony of the town of Wallaceburg’s cenotaph to commemorate the 55th anniversary of D-Day. Royal Canadian

Legion Branch 18 president Velda Green led the solemn proceedings.

The event was held to recognize those veterans who fought and died for our freedoms and in particular to honour those veterans whose names have been added to the cenotaph with the research done by local historian Al Mann. It was truly a community effort.

We commend Tymen Hopman and Councillor Chip Gordon for ensuring that the cenotaph was revitalized for all generations to appreciate. Reverend Hugh Appel, Chatham-Kent Mayor Bill Erickson and Walpole Island First Nation Chief Joe Gilbert also joined me at the cenotaph.

Congratulations to the legion’s superb efforts in the community to memorialize our fallen veterans.

* * *

*[Translation]***SOMMET DE LA FRANCOPHONIE**

Mr. Denis Paradis (Brome—Missisquoi, Lib.): Mr. Speaker, next September, the Prime Minister of Canada will be hosting the 8th Sommet de la Francophonie.

The city of Moncton, New Brunswick, will be welcoming 52 heads of state and of government who have the French language in common. As a new millennium fast approaches, this summit represents a major event for all francophone communities throughout the world.

It is important to know that the francophone community in Canada ranks second in the world, after France. Our country has seven million citizens who speak, write, sing, work and live in French. Of that number, one million live outside Quebec.

This summit also constitutes an important event for our youth, who will be the focal point of the debates and actions of the summit. They are the future of the Francophonie. The summit will place them in the forefront and we will be attentive to what they have to say.

In September all eyes will be on Moncton. I invite all Canadians to celebrate our francophone community.

* * *

● (1400)

*[English]***LIVINGSTON CENTRE**

Mr. John Finlay (Oxford, Lib.): Mr. Speaker, Tillsonburg’s Livingston Centre has received a certificate of excellence from the Public Sector Quality Council of Ontario and the National Quality Institute.

The Livingston Centre is a partnership of service and education providers serving the tri-county area of Oxford, Elgin and Norfolk. The centre houses the Tillsonburg and District Multi-Service

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Centre, the Tillsonburg and District Association for Community Living, the local office for HRDC, the Thames Valley District School Board and Fanshawe College.

In addition, the Livingston Centre has been asked to be one of only 30 exhibitors at the Public Sector Quality Fair '99 taking place in Toronto June 15 and 16. The quality fair will increase awareness of quality principles and practices in the public sector within Ontario and showcase achievements of public sector quality teams.

I am very proud to see the Livingston Centre's tremendous success is now being recognized across the province.

* * *

FIREARMS ACT

Mr. Garry Breikreuz (Yorkton—Melville, Ref.): Mr. Speaker, congratulations to Bernard Lord for bringing about the spectacular end to the Liberal's 12 year reign in New Brunswick.

Part of the Conservative Party's election platform included the promise to join the other provinces in the court challenge of the federal gun control law. This despite the fact that it could mean the end to 200 or 300 federal jobs in the Canadian Firearms Centre in Miramichi.

New Brunswick joins the provinces of Alberta, Saskatchewan, Manitoba, Ontario and the three territories in their opposition to the Liberal government's gun registration scheme because it intrudes on its exclusive jurisdiction over property and civil rights granted them in the constitution.

That is half the provinces and more than 57% of the population. When will this democratic reality finally hit home? What will it take for the government to realize that it made a grave mistake by ramming Bill C-68, the Firearms Act, through parliament in 1995 without proper consultation with the provinces?

* * *

[Translation]

AGING POPULATION

Mr. Yvon Charbonneau (Anjou—Rivière-des-Prairies, Lib.): Mr. Speaker, in October 1999, the world's population will pass the six billion mark. This is of major importance to our country, for the changing demographics will result in a greater number of seniors in the coming century.

The aging of the world's population will present us with a major challenge, to strengthen intergenerational ties and to provide health and social services to those of all ages.

We must start preparations right now for addressing that challenge. A strategy of adaptation to population changes requires collaborative efforts in all areas of human activity to make our society senior-friendly.

This strategy must include a public recognition of their contribution, the creation of a senior-friendly environment, and the promotion of the role older people play in the family and in society.

In this International Year of Older Persons, I encourage all my colleagues to support any initiatives to that end.

* * *

THERAPEUTIC USE OF MARIJUANA

Mr. Bernard Bigras (Rosemont, BQ): Mr. Speaker, as of yesterday, two individuals may now grow and smoke marijuana for therapeutic use without infringing the Canadian Criminal Code.

Two weeks ago, 87% of members voted in favour of motion M-381, which I introduced here in the House of Commons. This historic vote underlies the research project unveiled yesterday.

Public commitment by doctors such as Réjean Thomas and Don Kilby, the support of the Canadian Aids Society, the COCQ-sida, the Canadian Hemophilia Society in Quebec, the Compassion Club in Vancouver, Canadian and Quebec seniors' federations and the generous involvement of lawyer Allan Young have enabled Jim Wakeford and Jean-Charles Pariseau to win their fight for patients' right to dignity.

Their efforts have now paid off. Many patients will finally be entitled to a better quality of life through the legalization of marijuana for medical purposes.

* * *

[English]

YUGOSLAVIA

Mr. Ted McWhinney (Vancouver Quadra, Lib.): Mr. Speaker, we welcome the military ceasefire in Yugoslavia on the basis of the G-8 countries' recent peace proposals.

We welcome the UN security council's vote today by 14 to nil with one abstention, authorizing immediate peacekeeping and peacemaking activities under the aegis of the United Nations and in full compliance with the United Nations charter.

These are objectives which the Canadian government had actively pursued from the beginning of the conflict.

● (1405)

Our Canadian Armed Forces should become fully engaged in the specialist peacekeeping activities, including clearance of landmines, in which they have excelled in past UN missions.

Canadian involvement in the return of refugees, in rebuilding infrastructure destroyed or damaged in recent military operations and in restoration of economic and social stability on a larger regional basis should follow.

* * *

THE LATE GORDON TOWERS

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, this week Alberta lost one of its most prominent sons, Gordon Towers, who died at the age of 79.

Born in Red Deer, he devoted his life to the people of Red Deer and Alberta. We were neighbours south of Red Deer, and I have known him for a long time. We did not always agree, but I always respected his sense of community and his loyalty to the people of Alberta and Canada.

Towers, a strong supporter of the Progressive Conservative Party, was a five time member of parliament for the Red Deer riding. In the course of his career as a MP, he served as a parliamentary secretary to the solicitor general and later to the minister of science and technology. Towers ended his public career as the lieutenant-governor of Alberta, but at heart he was always a constituency man.

I am sure that the people of Red Deer will always remember him for the model that he set. Central Alberta has lost a favourite son and he will be deeply missed by his family, friends and former constituents.

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ABORIGINAL AFFAIRS

Ms. Louise Hardy (Yukon, NDP): Mr. Speaker, the Minister of Indian Affairs and Northern Development often mentions her "Gathering Strength" document and recently allocated \$1.6 billion for employment training, with \$100 million going to the three northern territories.

The Yukon has one of the largest aboriginal population bases and a 15% unemployment rate. Our population is equivalent to that of the other two territories. The department does not fund trades training at all, but the Yukon will receive only \$3.9 million of the \$100 million. This is blatantly unfair. It is an unjustifiable division of resources, less than 4%.

It appears the minister will allow only two territories to gather strength, while starving the Yukon of desperately needed training dollars.

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[Translation]

HARBOUR DUES

Mr. Antoine Dubé (Lévis-et-Chutes-de-la-Chaudière, BQ): Mr. Speaker, we learned this morning that the Minister of Transport

S. O. 31

will be announcing in July a significant increase in access fees for the ports he wants to transfer to local officials.

This is fairly incredible news, since today is probably the last day of the session, so that we will not be able to put any more questions to him. What fine transparency.

With the airports transferred, the railroads dismantled and bus transportation deregulated, this decision may well further empty the regions and have a major effect on shipping.

Let the Minister of Transport take it as read: despite the parliamentary recess, he will find members of the Bloc Québécois in his path if he maintains this decision. He is not dealing with any ship of fools.

* * *

[English]

KOSOVO

Mr. John Maloney (Erie—Lincoln, Lib.): Mr. Speaker, peace in the Balkans, here at last, thank God.

All members of the House and Canadians everywhere most enthusiastically welcome the signing of a peace accord in Kosovo and its approval by the United Nations security council. The pathway of peace will lead to the safe return to their homes of nearly one million Kosovar Albanians.

The international community now faces the formidable challenge of reconstruction of a war-scarred, devastated land; of ensuring a secure, democratic and self-governing Kosovo; and of stabilizing the entire situation in southeast Europe. It will be the most complex peace implementation operation in modern times.

We acknowledge, with pride, the contributions of our Canadian Armed Forces in this theatre of war and wish them well as they enter into a perilous peacekeeping deployment.

Peace in the Balkans is here at last, thank God.

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FUNDY—ROYAL

Mr. John Herron (Fundy—Royal, PC): Mr. Speaker, as summer nears, I would like to send out an invitation to all Canadians to visit my constituency of Fundy—Royal this summer.

Fundy—Royal straddles the beautiful and scenic Bay of Fundy which has the largest tides in the world. In fact, tourists from around the globe come to the region to witness these record tides and, of course, to enjoy down-home maritime hospitality.

Fundy—Royal has so much to offer: the beautiful Fundy Trail, the waterways, fishing, cycling, boating and camping. Fundy—Royal has it all. We have picturesque covered bridges and light-houses adorning the shores of our communities.

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Throughout the summer, Fundy—Royal communities host fairs and festivals, like the Sussex Balloon Fiesta and the Rothesay Craft Festival. For a special historical perspective on the region, one can visit the coal mining museum in Chipman.

No one leaves New Brunswick without enjoying some maritime cuisine like lobster, salmon and fiddle heads.

I invite one and all to visit Fundy—Royal this summer.

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• (1410)

[*Translation*]

GOVERNMENT OF CANADA

Ms. Raymonde Folco (Laval West, Lib.): Mr. Speaker, the Government of Canada has a presence in Laval. These days, two important events testify to this.

First, our government is contributing financially to the volleyball trials for the Paralympic games in Sydney, Australia, in the year 2000. These trials will be held in Montmorency cégep in Laval between June 16 and 18. Eight international teams are participating, and the finalists will represent their country in Sydney next year.

In addition, I would draw your attention to next Monday's inauguration of a pilot project funded by \$527,000 from the health care services adjustment fund, with the aim of assessing the implementation of integrated geriatric, respiratory and oncology services at the Laval Centre hospitalier ambulatoire.

Laval thanks the federal government.

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[*English*]

PARLIAMENTARY INTERNSHIP PROGRAM

Ms. Judy Wasylycia-Leis (Winnipeg North Centre, NDP): Mr. Speaker, I rise today not only as a member of parliament but also as a former parliamentary intern.

Thirty years ago, inspired by Alf Hales and James Hurley, this House passed a motion creating the parliamentary internship program. The program is now run by the Canadian Political Science Association and gives young people an inside look at our parliament.

Today there are 300 alumni across the country and around the world. They are leaders in government, academia, business, law, advocacy and diplomacy.

A Parliamentary Internship Alumni Association was launched on May 13 to promote strong connections among current and ex-interns. The event took place in the house where Sir John A. Macdonald lived and was attended by 100 ex-interns. It was a great

success thanks to help from the British High Commission and the Institute on Governance.

Mr. Speaker, I wish to thank you for agreeing to serve as the association's honorary patron.

* * *

CYPRUS

Mrs. Karen Redman (Kitchener Centre, Lib.): Mr. Speaker, I rise today to recognize the 25th anniversary of the division of Cyprus.

Cyprus has been in a constant state of conflict for the past quarter of a century. Currently there is no political settlement in sight. A peaceful, just and lasting solution to the Cyprus problem is necessary for the security, political, economic and social well-being of all Cypriots.

The United Nations has reaffirmed its position on the parameters for a diplomatic resolution and in December 1998 called for the reduction of tensions on the island, including the de-mining along the buffer zone as initially proposed by Canada.

The Cypriot community in my riding of Kitchener Centre has indicated its wish to see peace for Cyprus, and for Canada to play a leadership role. I am pleased this matter will be on the agenda of the G-8 meeting later this month.

As chair of the Canada-Cyprus Friendship Group, I believe it is important to recognize this anniversary and for all members of this House to be aware of the political problems that Cypriots face each and every day.

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JUVENILE DIABETES

Mr. Rahim Jaffer (Edmonton—Strathcona, Ref.): Mr. Speaker, I am honoured to rise in the House to pay tribute to Dr. Alex Rabinovitch and the University of Alberta.

As part of the partnership between the Medical Research Council of Canada and the Diabetes Research Foundation, Dr. Rabinovitch was chosen, along with Dr. Diane Finegood from Simon Fraser University, to lead a network of health research experts in the area of juvenile diabetes.

Dr. Rabinovitch has been the recipient of numerous honour awards for exceptional medical research, and because of the outstanding work of individuals like him, the University of Alberta will soon be indisputably recognized, both nationally and internationally, as one of Canada's finest universities in amongst a handful of the world's very best.

On behalf of the official opposition, I wish Dr. Rabinovitch and his team the best of luck in their efforts to tackle the crippling disease of juvenile diabetes.

Oral Questions

[Translation]

FOREST RESEARCH

Ms. Jocelyne Girard-Bujold (Jonquière, BQ): Mr. Speaker, I rise today to pay tribute to the exceptional work being done by the Consortium de la recherche sur la forêt boréale commerciale, of the Université du Québec à Chicoutimi, which was selected by the Conseil de la recherche forestière du Québec for the Méritas 1999 award. This award highlights the role and work of the consortium, the activities of which are co-ordinated by researcher Réjean Gagnon.

The consortium, which is involved in very important work, such as research on the boreal forest and sustainable development, is seen in Quebec as a model of co-operation and rapprochement between the research community and users.

The new soil protection and recuperation method developed by the consortium will change reforestation practices and approach throughout Quebec. The presence of such organizations in the Saguenay—Lac-Saint-Jean region can only further spur the growth of this already very dynamic region.

We wish you much success in this groundbreaking work—

The Speaker: We will now proceed to oral questions.

ORAL QUESTION PERIOD

• (1415)

[English]

KOSOVO

Mr. Preston Manning (Leader of the Opposition, Ref.): Mr. Speaker, all members of the House welcome the news that NATO and the Yugoslav generals signed an agreement last night, since ratified by a UN resolution today, that clears the way for implementing a peace plan in Kosovo.

The bombing has been suspended. Yugoslav security forces are withdrawing from that province and hopefully hundreds of thousands of refugees will soon be returning to their homes.

Is not today an appropriate time for the House to formally extend its congratulations to our Canadian Armed Forces that have done us proud once again and to our NATO allies for this great achievement, but also to extend our goodwill to those moderate Serbs who have demanded that their leaders accept this peace agreement?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I thank the Leader of the Opposition for his question. That is exactly the reason I wanted the occasion at 3 o'clock to make a

statement extending congratulations to our soldiers who have done an excellent job there and to the Americans.

I talked with President Clinton and Prime Minister Blair earlier this morning. There will be more to say when I give my statement.

I take this occasion to thank the parties in the House of Commons for the support they have given to the position of the government. Despite the differences we might have, when there is a question of principle like this we have shown that we can be united and stand strong and firm in defence of the values which are so dear to Canadian people.

Mr. Preston Manning (Leader of the Opposition, Ref.): Mr. Speaker, the maintenance and enforcement of the Kosovo peace agreement, including the protection of returning refugees, is very much dependent on the success now of the peacekeeping operation which must take place.

The peacekeeping forces, now under a UN mandate, will roll into Kosovo within days and Canada will be among them. Canadians would now like to know the details of what our troops will be doing.

I ask the defence minister what specific role our troops will be called upon to fulfil and how long we can expect them to be in Kosovo.

Hon. Arthur C. Eggleton (Minister of National Defence, Lib.): Mr. Speaker, the initial group that will go into Kosovo, hopefully tomorrow, will involve approximately 100 Canadians who will accompany the British fourth brigade. They will be the engineers who will go in to help clear the roadways and routes for the troops who will follow them.

We also have a reconnaissance contingent. Part of them are already in Macedonia. Some of them are leaving Greece where they picked up the equipment, the Coyotes, the helicopters, et cetera, and will now be moving them in.

I expect the full contingent of 800 will be there in just a matter of days. They will stay there until the peace and security for the people of Kosovo are secured and the refugees can return to their homes safely.

Mr. Preston Manning (Leader of the Opposition, Ref.): Mr. Speaker, the estimated number of peacekeepers required to enforce the Kosovo peace agreement continues to increase.

The defence minister has talked about sending more than the current 800 Canadian ground troops to Kosovo, despite warnings from the chief of defence staff and other military experts that say our forces are already stretched to the limit and that any further commitments are unrealistic.

Will the defence minister now confirm whether or not he intends to make further commitments to Kosovo and, if so, where he proposes to get those resources?

Oral Questions

Hon. Arthur C. Eggleton (Minister of National Defence, Lib.): Mr. Speaker, that matter is still under consideration. There are a number of aspects of it that require examination, including what would fit in with the team in Kosovo.

There are many countries contributing to the NATO core UN authorized team. They need to provide complementary skills and roles. We are looking to see what is possible in that regard.

Let me at the same time say that those who have been there to this point in time, particularly those who have contributed to task force Aviano, have done an absolutely superb job. They have done Canada proud.

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GOVERNMENT CONTRACTS

Miss Deborah Grey (Edmonton North, Ref.): Mr. Speaker, the Prime Minister threw quite a bash last night for his biggest contributors. The so-called Laurier Club showed up at 24 Sussex yesterday for a gabfest that no doubt included just a little seminar on how to be discreet when doling out money to the Prime Minister.

• (1420)

Want a contract? Hold off on that real estate deal until after CIDA has said yes.

I would like to ask the Prime Minister just how many government contracts were handed out last night as door prizes.

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I was delighted to receive some Canadians who came from across the land to tell me and my colleagues how happy they are with the good government that we are providing.

Miss Deborah Grey (Edmonton North, Ref.): Mr. Speaker, it must have been just like the Shawinigan hotel convention. I am sure the Prime Minister's shindig was just fabulous, particularly for him.

'Twas the night before recess, they snacked on sweetbreads
When visions of contracts just danced in their heads

Gales of laughter were heard while the Prime Minister told jokes about this—

The Speaker: Order, please. Under the circumstances, I would ask the hon. member to go to her question.

Miss Deborah Grey: Mr. Speaker, I was mentioning the gales of laughter we could hear on Sussex Drive. The Prime Minister was telling jokes about the taxpayers who do not even get it, about brain drain—

The Speaker: The question.

Miss Deborah Grey: Mr. Speaker, the question is: Did anyone go away empty-handed, without a government contract last night?

The Speaker: That question is marginal.

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, they came to 24 Sussex and they were very happy because I was in a position to tell them, for example, that in the first quarter of this year the growth in Canada has been 4.2%.

I told them that there was to be a party tonight at Stornoway, the place that was supposed to be a bingo hall, the place that was never to be occupied by a certain person but that he seems to enjoy. I hope he will be there for a long time and that the united alternative will not lose him as a leader.

[Translation]

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, we know that the Prime Minister has a thin skin when it comes to integrity.

He was trigger-happy and quick to judge his predecessor, Brian Mulroney, in the Airbus affair.

Before we break for three months, too much remains unexplained in the case of Compagnie 161341 Canada Inc. On this last day of the session, does the Prime Minister realize that he owes the public an explanation?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, on May 6 of this year, the ethics counsellor testified. He gave all the information about this operation and established clearly that I was absolutely not in any conflict of interest.

I have complied with all the rules. I had Mr. Wilson examine them. He confirmed that my conduct in this affair was what was required in the circumstances.

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, I cannot understand how the Prime Minister, who is thin-skinned when his honour is at stake, is still unaware of the scandal slowly taking shape and undermining his credibility.

The Prime Minister cannot afford any ambiguity. With the troubling facts that have come to our attention, does he not understand that prevarication will not help Canadians judge his conduct?

The Prime Minister would like us to take him at his word. We would like him to table the bill of sale. Let him do so.

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I have nothing to add to the answer I have just given.

I have complied with all the rules and Mr. Wilson confirmed this to the committee on May 6, at which time the opposition parties had an opportunity to question him. He gave all the facts and said that there was absolutely no conflict of interest nor any appearance of one.

Oral Questions

• (1425)

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, under the previous Progressive Conservative government, the present ethics counsellor, at the time with the Department of Industry, showed great sensitivity to government pressures. He was even faulted for that.

Does the Prime Minister realize that, by placing all of his defence on the testimony of the ethics counsellor, he is placing enormous pressure on that individual?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, every minister in every circumstance has sought the opinion of the ethics counsellor. Mr. Wilson has appeared regularly before committees and has explained all the procedural rules he followed. He has made himself readily available for press questioning.

I believe Mr. Wilson is doing a good job. Before him, the position did not exist; now there is someone who can speak on behalf of the ministers, on behalf of the administration, even on behalf of MPs, when a conflict of this nature arises. This ensures the openness required by everyone, as well as respect for the private affairs of each member of the House of Commons.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, I understand that the Prime Minister feels Mr. Wilson is doing a good job, but we do not share that opinion. The Prime Minister himself chose the ethics counsellor. He appointed him, and Mr. Wilson is under his control.

By seeking the support of his own ethics counsellor, is the Prime Minister not setting himself up as both judge and jury on the matter of his own virtue?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, of course I select many people in the administration. I have an excellent cabinet, because I used good judgment in selecting those who are with me at present.

Hon. members can see the smiles on the faces of the ministers of Finance, Transport, Labour and Human Resources Development. I always take my responsibilities very seriously, and for each position, I select the person able to do the best job, under the circumstances, to serve Canadians well.

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[English]

CULTURE

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

The government time and again assured Canadians that our cultural identity and cultural sovereignty were not at risk and not up for negotiation, but later today when the House votes on the magazine bill the hollowness of those assurances will be exposed for all to see.

The U.S. threatened illegal trade action. The eagle squawked and the beaver caved. Given empty past assurances, why should Canadians believe similar assurances about the Canadian health care system?

Hon. Sheila Copps (Minister of Canadian Heritage, Lib.): Mr. Speaker, I am frankly surprised that the NDP is not recognizing that for the first time in any international agreement the United States has agreed to accept the concept of Canadian content.

It has never happened before in any international agreement. It is our belief that this should be a portent of future negotiations at places like the World Trade Organization. We recognize, as does the American government for the first time, that culture is unique and quite different from other commodities.

Ms. Alexa McDonough (Halifax, NDP): Mr. Speaker, the fact remains that the government caved, caved to illegal American threats, but that is the record of the government. On Canadian culture, it caved. On Pacific salmon, it caved. On plutonium imports, it caved. On environmental polluters, it caved.

This raises the terrifying question of what is next. Will it be customs union, the American dollar or American health care? Does the government have any policy position other than flat on its back?

Hon. Sheila Copps (Minister of Canadian Heritage, Lib.): Mr. Speaker, the only member of parliament who is in a cave today is Svend Robinson.

Some hon. members: Oh, oh.

• (1430)

The Speaker: Order, please. I would ask hon. members to please not use each other's names.

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PRIME MINISTER

Mr. Jim Jones (Markham, PC): Mr. Speaker, Canadians need more than the Prime Minister's word to believe his claims of his integrity. They need more than the word of an ethics counsellor who has no independence, no clout and no teeth. They are not getting real answers from the Prime Minister.

Once again I ask the Prime Minister, will he take politics out of the search for the truth and ask the auditor general to review these three projects?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the auditor general is supposed to look at all projects. It is his job. He is paid for that. He reports to the House of Commons four times a year. We have extended the possibility for the auditor general, who had to report only once a year, to report four times a year. He is free to look at any operation of any department anytime he wants.

Oral Questions

Mr. Jim Jones (Markham, PC): Mr. Speaker, when HRDC withholds 363 pages of my access to information requests on Pierre Thibault and Yvon Duhaime, the government cannot claim full disclosure. When the Liberal industry committee chair prevents the Prime Minister's trustee from testifying in public, the government cannot claim full disclosure.

If the Prime Minister is innocent of these charges, why is he afraid of releasing all of the documents, letting his trustee testify and calling in the auditor general?

Hon. Pierre S. Pettigrew (Minister of Human Resources Development, Lib.): Mr. Speaker, all documents have been released in compliance with access to information guidelines in this country and in this parliament which protect, of course, commercial confidences and the privacy of third parties. We respected absolutely the guidelines. There is no problem with that at all.

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GOVERNMENT GRANTS

Mr. Chuck Strahl (Fraser Valley, Ref.): Mr. Speaker, you will remember the transitional jobs fund, that granting society that has to first be approved by the Prime Minister.

Now we have access to information documents that show the following: Aerspatial Globax received \$2 million in grants on the eve of the election and then gave a \$4,000 donation to the Prime Minister's campaign. Confections St. Elie got a \$285,000 grant from the same program on the eve of the election and then gave a \$1,500 donation to the Prime Minister's campaign.

What is the relationship between speedy government approval for these grants and donations to the Prime Minister's campaign?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, what is great about the system is that when anybody contributes any money above \$100 we have to make it public, so there is absolutely no link.

Perhaps I should see if there are any members of parliament, especially of the Reform Party, who have worked to receive grants from the government and who have received donations in the past that are legal under our system.

We have a long list of Reform Party members who have benefited from those programs, and in doing that they have just done their job, which is to work for their constituencies.

Mr. Chuck Strahl (Fraser Valley, Ref.): Mr. Speaker, I challenge the Prime Minister to find one who sold a money losing hotel to his grant recipient before the thing was approved.

Megatech Electric also got a government grant under the transitional jobs fund and it also gave money to the Prime Minister's election campaign.

It seems that there is just one happy coincidence after another for the Prime Minister. There are millions of dollars in suspicious grants. There are criminal investigations of an associate of the Prime Minister. There is a half million dollar land deal involved with a \$6 million CIDA contract. The list goes on and on.

We have to ask the Prime Minister, how many coincidences—

The Speaker: The hon. Prime Minister.

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, members opposite are just trying to create something because they have nothing else.

I suspect that after the party at Stornoway tonight, following the vote release, there will be two or three parties on the right. They will have other problems, so they want to create problems for us.

I think that when a contract is given to somebody who has bid \$6.5 million, when the second bid was \$9 million, the government was right to give it to the lowest bidder. I understand that the Reform Party would have given the contract to the one who bid \$9 million.

• (1435)

[*Translation*]

Mr. Stéphane Bergeron (Verchères—Les-Patriotes, BQ): Mr. Speaker, this government specializes in formal morality: it appoints an ombudsman for the army without any power, it has an ethics counsellor to give the Prime Minister private answers and it sets up commissions of inquiry and then does everything to stifle and sabotage them subsequently.

My question is for the Prime Minister. Is the trademark of this government and this Prime Minister not in fact these very empty and glitzy morality measures?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, this is the first time these issues have been discussed before House committees through the participation of the ethics counsellor.

In the past, no such questions could be posed in these areas, because there was no one to analyze them and we were obliged to hold strictly to the statement by the individual in the House of Commons.

Now, there is an independent official, who has the job and the power to study and answer questions before the committee, when he appears, according to the rules of this House.

Oral Questions

Mr. Stéphane Bergeron (Verchères—Les-Patriotes, BQ): Mr. Speaker, when the Prime Minister was the Leader of the Opposition, we recall how sensitive he was to any whiff of scandal and patronage.

Is the lesson the Prime Minister learned from the experience of the previous government not “we must not do it” but rather “we must not be caught doing it”?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, quite honestly we now understand why they are dropping so quickly in the polls, with remarks like that.

This government has been in office for six years, and there has been no proven scandal that has forced the resignation of any minister, because we have established very strict rules of ethics and mechanisms in order to revise them regularly, to make sure that all standards are followed by each member of the administration.

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BLOOD SYSTEM

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, today we learned that a Quebecer falsified his blood donor questionnaire.

Actions such as this could endanger the lives of Quebecers who depend on our blood system for their survival.

The Minister of Health is responsible for the safety of Canada's blood system. Can he confirm to the House that he will lay criminal charges against Joël Pinon in order to discourage this kind of irresponsible and dangerous action?

Hon. Allan Rock (Minister of Health, Lib.): Mr. Speaker, it is up to the police to decide whether or not to lay charges.

As far as I am concerned, the action as reported in the newspapers was clearly irresponsible and unacceptable. According to the newspapers, the individual lied on the Héma-Québec forms. He answered no when he should have answered yes.

Apparently, Héma-Québec has taken action to ensure that the blood is not used, and Health Canada will help them in this regard.

[English]

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, the blood has already been used. If the answer had been yes on the questionnaire we could have held the blood back for three weeks and made sure it was safe by re-testing it.

This minister is responsible. This minister had a blood scandal that he did not handle very well. Is he going to preside over another, similar blood scandal?

Hon. Allan Rock (Minister of Health, Lib.): Mr. Speaker, the reality is that Héma-Québec provided a form to a potential donor. The donor was asked questions and, according to news reports, answered dishonestly, with the result that blood was taken onboard

and then put into the system. The form was prepared and distributed in accordance with the way we do things in this country. We ask people who are giving blood to tell the facts and we act on that. That is good practice. If someone lies, there is not much we can do.

Héma-Québec is tracing the blood, trying to get it out of circulation. It is taking every reasonable step to make sure that no one is harmed by this event.

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[Translation]

PRIME MINISTER

Mr. Richard Marceau (Charlesbourg, BQ): Mr. Speaker, in the apparent conflict of interest involving the Prime Minister and business people in his riding, the more the Prime Minister tries to answer our questions, the less we understand.

My question is for the solicitor general. Given that doubts remain with respect to this affair, could the solicitor general not just this once do his job and ask the RCMP to investigate the Prime Minister's conduct?

[English]

Hon. Lawrence MacAulay (Solicitor General of Canada, Lib.): Mr. Speaker, if the RCMP receives a complaint they evaluate the complaint and deal with it.

• (1440)

[Translation]

Mr. Richard Marceau (Charlesbourg, BQ): Mr. Speaker, in the Airbus affair, the Liberals sent the RCMP after Brian Mulroney for less than that.

Why is the solicitor general refusing to ask the RCMP to investigate this affair? Is it to protect the Prime Minister? If not, he—

The Speaker: I ask the hon. member to proceed directly to his question.

Mr. Richard Marceau: Mr. Speaker, I will get to the question if I am allowed to continue.

Why is the solicitor general refusing to ask the RCMP to conduct an investigation? Is it to protect the Prime Minister? If not, he should ask the RCMP to conduct an investigation, because that is the solicitor general's responsibility.

[English]

The Speaker: We are getting very close to imputing motive here.

[Translation]

If the solicitor general wishes to reply, he may.

Oral Questions

[English]

Hon. Lawrence MacAulay (Solicitor General of Canada, Lib.): Mr. Speaker, I think the Prime Minister has displayed quite openly that he can very well defend himself.

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TAXATION

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, according to the Prime Minister, Canada does not have a brain drain problem and all those people out there who say that we need tax relief to stop it are just part of a big conspiracy. I bet that Elvis is probably in on it too.

Is that why the Prime Minister will not cut taxes, because he thinks it is part of a vast right wing tax relief conspiracy against him?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, this government has already started to cut taxes. We do everything in a balanced way. We have promised that half of the surplus that we are earning, because we have run a good administration so far, is going to debt reduction and tax reduction. We have reduced the taxes since we were elected by \$16 billion over a period of three years, including billions of dollars of reduction in the EI premiums that people pay.

We still have social and economic problems to deal with and we intend to have a balanced approach.

Mr. Monte Solberg (Medicine Hat, Ref.): Boy, he really is in fantasy land, Mr. Speaker.

It is the grassy knoll and black helicopters and now all these secret meetings between Canadian business people plotting this strategy.

The Prime Minister had better drop the paranoia act. I hope it is an act anyway.

On the last day of parliament, is it really this Prime Minister's message to Canadians that he is not going to cut taxes, that everybody is against him? Is that really his final message to Canadians on the last day of parliament?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I say again that it is the policy of the government to reduce taxes.

What the Government of Alberta did before us was to balance the books before cutting taxes, something that was not done in Ontario. The responsible thing to do is to balance the books.

In the last two budgets the Minister of Finance has reduced taxes by more than \$16 billion over a period of three years. I would like to congratulate the Minister of Finance for that.

[Translation]

PRIME MINISTER

Mr. Michel Guimond (Beauport—Montmorency—Côte-de-Beaupré—Île-d'Orléans, BQ): Mr. Speaker, this government's requirements in terms of morality take various forms.

In the Airbus affair, the facts were a lot less serious, precise and corroborative than here. However, the Liberals did not hesitate to undertake an investigation and pay a lot in damages.

My question is for the Prime Minister. In order to avoid a repetition of this painful experience, does the Prime Minister not realize there is a very simple solution that would save taxpayers' time and money, and it is for him to table the sale contract?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I have already answered this question about 50 times.

Mr. Wilson clearly described the situation before the committee. I have nothing to add.

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[English]

FOREIGN AFFAIRS

Mr. Sarkis Assadourian (Brampton Centre, Lib.): Mr. Speaker, in February, in answer to my question in the House on the Armenian issue, the Minister of Foreign Affairs indicated that he had held a consultation process which involved members of parliament, concerned Canadian communities, historians and others.

Could the Minister of Foreign Affairs please inform the House of any conclusions that have been reached as a result of this consultation?

● (1445)

Mr. Julian Reed (Parliamentary Secretary to Minister of Foreign Affairs, Lib.): Mr. Speaker, I thank the hon. member and all others who worked on this process.

On behalf of the Minister of Foreign Affairs I wish to inform the House that together with all Canadians we remember the calamity afflicted on the Armenian people in 1915. This tragedy was committed with the intent to destroy a national group in which hundreds of thousands of Armenians were subject to atrocities which included massive deportations and massacres.

May the memory of this period contribute to healing wounds as well as to the reconciliation of present day nations and communities and remind us all of our collective duty to work together toward world peace—

The Speaker: The hon. member for Selkirk—Interlake.

*Oral Questions***AGRICULTURE**

Mr. Howard Hilstrom (Selkirk—Interlake, Ref.): Mr. Speaker, once again the agriculture minister is showing callous indifference to western farmers. Over two million acres of farmland are under water in Manitoba and Saskatchewan. Farmers cannot plant their crops and will have little or no income for 1999. The minister's poor performance on the AIDA program has destroyed western farmers' confidence in this government.

Will the minister look past the Ontario border and declare the flooded region a disaster area?

Mr. Joe McGuire (Parliamentary Secretary to Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, as a result of the reports from western Canada as to the flooded areas, the minister will be taking a personal trip out there tomorrow to view firsthand the results of the flooding and to talk to producers on the ground about what should be done next.

Mr. Howard Hilstrom (Selkirk—Interlake, Ref.): Mr. Speaker, I think the agriculture minister already knows how serious the flood is. The agriculture minister has been saying that farmers gave nothing back to the country in the good years, implying that they should receive no help today. However, farmers have shared their hard-earned profits through excessive Liberal taxes.

When the minister goes out there, is he going to also meet with the agriculture ministers of Manitoba and Saskatchewan so that this disaster can be declared immediately and help be forthcoming immediately?

Mr. Joe McGuire (Parliamentary Secretary to Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, the minister of agriculture has stated that in good years farmers should be contributing to the NISA program which are 50-cent dollars and that in bad years they should be withdrawing those NISA dollars because they are bad years. That is the purpose of the program.

When the minister goes out to see the extent of the devastation on those two provinces, he will then take further action after consultations with the producers on the ground.

Mr. Dick Proctor (Palliser, NDP): Mr. Speaker, last week the minister responsible for western diversification indicated that a new aid program could be in the works for waterlogged Manitoba and Saskatchewan farmers. Yesterday however the federal minister of agriculture talked only about the possibility of building a little flexibility into either of the two existing programs.

My question is for the Prime Minister. What does the government intend to deliver, a new aid program, top-ups to the existing programs or more likely nothing at all?

Hon. Ronald J. Duhamel (Secretary of State (Science, Research and Development)(Western Economic Diversification), Lib.): Mr. Speaker, it was I who made the statement which was that the minister of agriculture was showing some leadership on this file, that he would be going to Manitoba, that he would be assessing the situation and subsequent to that would be reporting back to cabinet as to what if anything could be done in order to help the farmers affected. That is what was said.

Mr. Dick Proctor (Palliser, NDP): Mr. Speaker, it is interesting. There is one minister over there responsible for western diversification and the rest of them are responsible for promoting western alienation.

We agree with the minister of agriculture when he says that farming is a risky business. Therefore farmers need some safeguards and protection.

• (1450)

Why will the government not acknowledge that there is a full-fledged crisis in southeastern Saskatchewan and southwestern Manitoba and put out a disaster assistance payment on an unseeded acreage basis and do it tomorrow?

Hon. Ronald J. Duhamel (Secretary of State (Science, Research and Development)(Western Economic Diversification), Lib.): Mr. Speaker, the two individuals involved here, myself and the Minister of Agriculture and Agri-Food, have been giving the same message. It is a critical situation. It is being examined. Subsequent to that examination, the government will make a decision. It is clear. It is precise. It is exact.

* * *

FERRY SERVICE

Mr. Charlie Power (St. John's West, PC): Mr. Speaker, the Marine Atlantic ferry service in Newfoundland is in crisis. Traffic and freight backlogs are causing havoc. Tourism, an important growth industry in the province, is being hampered every day by an inadequate ferry system between the isle of Newfoundland and the mainland.

The Newfoundland tourism minister, a Liberal, has said "the four Liberal MPs from Newfoundland are sleepwalking through this debate". He has called on them publicly to come out of their comas and do what is right for Newfoundland.

Is the transport minister prepared to commit today to the purchase of a new ferry as the wide awake Liberals in Newfoundland have recommended?

Hon. David M. Collenette (Minister of Transport, Lib.): Mr. Speaker, there is a bit of a silver lining in this. The fact is the

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pressure on Marine Atlantic is due to the increase in tourism to Newfoundland as a direct result of the buoyant economy and the policies of this government. However, this does pose quite a challenge as to capacity requirements. We are reviewing it. Over the summer I propose to go to Newfoundland, travel on the ferry, meet with the workers, and learn firsthand what has to be done.

Mr. Charlie Power (St. John's West, PC): Mr. Speaker, section 32 of the terms of union between Canada and Newfoundland commits Canada to maintain a suitable passenger and freight service between Port-aux-Basques and Sydney. Does the Liberal government believe that the current cattle car level of service lives up to this commitment by the Canadian government, or is the minister willing to accept his responsibility and purchase the ferry that is available to give Newfoundland the service that it deserves?

Hon. David M. Collenette (Minister of Transport, Lib.): Mr. Speaker, as I said, Marine Atlantic is assessing its capacity requirements and that could include getting a new ferry. We just do not make knee-jerk decisions based on political requests of the opposition. What we do is thoroughly analyse the demand. We will do that and that may mean a new ferry, but we will do things in an orderly systematic fashion.

* * *

HEALTH

Mr. Ian Murray (Lanark—Carleton, Lib.): Mr. Speaker, my question is for the Minister of Health.

This week the Craig family of Dunrobin, Ontario launched "Sandrine's Gift", a campaign to raise awareness about organ donation in memory of 11 year old Sandrine Craig who died as a result of a school bus accident.

Can the minister tell the House what he is doing to promote and encourage organ donations?

Hon. Allan Rock (Minister of Health, Lib.): Mr. Speaker, when Sandrine Craig died last month, the community shared the family's grief. It was a tragic loss. One can only imagine the pain of her parents and her siblings.

The family has decided to make something positive come of this tragedy. They have decided to draw public attention to the need for organ donations. They have launched this campaign to encourage Canadians everywhere to think of others when it comes to organ donations.

The health committee has made recommendations to the government which we are considering. We will soon announce an approach but above all, awareness is an important part.

The family in their courage has shown that Sandrine Craig did not die in vain.

YOUTH CRIMINAL JUSTICE ACT

Mr. John Reynolds (West Vancouver—Sunshine Coast, Ref.): Mr. Speaker, my question is for the Minister of Justice.

There are only nine days left on the parliamentary calendar. As parliament is expected to prorogue, I would like to ask the minister about the youth criminal justice act.

Last week my party offered unanimous consent to move that bill into committee and get some fast action on a bill which is very important to the House and to Canadians. Why is the Minister of Justice abandoning the youth of this country and the youth criminal justice act?

Hon. Don Boudria (Leader of the Government in the House of Commons, Lib.): Mr. Speaker, the government is not abandoning this piece of legislation. I would be willing to give unanimous consent on behalf of our party to proceed to committee immediately after question period. It will be part of my business statement to make this a priority for the fall. We are still committed to the bill.

* * *

• (1455)

[Translation]

PRIME MINISTER

Mrs. Madeleine Dalphond-Guiral (Laval Centre, BQ): Mr. Speaker, as we all know, a good reputation is priceless.

The Prime Minister has had a long political career. That too we all know.

Why then is he allowing doubt about his integrity to remain? Why is he taking such risks at the end of his career?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I have been very clear. I have explained very clearly that, before becoming Prime Minister, I sold these interests. Everything was handed over to the person administering my assets, who must take the necessary decisions.

Everything was done according to the rules and in consultation with Mr. Wilson. We cannot be more clear than that.

I have absolutely nothing to hide. I look at all the members in this House, in my party and in other parties, with confidence. I can look them straight in the eye. I have no problem at all.

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[English]

MERCHANT NAVY

Mr. Gordon Earle (Halifax West, NDP): Mr. Speaker, one of the many communications I received on this government's de-meaning and atrocious failure to compensate Canada's merchant marine said:

I believe this is absolutely appalling after they were assured that they would finally be compensated for their services as they so richly deserve.

Will the government commit to redressing its vile decision not to offer financial compensation to Canada's merchant marine, or is it really content simply to spit in the collective faces of these Canadian war heroes?

Mr. Bob Wood (Parliamentary Secretary to Minister of Veterans Affairs, Lib.): Mr. Speaker, as the hon. member would know, the committee heard numerous witnesses and has issued a report that was carefully considered. The Minister of Veterans Affairs will give the report the careful consideration it deserves and will, following consultation with his cabinet colleagues, provide the committee with the government's response in due course.

* * *

KOSOVO

Mr. David Price (Compton—Stanstead, PC): Mr. Speaker, today the British press is praising the work of the NATO G-8 members at the negotiation table in Macedonia. The trouble is, the only NATO G-8 member not at the table was Canada. It was our chance to demand the total disarming of the KLA.

Why was Canada, a member of the UN security council, left out of the direct negotiations again?

Mr. Julian Reed (Parliamentary Secretary to Minister of Foreign Affairs, Lib.): Mr. Speaker, my minister today was in Germany. As a matter of fact, we watched the report coming from Germany at that time. If he was not physically present, it was because he was somewhere else.

Some hon. members: Oh, oh.

The Speaker: Order, please. On that high note, we will conclude question period.

* * *

PRESENCE IN GALLERY

The Speaker: I draw the attention of hon. members to the presence in the gallery of His Excellency Dr. Khalid Bin Mohammed Al-Ankary, Minister of Higher Education of the Kingdom of Saudi Arabia.

Some hon. members: Hear, hear.

● (1500)

Hon. Don Boudria: Mr. Speaker, I rise on a point of order.

I wish to seek unanimous consent that the House revert to ministerial statements under Standing Order 33 to permit a statement by the Prime Minister and corresponding responses from other parties.

The Speaker: Is there agreement to proceed in such a fashion?

Some hon. members: Agreed.

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[English]

KOSOVO

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, members of the House will be aware that today NATO has decided to suspend its air campaign against the Federal Republic of Yugoslavia and that the United Nations security council adopted a resolution which set the term for an end to the conflict in Kosovo.

This paves the way for the establishment of a peacekeeping force led by NATO and for the return of refugees to their homes in peace and security.

This is a great day for the values that we have been fighting for in the world. This is a great day for the stability and security of Europe. This is a great day for Canada.

Our NATO partners knew that they could count on Canada, as they did every time European democracies have resisted the brutal force of tyranny throughout this century.

During 78 days, our fine Canadian pilots risked their lives to accomplish their duty in the name of Canadian values. Our efforts were not limited to military action. Canada played a central role in the diplomatic effort to find a peaceful solution to the conflict.

Patiently we worked through the G-8 and bilaterally to bring Russia to understand our action and to play a constructive role in dealing with the Yugoslav regime. In the end, Russia was a peace-broker and this country deserves the gratitude of the international community.

[Translation]

At the request of the UN High Commissioner for Refugees, Canada welcomed over 5,000 refugees from Kosovo. Canadians demonstrated again that they spontaneously open their arms and their hearts to those who suffer.

We made important contributions to the work of relief agencies assisting the refugees in countries neighbouring Kosovo: Albania and Macedonia.

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Today is an important milestone in the search for a solution to the Kosovo crisis, but we are aware that a gigantic task remains ahead of us.

First, let us have no illusion. While we are confident that the agreement between NATO and the Federal Republic of Yugoslavia, and the obligations set by the security council will be respected, we remain realistic.

We have seen the Yugoslav regime betray its commitments many times before. I call on the Yugoslav authorities to fully respect all the provisions of the resolution. But until the last Yugoslav soldiers and policemen have left Kosovo, and until the international peacekeeping force is firmly in control, there remains a possibility that hostilities will return.

Our most urgent task is to monitor the departure of the Yugoslav forces and to deploy the peacekeeping force without delay.

Another key element of the peace plan and the UN Security Council resolution is the demilitarization of the Kosovo liberation army.

We welcome the commitment of the Kosovo leadership to fulfil this obligation, and we call on the KLA and all Kosovars to co-operate fully with the peacekeeping force.

• (1505)

I am pleased to confirm that the Canadian contingent of the KFOR is on its way to Kosovo, and will be ready to move in within days. The challenges and risks that our peacekeepers will face will be real and we wish them Godspeed in their important work to secure and stabilize Kosovo.

Once the peacekeeping force is deployed in Kosovo, we will start to organize the return of refugees, build democratic institutions, work toward confidence and reconciliation, and reconstruct the province.

Canada will participate in this effort within international organizations such as the United Nations, the OSCE and the World Bank, and through its own bilateral assistance program.

There will be no sustainable peace in Kosovo, and elsewhere in the former Yugoslavia, without justice. Canada has strongly argued for the provisions of the UN Security Council resolution, which facilitate the work of the International Criminal Tribunal for the former Yugoslavia.

The tribunal's role will be indispensable in building confidence in a just settlement in Kosovo, one in which the perpetrators of crimes against humanity will be held accountable.

Canada has supported the tribunal's efforts in other parts of the former Yugoslavia and will continue to do so in Kosovo. Earlier

this week we already announced that we were contributing a team of forensic experts to assist the tribunal's investigations there.

[English]

This was not a war against the Serbian people. Canada remembers that for years Yugoslavia was a friend. We fought alongside Yugoslavia in the struggle against tyranny during two world wars. Our friendship with Yugoslavia has deep roots and could be revived easily, but this friendship did not extend and will never extend to a regime that adopted the thinking and the methods of the tyrants of the Europe of the 1930s.

We sincerely hope that Yugoslavia will soon be re-integrated into the community of democratic nations sharing the values on which the Euro-Atlantic nations are based. We stretch out our hand to the Yugoslav people. We will be pleased to offer them assistance for democratization, the economic reforms and the reconstruction of Yugoslavia.

However, before this can happen, major changes will have to happen in that country. First and foremost, the leadership of Yugoslavia will have to change. Five of the leaders of the country, including President Milosevic, are indicted by the International Criminal Tribunal for the former Yugoslavia. They are entitled to a fair trial and I hope they will seize that occasion to defend themselves, paving the way for new leadership to take the helm.

The decision of the UN security council is a recognition of the human dimension of international peace and security. From Rwanda to Kosovo, there is mounting evidence that internal conflicts not only crush human security but also threaten to destabilize entire regions.

We believe that humanitarian and human rights concerns are not just internal matters. Canada has fought for this issue to be given new weight in the international community and, in particular, in the United Nations. We believe that the agreement reached today in the council is an important step toward a broader definition of security by the international community.

Now that we are at the end of a terrible crisis that has caused problems for many of us, I would like to thank all the members of the House for their candour, the expression of their views and the support of the parties for the cause we were defending and the values that we believe in. This is a very good way for members of parliament to go back home to their constituents, who showed confidence in them during the last election. Members will be able to show them that collectively we have participated in a big move forward to make sure human security and human rights are preserved around the globe in a new fashion in the future.

• (1510)

Mr. Preston Manning (Leader of the Opposition, Ref.): Mr. Speaker, I rise to join with the Prime Minister and others in

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expressing the profound relief and thankfulness of the members of the official opposition, and I am sure all Canadians, that temporary peace has been achieved in Kosovo and a temporary peace which we hope and pray will become a lasting peace.

As has been noted earlier today, the bombing has been suspended, Yugoslav troops are pulling out of Kosovo, hundreds of thousands of refugees hopefully are preparing to return home and a peacekeeping force with a UN mandate, including Canadians, will soon roll into Kosovo.

As I said during question period, it is a day to extend our profound thanks and appreciation to NATO and those brave Canadians who served with NATO for this great achievement. This is also the time to express our thanks and appreciation to those moderate Serbs who, under very difficult conditions, have brought pressures to bear on their own government to accept this proposal.

I want to suggest that this is also an appropriate time to pause and measure our progress toward peace in the Balkans against the objectives that we set for ourselves when this conflict first began.

The moral objective of NATO and Canada's involvement has always been to halt the ethnic cleansing perpetrated by the Yugoslav government and to care for the victims of Serb aggression.

The political objective has been to create a safe home for all the Kosovars in the region and to stabilize relations between Kosovo and the Republic of Yugoslavia and its neighbours.

The military objective, which was set at the beginning, was to damage the military capability of the Yugoslav government to carry out ethnic cleansing and hopefully drive it to the bargaining table.

Measured against the scale of those three objectives, we can now say with some confidence that the military objective has been achieved, that the moral objective has been at least temporarily achieved, and that the great challenge now before us is to achieve the political objective of creating a safe home for all Kosovars in the region and the basis of a lasting peace.

I want to suggest that achieving this political objective will be an even greater test of our ingenuity, our resources and our determination than achieving the military objective. However, we cannot turn back now.

I will raise a question: Are there any lessons which Canada can learn from our participation in this NATO exercise thus far and which call for follow-up action by the government and this parliament? Let me suggest two lessons.

The first lesson is that years of neglect and mismanagement of our armed forces by this government and others have left us and our armed forces personnel in an unacceptable position. Canada has had great difficulty in mustering the minimal resources re-

quired to be an active participant in this NATO operation. If we are called upon to do more or to sustain another peacekeeping operation somewhere else in the world at the same time, it would simply be beyond our capability.

We therefore call on the government to address this problem in a meaningful way immediately as well as in the next throne speech and budget if it is our intention to be a real player in maintaining world peace.

The second lesson to be learned from this Kosovo crisis, and this was referred to by numerous members during the take-note debate, is the very real need to create a better legal framework for multinational actions against inhuman acts by the governments of the sovereign state.

In the Kosovo case, NATO took the initiative to halt ethnic cleansing and to restore regional stability in an area of the world where NATO countries have a strategic interest.

• (1515)

The UN mandate to send in peacekeepers came after the NATO initiative, although I think many of us would have preferred if it had come before. The question still remains on what grounds should other states be permitted to intervene in the affairs of a sovereign state. How are such interventions to be regulated in law so as to permit multinational efforts to stop ethnic cleansing as in Kosovo but also to safeguard against the abuse of the right to intervene?

The most thoughtful speech given in the Chamber on this subject was given by Václav Havel, President of the Czech Republic, when he addressed the Chamber on April 29. Dr. Havel's convictions, like those of Nelson Mandela's, are not only sound because they are well reasoned but are sound and acceptable because he has suffered so much for those convictions.

Dr. Havel told the House, and he was applauded by all members when he said it:

While the state is a human creation, humanity is a creation of God.

From that premise he reasoned that human rights rank above the rights of states and human liberties constitute a higher value than state sovereignty. He said in reference to NATO actions in the Balkans:

It has now been clearly stated that it is not permissible to slaughter people, to evict them from their homes, to maltreat them and to deprive them of their property. It has been demonstrated that human rights are indivisible and if injustice is done to some, it is done to all.

He then went on to justify NATO military action in the Balkans on the grounds that in this instance protecting human rights should take precedence over respecting the rights of states.

I want to suggest that the challenge for the future is therefore to find a framework in international law which provides for interna-

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tional intervention in the affairs of sovereign states, if those states persist in violating basic human rights, while at the same time ensuring that international law does not permit alleged violations of human rights to become an excuse for one group of states to attack the sovereignty of another.

As in most issues involving human rights and the rights of states, the challenge will be to find the right balance, and finding the right balance is a task for which the country has a peculiar talent. This is a challenge which all of us must address in the months ahead so that the tragedy of the Balkans is not repeated in other parts of the world.

[Translation]

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, I am pleased that a ceasefire has been reached successfully in Yugoslavia, and a peace plan put in place that will ensure the return of the Kosovar refugees to their country.

We can only hope that the Yugoslav president will honour his commitments, although this has not been his wont.

I should point out that we have nothing against the Serbs, the only enemy of humanity is the Milosevic regime.

We hope that Serbia and the Federal Republic of Yugoslavia will rejoin the community of nations as soon as possible. There is no doubt that the NATO action was justified by the necessity to see human rights win out over barbarism.

We therefore supported the government's resolution to endorse the NATO air strikes, even if we are as opposed to the use of force as many other Quebecers. This resolution was not, however, a good representation of the need to find short, medium and long term solutions to the political problem behind the conflict between the Kosovar people and the Federal Republic of Yugoslavia.

In recent months we have witnessed one of the most disturbing human tragedies since the second world war: ethnic cleansing, deportation and dispossession of close to one million Kosovars, who have been deprived on both a number of civil rights and their right to self-government by the Milosevic regime for some ten years now. This is what has led to the tragedy we now see unfolding before our very eyes daily on our television screens.

• (1520)

But there is now cause for celebration: the war and destruction are over, and the era of peace and reconstruction is beginning.

How can this peace be built?

A number of problematic issues must be addressed and complex political challenges faced, for the political stability of the entire Balkan region is at stake.

For example, there are many questions yet to be resolved concerning the status of what is legally a Serb province, which will come under the administration of the United Nations, and an international military protectorate. Under what conditions will the return of the Kosovar refugees from Albania, Macedonia, Bosnia, Montenegro and all of the other countries that have, along with Canada, opened their doors to them?

After all, with all the abuse and atrocities perpetrated by the Serbian troops and soldiers in Kosovo, there is no question of putting the Albanian Kosovar population at the mercy of the Serb political powers in Belgrade yet again.

What will happen to the charges of war crimes and crimes against humanity against Slobodan Milosevic and his acolytes by the international criminal court?

Will the Yugoslav government benefit from international reconstruction aid that will be offered while President Milosevic is in power?

Will Montenegro take advantage of its courageous position against the Milosevic regime in recent months and decide its status freely or will we abandon Montenegro to its fate and allow the Serbian president to tighten his grip on this tiny republic?

What will happen to the ethnic minorities in all of the countries in the region?

We are pleased that the UN has finally played a role in resolving the Kosovo crisis. Unfortunately, the UN has shown itself incapable, initially, of preventing Serbia from violating the collective and human rights of the Kosovars and of finding a quick solution to the conflict.

This proves two things. First, the UN is incapable, in its present form, of resolving regional conflicts and that its institutions and its operations must be significantly reformed. Canada should call for such a reform as a member of the UN Security Council.

Second, it proves that, in the absence of such reform, regional or intergovernmental military organizations will increasingly have to take whatever action they deem necessary to ensure international security and the respect of human rights.

The triumph of the democratic countries will reaffirm that we are moving into a new era of international law in which despots, tyrants, terrorists and dictators have to understand that they no longer have the immunity they thought they enjoyed.

Moreover, charging Slobodan Milosevic will remind those responsible for crimes against humanity, torture or terrorism that they cannot escape justice.

Before I conclude, let me return to the proposals I made in April.

As quickly as possible, following the reinstatement of the individuals and collective rights of the Kosovar people, I suggest that Canada, with other members of the Organization on Security and Co-operation in Europe, the OSCE, promote an international conference on the status and rights of ethnic minorities in Europe, and specifically in the Balkans.

In the short term we must also target the sources of instability in the Balkans, namely the difficult economic situation of the countries in the region and the feeling of exclusion from major European political institutions. In this regard, we must recognize the wisdom of the position adopted in early April by the foreign ministers of the European Community.

These countries agreed to set up a fund of at least 250 million Euros to establish a security pact for the Balkans. This fund for Balkan countries would be tied to partnership agreements with the European community, including on issues such as economic assistance and trade privileges. So, this is a step in the right direction.

Following that, we will have to go further and integrate interested Balkan countries into the European community and NATO. This is necessary to ensure Europe's stability, the region's prosperity and the security of Europe's economic and military partners.

• (1525)

In closing, I congratulate and thank the men and women of the armed forces, who showed us their great courage and sense of responsibility, as well as members of NGOs, non-government agencies, from Canada and Quebec, who made a valuable contribution during these difficult times.

[English]

Ms. Alexa McDonough (Halifax, NDP): Mr. Speaker, my colleagues in the New Democratic Party and I share with all Canadians the immense relief that the terrible conflict in Kosovo is drawing to a close. A peace settlement has been signed. Yugoslav forces are withdrawing.

My party wished for and worked for an earlier suspension of the bombing, and we regret that did not happen. However today we are immensely relieved that the NATO bombing campaign has been suspended at long last.

Let us hope that the Yugoslav withdrawal and the demilitarization of the KLA proceeds rapidly. During the withdrawal and its aftermath, let all civilians in Kosovo, Albanian and Serb, be spared further harm.

Let us hope with the entry of the peacekeeping force into Kosovo that the creation of a common security and the rebuilding of basic

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physical, economic and social infrastructure will enable the Kosovo refugees to return safely and swiftly to their homes.

[Translation]

Let us take this opportunity to express our deep appreciation to the members of the Canadian forces, who have served faithfully during this conflict and who are now going to take part in the peacekeeping force about to enter Kosovo.

These women and men have run great risks in performing their duty and their families have made sacrifices that deserve our heartfelt thanks.

[English]

We also pay tribute to other public servants who have worked with the refugees in the Balkans and with the many aid workers in non-governmental agencies who have done their best to help the refugees faced with this terrible humanitarian disaster.

I know from visiting with refugee families in the province of Nova Scotia the gratitude that they themselves feel for the assistance and the support provided to them in their hour of need.

The beginning of the Yugoslav withdrawal and today's suspension of the bombing are only the first step in a long journey toward a true peace settlement and true human security. The challenge of ensuring the safe return and resettlement for all Kosovo civilians lies ahead. The massive destruction inflicted in Kosovo and the rest of Yugoslavia must be repaired. The economic and social institutions of the entire region must be rebuilt and revitalized. War crimes must be investigated and prosecuted where indicated by the International Criminal Tribunal.

A temporary civilian administration must be established in Kosovo, and beyond that a permanent political settlement recognizing the legitimate rights and interests of all peoples of the region must be achieved. Let us make no mistake about it. This will be an enormous task.

Today we urge the Government of Canada to provide leadership in this economic, social and political reconstruction process. We urge the Government of Canada as well to play a leading role in the essential redefining and reconstruction of our international institutions, because above all else this conflict demonstrates how currently incapable and ill equipped the United Nations is today to help resolve and, where necessary, to intervene in civil conflict taking place within the borders of a sovereign state.

NATO intervened in this humanitarian disaster in part due to that fact. As this terrible conflict moves to the reconstruction now necessary, let us redouble our efforts to ensure that in future neither NATO nor any other military alliance acts outside of the sanctions of the United Nations.

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● (1530)

Let us now set to work to reform and revitalize the United Nations so that it is able to deal more effectively and less catastrophically with future humanitarian crises that arise in the world.

We have in Canada a proud history of successful international innovation and international achievement. We have a large internationalist community with considerable expertise, ready and eager to contribute to the project of creating the conditions and the instruments to secure and maintain peace in the world. We call on the government to make use of these resources as it works with the international community on these vital questions.

Let us as parliamentarians, in concert with others around the world who value peace and human security, learn the lessons of this conflict. Surely we have learned that while there are international emergencies such as this one, where the horrors of the humanitarian crisis require military intervention as a last resort, such military intervention always carries with it grave threats to the lives of innocent civilians, to the environment, and grave risks of catastrophic escalation.

Let us make it a central task of the international reconstruction to face up to the difficult ethical dilemmas involved in such crises.

If Canada and others in the international community take up these challenges and can find ways to respond more effectively to such grotesque human rights violations, this conflict can be seen as the beginning of an era when the international community recognizes its responsibilities and finds effective means to defend human rights and secure peace in our global human family.

[*Translation*]

Mr. André Bachand (Richmond—Arthabaska, PC): Mr. Speaker, first of all, I want to sincerely thank the Prime Minister for taking the time today to make a statement in the House. That is greatly appreciated. We also greatly appreciate him taking the time to hear all of the speeches by the leaders of each party.

I would also like to congratulate the men and women of the Canadian forces who will be called into action. While we in parliament are about to begin our break, the men and women of the Canadian forces assigned to the KFOR will not be getting any break.

I should however point out a number of elements that merit consideration and solution as well, I hope. There have been some slip-ups in the way this House was involved right from the start of this conflict. Parliament ought to have taken a vote and held a real debate. Unfortunately, it did not.

That did not keep us from supporting the government's position, but I believe the government needs to learn some lessons from

this. I hope that the situation will never be repeated, but should another armed conflict arise, I hope that the government will realize, as I said in the first debate when this conflict started, that the parliamentarians here are the best tool of the government. The best allies of the government are here in this House. I trust that the government will bear this in mind next time.

Nevertheless, parliament could have got involved much earlier and gradually more as the conflict unfolded.

Canada, as a member of NATO, may have won the war, as it were, but this is the first time Canada has been at war without a UN mandate since the second world war.

The Korean war was fought under a clear mandate by the United Nations. The Gulf war was fought under a United Nations mandate. Ever since that organization was created, all engagements by this country's peace forces since the end of the second world war have been by UN mandate. This is the first time Canada has ever been at war without any UN mandate.

● (1535)

Canada's credibility since the second world war needs rebuilding. Its credibility as a peacekeeper, as a vehicle of conciliation, and as one of the best channels for diplomacy and political solutions, has taken two beatings.

Canada's credibility as a peacekeeper needs to be restored, as does the credibility of the UN, which failed to foresee the strikes and to provide solutions.

This is not the first time there is war in the Balkans. Never was the UN involved, until afterwards. The international community was not involved in Slovenia or Croatia. There was also Bosnia, where 250,000 people died before the international community decided to get involved.

Unfortunately the history of the Balkans is riddled with serious problems. Did we take specific action in this country to try to find solutions ahead of time? Reports of both governments—Conservative and Liberal—said, when the Dayton treaty was signed, that the next problem in the Balkans would be Kosovo. They knew it.

The Department of National Defence knew it. It had specific reports. Canadian soldiers and observers have been in Kosovo for a long time. They knew what was happening, but nothing was done about it.

Montenegro is another place in the Balkans where problems may arise. It is clear in the agreement that was signed—we hope it was clear—that the Serbian army cannot leave Kosovo and move into Montenegro in order to topple the government there, which has NATO's support. The Montenegro government requested an international force there. It did not work.

Business of the House

The agreement signed excludes the presence of any international force in Montenegro. I hope that they will make every effort to ensure there are no more dead in the Balkans.

I hope that Canada will again assume its role as a leader in diplomacy and peace, and not as a leader in war. I hope that this will happen very soon.

We also salute the men and women going to Kosovo and we will pray hard for them. From the beginning of the conflict, and until June 3 in fact, the official position of the Canadian government was the disarmament of the KLA. Now, we know that what they have in mind is nothing more than demilitarization. Heavy arms will be taken away from Albanian KLA troops, but they will still be armed. We know that Canadian forces will be in the Kosovo region, where there is a very large Serb population. Canadian troops will therefore be at great risk.

We will continue to support the government. I hope that the government will continue to support the former mission, which I hope will still be valid, namely keeping the peace.

Going to war is easy. The war in Kosovo marks the first offensive war Canada has won, unlike the gulf war, which was not an offensive operation. Canada has won a war. Are there people celebrating in the streets? Is this the kind of war we are looking at now? Are people completely indifferent to what is going on?

All this bears thinking about. Let us resume our leadership of peace, not war.

* * *

[*English*]

BUSINESS OF THE HOUSE

Mr. Gurmant Grewal (Surrey Central, Ref.): Mr. Speaker, before I ask the Thursday question of the government House leader, I take this opportunity to thank all 40 pages for their hard work in serving and helping members.

They will be retiring from here soon and we will have a new batch of pages coming in. I wish them all well and I believe they have had a memorable experience working with the members of parliament in the House.

I also take this opportunity to thank the table clerks and all staff in the House of Commons who have also worked hard. I wish everyone, all members and you, Mr. Speaker, a happy summer.

• (1540)

I would now like to ask the hon. government House leader the agenda for the remainder of this week and what are the plans for next week.

Hon. Don Boudria (Leader of the Government in the House of Commons, Lib.): Mr. Speaker, if the House sees its way to complete consideration of the Senate amendments to Bill C-55, the magazine bill, and Bill C-49, the land claims bill, today or tomorrow, and I say hopefully today, I will consult my fellow House leaders about the possibility of commencing the summer adjournment without further delay. If these bills are not concluded then of course we will have to complete them next week.

Let me say that it is the intention of the government to follow the sequence I have just enumerated along with the bills I will now enumerate either this week, next week, or when the House resumes in the fall, whichever is the case.

The intention at this time would be Bill C-54, the electronic commerce and privacy legislation; Bill C-68, the youth justice bill, as I indicated a little earlier today; Bill C-56, the Manitoba claims bill; Bill C-48, the marine parks legislation; and Bill C-63, the new citizenship act. These are important bills for the government to take the opportunity to debate whether that means we sit longer or in the fall.

If we adjourn this week, these items will be given a high priority in the autumn. As hon. members are already aware, when the House returns in the autumn the government will be asking parliament to deal on a high priority with legislation ratifying the Nisga'a agreement.

[*Translation*]

I do want to take advantage of this opportunity to thank all hon. members, including the House leaders, the members for Langley-Abbotsford, Roberval, Winnipeg-Transcona and Pictou-Antigonish-Guysborough for their constructive participation in helping the House of Commons do its work effectively, with the help, of course, of their respective whips.

I also want express my appreciation to the hon. member for Peterborough, whose performance as my parliamentary secretary for the last two years stands as a major contribution to the good operation of this House.

[*English*]

Over the last few days members have been particularly kind in offering me words of congratulations about an event which will occur next week, namely the fact that I will be receiving a degree in history from the University of Waterloo, a little secret I hid from most of us for 11 years. I guess it is my own personal way of countering the brain drain.

I appreciate the kind notes that were sent to me by hon. members, by the people at the table and by others in the House who were similarly kind in sending me notes and expressing kind words. I do not deserve that praise. I appreciate it enormously however.

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If I can leave one message for everyone, I do not want anyone to think this was impossible or nearly impossible. That would be the wrong message. The right message, I believe respectfully, is that given the time constraints and if I were able to do it countless Canadians could also work to improve their adult education. I invite all of them to do so for their own satisfaction and the future of their careers.

The Acting Speaker (Mr. McClelland): I wish to inform the House that because of the ministerial statement Government Orders will be extended by 36 minutes.

GOVERNMENT ORDERS

• (1545)

[English]

FOREIGN PUBLISHERS ADVERTISING SERVICES ACT

The House resumed consideration of the motion in relation to the amendments made by the Senate to Bill C-55, an act respecting advertising services supplied by foreign periodical publishers, and of the amendment.

Mr. Nelson Riis (Kamloops, Thompson and Highland Valleys, NDP): Mr. Speaker, I appreciate the opportunity to speak in the closing moments of the debate on Bill C-55, an act respecting advertising services supplied by foreign periodical publishers.

I want to acknowledge the tremendous work that has been done by the hon. member for Dartmouth. She has been one of the few voices in the House of Commons that has actually spoken out and described this legislation for what it is.

The legislation is a sellout. I think it is fair to say that today is a retreat. We are surrendering to the American forces on this issue. I tried to think of an appropriate way for members of parliament particularly at this time to accept a Liberal negotiating position. What could that be?

We would simply walk around for the next little while looking like prisoners because we have surrendered to the Americans. We have surrendered to American pressure. If we want to demonstrate the appropriate way to be in the House of Commons whenever we talk about something to do with the United States, we would strike the appropriate pose.

The appropriate way to speak on any issue dealing with the United States would be on our knees. This is the Liberal negotiating position. We are on our knees doing a variety of things. At the moment I am just going to speak about this.

We have seen this surrender to the United States on a whole set of issues. We started off a little while back with pharmaceuticals. We caved in to the American pharmaceutical lobby. Bill C-91 gave 20 year patent protection.

I remember Bill S-9. For some reason the Government of Canada decided that Canadians who contributed to American charities or to American university fundraising campaigns should get a Canadian tax deduction. One has to admit that it is pretty crazy when tax deductions are given to Canadians who contribute to American universities and colleges.

I will just resume the pose to go to the softwood lumber issue. Once again a lot of us, particularly those of us in British Columbia, could stand this way. We would be handcuffed because we are essentially prisoners of war to the United States. We had a free trade deal with the United States, or so we were told. Then it came to dealing with softwood lumber and the government caved in again to the softwood lumber lobby. Now we have to accept quotas on our softwood lumber.

More recently we looked at the Pacific salmon treaty. We got down on our hands and knees again, went down to Washington and again caved in to American pressure. We gave away our coho stocks. At this rate we are going to wear out the knees of our pants.

Then we got into the plutonium shipments. The Americans wanted to ship plutonium to Canada in order to dispose of it. We agreed and caved in again to the United States.

Next it was the willingness of the Canadian government to allow American warships with nuclear weaponry to enter Canadian waters. This was despite the fact that British Columbians had almost universally passed legislation saying that British Columbia and British Columbian territorial waters were a nuclear-free zone. The Government of Canada said it was going to ignore that. It was on the Americans' side, not on the British Columbians' side.

Time and time again we have seen the government cave in. The appropriate way to deal with American related issues is on our knees. There is no point standing up. We might as well be on our knees, wearing out the knees of our pants, going down to Washington and saying that this is the appropriate position for the Canadian negotiators.

An hon. member: On bended knee.

Mr. Nelson Riis: On bended knee or worse.

The next item would be water. Once again we have seen the government of Canada cave in to American pressure in terms of access to fresh water. The House passed a unanimous motion to call for an immediate moratorium on freshwater exports. Did that happen? No. We ran down to the United States and said "Let us set up a committee to study ways and means of exporting water from Canada to the United States". This is embarrassing.

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• (1550)

Mr. Mauril Bélanger: Mr. Speaker, I rise on a point of order. There comes a time when grandstanding and this kind of behaviour should perhaps be ruled on. Mr. Speaker, the point of order is—

The Acting Speaker (Mr. McClelland): I accept the fact that the hon. member for Ottawa—Vanier is making a very considered point of order. As the chair occupant I gave that some consideration. But I also thought that in light of recent happenings with the New Democratic Party, God knows they could spend some time on their knees.

Mr. Nelson Riis: Mr. Speaker, I appreciate your intervention, but consider what we are doing here today. Consider, as we are surrendering to the United States, as we are surrendering to the Americans, what we are actually debating in the House of Commons. In a letter we are agreeing—

The Acting Speaker (Mr. McClelland): Excuse me. I think the hon. member for Ottawa—Vanier was quite correct and there is a point beyond which we need to respect the dignity of the House. I would ask the hon. member for Kamloops, Thompson and Highland Valleys to resume his normal dignified manner in the House and if not, we will just go on to the next speaker.

Mr. Nelson Riis: Mr. Speaker, why did I get down on my knees in this subservient position during this debate on Bill C-55? Why did I clasp my hands behind my neck in a symbol of submission? It is because that is what we are doing.

Time and time and time again we caved in to the American interests. Just once we would rejoice in this House to stand up for Canadian interests, just one time. Whether it is on the softwood lumber deal, whether it is on the salmon deal on the west coast, let us just one time stand up for Canadian interests and Canadian sovereignty and stop caving in and dropping to our knees the minute an American walks into the room.

Listen to this. This is astonishing. When the government votes on this legislation, we are agreeing to the following definition of Canadian content in publications: "If it is created for the Canadian market and does not appear in any other edition or one or more periodicals published outside of Canada".

It means if a resident of Waco, Texas writes a story about crime in the streets of Dallas and it is published in *Maclean's* magazine, that is Canadian content. If we look at the writings of Jesse Helms about the situation in Cuba and it is not printed anywhere else except in a Canadian publication, that becomes Canadian content.

To the Minister of Canadian Heritage, who in their right mind dreamt this up? Who in their right mind could stand in this place

and say "I believe that a Texan writing about Texas is Canadian content". That is what we are being asked to approve in the House this afternoon.

It is disgraceful. Anybody in our country who is interested in Canadian culture when they watch how people vote today will find out who really supports developing Canadian culture.

To conclude, I think I have demonstrated clearly what I think should be the appropriate posture for every Canadian, and particularly every parliamentarian, when we get into the discussion of Canada-American relations. We should assume the Liberal negotiating position, either on our knees or with our hands in the air as a symbol of complete submission. It is unfortunate, but unfortunately that is the case.

• (1555)

Mr. Mike Scott (Skeena, Ref.): Mr. Speaker, my colleague is quite right. The Liberals have been absolutely atrocious in their dealings with the Americans.

Coming from the northwest coast of British Columbia, I know all too well how much the people in my communities who fish are going to suffer as a result of the Pacific salmon deal. The member is quite right. We caved in to the Americans on Pacific salmon. The Liberals caved in. The minister wraps himself in the flag and tries to paint himself as the conservation fisheries minister, but in reality what we have done is sold out to the Americans.

I would like to know sometime in my life what the Canadian government got in return somewhere else in Canada. I am sure there is some backroom bargaining going on.

I would also like to remind the member that I come from British Columbia which has an NDP administration. He was demonstrating postures so I have one for him. With an NDP administration, we in B.C. have the posture of having no money left because the NDP unfortunately cannot run a province.

Does my colleague have any comments to make about that since he was demonstrating the NDP's position with respect to the Liberal negotiating positions?

Mr. Nelson Riis: Mr. Speaker, my friend almost threw me with that question because as he was asking it he had one of his hands in his pocket. I was wondering what that was supposed to symbolize, but I will leave that for debate on another day.

Let us be honest about what has happened in British Columbia. When the federal government in its wisdom decided to seriously cut back funding for health care and education, there were very few provinces that decided that they were not going to see actual cutbacks in those two fields in their jurisdictions so they backfilled. They kept their commitments to education and health care and they

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backfilled so that education and health care would not take the hits that they have in most other provinces across the country.

That was a priority. The Government of British Columbia decided it was crucial as we enter the 21st century in a knowledge based economy that education remain a priority and be accessible to British Columbians. That is another reason tuition fees have been frozen for four years in a row, in order to keep tuition fees low enough so that public education at the post-secondary level is available.

Two very important things are education and health care. I would suspect if my friend had a chance to get to his feet after this question he would admit that he too would value that priority by the Government of British Columbia to keep health care and education as number one and number two priorities in terms of funding.

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

An hon. member: Question.

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

Some hon. members: Yea.

The Acting Speaker (Mr. McClelland): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. McClelland): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mr. McClelland): Call in the members.

• (1600)

And the bells having rung:

The Acting Speaker (Mr. McClelland): The vote is deferred to the end of Government Orders today.

FIRST NATIONS LAND MANAGEMENT ACT

The House resumed from June 4 consideration of the motion in relation to the amendments made by the Senate to Bill C-49, an act providing for the ratification and the bringing into effect of the Framework Agreement on First Nations Land Management.

Mr. Mike Scott (Skeena, Ref.): Mr. Speaker, I will continue my remarks from last Friday when we first began debating the Senate amendments.

It is now useful to remind the House of some of the history of the legislation before us. Back in the fall of last year the government introduced Bill C-49. At the time it was introduced there was a great deal of discussion among the various parties to see if we could get all party consent to speed the bill through the House of Commons. Apparently the bill had been before the House before and had not succeeded. Apparently many people were lobbying various members of parliament trying to get speedy passage of the bill.

After we reviewed it we found that there were some flaws. We started pointing them out to the government. A lot of the credit for identifying these flaws goes to grassroots people living on reserves, particularly in British Columbia, and municipalities in British Columbia that expressed some concern about the lack of a consultation process with regard to the use of land.

Concerns were also expressed about other areas of the bill such as expropriation. We received a great deal of mail, e-mails, faxes and so on, from people in the Musqueam reserve who had an experience relevant to the legislation which certainly made them very fearful and concerned about what could happen if Bill C-49 were passed without amendment.

We began discussions with the government talking about the amendments we were looking for. We had some indication back in November and December that we were to get amendments but we never got them. Consequently, in February and March when Bill C-49 came back into the House, members of the official opposition voiced strong opposition. We made it very clear to the government that we would not support the bill until amendments were made. In fact, we were to mount as stiff an opposition as we possibly could.

Various members opposite in the government benches made public comments about Bill C-49 at that time. I would like to read into the record some of those comments. A news story in the Vancouver *Sun* of March 4, 1999, indicated:

First nations legislation faces possible changes: Amendment in the Senate is pursued for a bill that gives land management powers to 14 Indian bands.

B.C. Liberal MPs said Wednesday the Senate will study and possibly amend legislation that would give bands such as the Musqueam and the Squamish expropriation powers on reserve land.

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The seven member B.C. caucus has been inundated by letters, telephone calls and faxes expressing concern about the bill, which is expected to easily pass third and final reading in the House of Commons early next week before going to the Senate.

The bill, called the First Nations Land Management Act, transfers land management powers from Ottawa to 14 Canadian bands—including five in B.C.

The powers include the right to expropriate any interest in its lands such as leases if the band council deems it necessary for “community works or other first nations purposes”.

The bill has gained notoriety because it has been linked to the \$490 million Nisga'a treaty and to the Musqueam band's imposition of 7,000% rent increases on leaseholders living on reserve land.

Some Musqueam leaseholders say the band plans to expropriate their leases in order to build condominiums, but the band says it has no motives other than to enforce the Federal Court of Appeal's ruling sanctioning huge hikes.

Indian Affairs Minister Jane Stewart has said that bands wouldn't be allowed under Bill C-49 to expropriate interests on Musqueam land except for community purposes such as hospitals or sewer projects.

The bill also provoked concern among some mayors near the reserves who don't feel the legislation requires sufficient consultation between bands and municipalities prior to property development.

And native women's groups are upset because the bill doesn't provide adequate protection for women who often lose access to the marital home after divorce.

The controversy over the legislation has prompted government MPs to hold out hope that the Senate could send amendments back to the Commons, forcing the Indian affairs minister to reconsider her legislation.

• (1605)

Referring to a statement by the hon. member for Vancouver Quadra, the article stated:

The very many communications and comments and criticisms. . .from native women's groups, both native and non-native leaseholders, and also municipal and similar organizations, can all be studied by the Senate committee and taken into account in offering possible changes to the bill as it now stands.

The hon. member for Vancouver Quadra pointed out that B.C. MPs and senators met with Indian affairs minister and got her support for the Senate committee on aboriginal affairs studying the bill. He continued:

I welcome Parliament's taking note of community opinions in this way, and thank the minister of Indian affairs for her co-operation.

According to the article the member for Port Moody—Coquitlam was asked by the minister to begin meetings with B.C. mayors and with chiefs of the five bands. It referred to the hon. member for Port Moody—Coquitlam and indicated as follows:

The meetings are taking place “so we can hear everybody's side and see what are the weak points, what are the strong points, what needs adjusting and a few other things”.

It continued:

Liberal Senator Ray Perrault said the public feels a sense of powerlessness over issues like Bill C-49, the Musqueam matter, and Nisga'a. The emotion expressed in the letters he has received is as powerful as any he's seen in his long political career in the B.C. legislature and the Senate.

“They believe they don't have sufficient input; they feel the democratic process is subverted”, Perrault said.

Referring to a statement of the minister, the article continued:

—she will naturally have to consider any amendments that may come back from the Senate, but she doesn't believe Bill C-49 has flaws.

“I feel very comfortable with the bill”, she said.

I ask all members of the House, and anyone who happens to be watching, how the minister could be so far on one side of the issue. She is not accepting advice from Liberal senators who have spent their entire careers in politics. She is not accepting advice from members like the member for Vancouver Quadra who is recognized as somewhat of a legal and constitutional expert. She is telling her critics, including the critics from within her own party, that there is nothing wrong with the bill. She does not feel that it needs any changes and is intent on seeing it passed just the way it is. Is that the way the House of Commons should be doing business?

Another article from the Windsor *Star* of March 11 indicated that a local Liberal member of parliament, the member from Essex Kent, found himself in an unusual position of voting with Tory, independent and 42 Reform members against a controversial government bill that gave 14 Indian bands greater power over land management issues. Because dissent within the Liberal ranks was frowned upon and discouraged by the Prime Minister, the decision of the member from Essex Kent was both unusual and gutsy.

Bill C-49 has already drawn legitimate criticism on two fronts. First, it would pass more control of reserve lands to band councils, allowing them to expropriate interests on their land such as non-native leaseholders if expropriation is deemed to be in the community's interest. The bill does not specifically define those interests, leading to concern that land could be used for commercial development or even casinos.

On one B.C. reserve non-natives already have been saddled with a 7,000% increase in their rent, leading to suspicion that the band is trying to lower real estate prices so it can keep future compensation payments down.

A second concern outlined in the article was that native women were concerned that the bill did not guarantee women equal rights to property when a marriage breaks down. Bands can create their own rules and there is no requirement for any appeal process.

• (1610)

Some might see the member from Essex Kent as attempting to score political points in his riding where the government and the Caldwell first nation have negotiated a tentative agreement that would give the band \$23.5 million to establish a 4,500 acre reserve on what is now prime farm land. However, the Caldwell deal raised many legitimate questions about the government's approach to

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land claims and the continued promotion of the unsuccessful reserve system. I submit that Bill C-49 feeds into that.

In opposing Bill C-49 the member from Essex Kent accused Indian Affairs Minister Jane Stewart and her department of intentionally trying to avoid public consultation on—

The Acting Speaker (Mr. McClelland): I know that the hon. member for Skeena inadvertently used the name of the sitting member and meant to refer to the ministry.

Mr. Mike Scott: I am sorry, Mr. Speaker. You are absolutely right and I will try to refrain from doing that. It was a slip.

In opposing Bill C-49 the member from Essex Kent accused the minister of Indian affairs and her department of intentionally trying to avoid public consultation on land claims and self-government matters across the country. The evidence suggests he is right.

I have many articles from which I could read. I have another one from the Vancouver *Sun* of March 3 headlined “Liberal raps bill to boost native power: An Ontario MP says Bill C-49, which is sure to pass its final vote next week, is excessive”.

The article indicated:

Open dissent is appearing within Liberal ranks over the federal government's legislation to give 14 native Indian bands in Canada, including five in B.C., greater powers over their land, including the ability to expropriate.

Southern Ontario Liberal. . .who plans to vote against Bill C-49 next week, said the bill is excessive and he criticized the government for imposing closure to limit debate in the House of Commons this week.

He also accused the Indian affairs minister. . .and her department of intentionally trying to avoid public consultation on land claim and self-government matters across Canada.

According to the article the member from Essex Kent said:

Their position is to keep the dummies in the dark.

According to the article the hon. member from Essex Kent:

—was the only Liberal to join Reform MPs in voting against Bill C-49 during report stage Monday, and intends to rise in opposition in the House of Commons next week when the bill returns for third and final vote.

However, concern is growing among some B.C. Liberal MPs and senators who met Tuesday evening with the minister.

The member for Vancouver Quadra, according to the article:

—voted with the government Monday but said he is working behind the scenes to ensure there is a thorough Senate committee study, including public hearings and possible amendments.

The member for Vancouver Quadra said that he did not support the bill. The article continued:

Some concerns that have been felt by B.C. MPs on the fast track procedure are being resolved by what's emerging as an understanding that the Senate will study and hold public hearings and will possibly consider amendments and changes for the House.

“The details were to be worked out in a few days”.

The member for Vancouver Quadra said:

—the bill, along with the media coverage of the 7,000% rent increase imposed on non-natives living in Musqueam Park in Vancouver, was fuelling more public concern over broader and more crucial native issues such as the \$490 million Nisga'a treaty, the first modern comprehensive land claim struck in B.C.

The member for Vancouver Quadra said that Bill C-49 was poorly drafted and supported concerns expressed by the member from Essex Kent and B.C. Liberal leader Gordon Campbell who said that the expropriation rights for Indian bands were excessive.

The article continued:

The bill permits bands to expropriate interest in their land, such as leases held by residents or businesses, if council deems it “necessary for community works or other first nation purposes”.

“Some critics say natives and non-natives could be removed from their land in order to build casinos and condominiums”, but the minister “insists expropriation will only take place to build hospitals, sewers and other services”.

According to the article the member for Vancouver Quadra and the member from Essex Kent also cited:

—the bill's lack of protection for native women who often lose their right to marital property after a divorce, and the omission of any mechanism requiring consultation with surrounding municipalities on development matters.

● (1615)

The member for Vancouver Quadra said that the public's concern is correctly focused on the bill. He said that the legislation, which had breezed through its second vote on Monday by a 170 to 35 margin, was sure to pass the third and final Commons vote, which was expected early the next week.

I have been laying the groundwork. I have been trying to apprise members in the House and anybody who might be watching that not only was the Reform Party, the official opposition, saying there were problems with the bill, but the independent member from the Toronto area, at least two Liberal members on the government side and Liberal senators were saying there were serious problems with the bill and they identified those problems.

The member for Vancouver Quadra identified those problems publicly and said that the bill was poorly drafted. He said that the public's concern was correctly focused. He said that the bill needed changing. He said that he would work behind the scenes to see that it was changed. He must have had some opposition from the

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minister of Indian affairs because she was publicly quoted in the same articles saying that she thought the bill was fine.

Against that backdrop, the bill was sent over to the Senate for consideration, deliberation and debate and apparently there was some kind of a deal cooked up in the backrooms between Liberal backbenchers and senators that this bill was to be amended by the Senate and sent back to the House.

When we found that out we were somewhat encouraged because we believed it meant that we were actually going to have the concerns addressed that were brought to us by mayors and city councillors from the Vancouver area and from aboriginal women living on reserve, particularly the Squamish reserve. We received a number of concerns expressed by these women.

We were starting to believe that those issues would be resolved. I think the House may be aware that there is a young lady from the Squamish reserve who actually had a piece published in the *National Post*. Her name is Wendy Lockhart Lundberg. I think that she is an absolutely courageous woman who has done a great deal to move this issue into public debate, and that is the issue of native women's rights or the lack of native women's right.

She published an article in the *National Post*. It is really important that the House understands how she feels and how many of her fellow band members feel, native women such as Maizy Baker. I hope these people are watching because I know this issue is very important to them. They have expressed their concerns over and over again to all members of the House, particularly members of the Standing Committee on Indian Affairs and Northern Development.

I believe that all members of parliament from British Columbia have received mail from these people and they have made their point very well.

Wendy Lockhart Lundberg, a member of the Squamish Band in the Vancouver area, in her article that was published in the *National Post* earlier this spring, said that native women feel threatened by the federal bill. She said that while media attention focuses on the formal treaty process, federal actions are attempting a legislative end run around treaties by offering bands powers over land management. Native women will bear the brunt of these legislative provisions and will be denied the protections that could be afforded through treaties.

She continued to say that a little publicized government bill, Bill C-49, the first nations land management act, was scheduled for third reading in parliament the next week and poised to become law. Bill C-49 would give legal effect to land management agreements which have already been signed by 14 bands. These included her band, the Squamish, as well as Vancouver's Musqueam Band and bands across the country and would be open to other bands in the future.

Bill C-49 grants participating bands almost unlimited powers over the ownership, management and expropriation of band lands. The implications of Bill C-49 for the rights and position of native women are large and the B.C. Native Women's Society, supported by three major native organizations, has lodged a court case against the federal government to require that the issue of native women's rights be properly addressed before enactment.

• (1620)

When the marriages of native women fail, as all too many do on account of poverty and related conditions, they and their children typically lose the family home. There ex-spouses typically get possession of the family home based on decisions of the band council. Often the women have nowhere to live on the reserve and many end up in the worst circumstances, in urban ghettos. Unlike all other Canadian women, native women on reserves do not have the protection of property division laws.

Bill C-49 contains two provisions which are particularly worrisome for native women. First, it states that rules and procedures regarding the use, occupation and possession of land upon the breakdown of a marriage will be determined by the land codes of each signatory band. Yet there is little assurance that these future provisions will be any less tilted against the interests of women and their children than the results of the current system.

Second, Bill C-49 offers band councils draconian powers of expropriation which must concern native women as well as other native people living on reserves and non-natives with leasehold interests. Specifically, a first nation may expropriate any interest in its first nation land that, in the opinion of its council, is necessary for community works or other first nation purposes.

The band need give at most 30 days notice to expropriate and it is obliged to pay fair compensation that can be disputed only under the rules set by the band itself.

Not only may these powers be used against native women, they may also be used against band members outside the governing elite. For example, the Squamish nation has valuable waterfront property in North Vancouver which is rumoured to be the subject of band council plans for commercial redevelopment. These plans could displace many band members living there to a reserve area up the coast, thus making expropriation powers very useful to the band council.

In addition, any party having a leasehold interest on reserve has reason to fear the strong expropriation powers for bands in Bill C-49. With the sword of quick expropriation hanging over their heads, current leaseholders will find few parties willing to buy their leasehold interests and their property values will plummet. A

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band can then expropriate their property by offering fair compensation at the depressed market values.

A band council's expropriation powers will be unlike those of a municipal or senior government. The band will be able to expropriate for any other first nation purpose, not limited to the need to build schools, highways and the like. Many bands see their lands as a major means for economic development so that leaseholders can expect their land to be expropriated. Whenever a band finds a more valuable use the band will fully control the zoning. With this ever present threat, how many non-natives will want to make the investments needed for development or leasehold arrangements with bands?

Wendy Lockhart Lundberg's mother lost her native and band status when she married a non-native many years ago. Her status was restored following the 1985 amendments to the Indian Act, but her father's property was never returned to her. The Squamish Band allows someone else to occupy the property and uses its diverse powers to block her mother's efforts to regain her family home. Under Bill C-49 her land could be permanently lost through expropriation.

The Squamish nation has sent a council member to Ottawa to support Bill C-49, while not informing the general band membership of the existence of the bill. The Squamish nation has intervened on behalf of all signatory bands on the side of the federal government and against the B.C. Native Women's Society on the Bill C-49 lawsuit.

Ms. Lundberg said that she believed her mother's rights and those of many other native women would be lost forever if Bill C-49 passed in its present state. Their chances of obtaining legally binding provisions that restore their human and property rights would be much better served through an openly debated treaty process.

A registered status native and member of the Squamish Band, Wendy Lockhart Lundberg, said that Bill C-49 was introduced into parliament by a female minister of Indian affairs and its passage would be enacted by Her Majesty in right of Canada. She said that she doubted whether either of those women share native women's concerns about their lands, homes and families.

• (1625)

It is beyond us to understand why the minister and the government have not bothered to listen to the pleas from these women who are very concerned about their lack of property rights which all other Canadian women enjoy in the event of marriage breakdown.

I have another example that I can share with the House and that is the example of Maizy Baker. She tells me that there are many, many more like her.

Maizy Baker is a member of the Squamish Band. She is an elder in the band and she has a property that she would like to be able to pass along to her children. We all do that as Canadians. This is a matter of—

The Acting Speaker (Mr. McClelland): If the hon. member for Skeena would forgive me, I need to interrupt twice before 5 o'clock, once for the adjournment proceedings. This seemed like a good moment to interrupt because I need to make an announcement on behalf of the Speaker before time gets too far along.

This is for members who are watching the proceedings from their offices. The Speaker's reception, to which all members are invited, is currently going on in the Speaker's chambers.

Again, I apologize for interrupting the hon. member.

Mr. Mike Scott: Mr. Speaker, I appreciate that there is other business that needs to be done.

I want to focus for a minute on Maizy Baker because I think her story is important. It is important in the context of how we see ourselves as Canadians and how we see our fellow Canadians and their rights.

Maizy Baker is a status member of the Squamish nation who is living in the Vancouver area. She is an elder. She has children. She has property that she wants to pass on to her children. She has lived on that reserve all her life. That is what she knows as her home. It is her family home. It is where her children grew up.

Many of us have these same circumstances. We grow up in families and even in our middle years and later life we identify with the family home as the home where we grew up. It is our place. It is no different for Maizy. Maizy has found out that she is living in that house by permission of the band council. She does not own it. There is no heritability. There is no ability for her to pass that property along to her children and their children.

I would argue strongly that is contrary to Canadian values and everything that we believe in and stand for in this country. Where are Maizy Baker's rights? Where are her property rights? Where are the rights of her family? Will they find at some point in time when Maizy has gone, and hopefully it will be a long time before that happens, that the family home in which they grew up is arbitrarily assigned to another band member and no longer has any meaning or value for them as family members?

I would argue not. I would say that the biggest flaw we have in the reserve system is related directly to land and land management. Let us face it, land is a very, very important instrument in delivering individual rights to Canadians and to all people.

Maizy Baker does not have those rights. She does not have that ability. She cannot pass her property along to her children. The

biggest flaw in the reserve system, and there are many, is that there are no property rights.

I am not suggesting that Bill C-49 or any other legislation that might be brought down in this House in the near future would provide exactly the same kind of fee simple property rights that all other Canadians enjoy, although that is what I would like to see; I am suggesting that the bill was an opportunity to address that issue. There could have been private property rights of some kind assigned under that legislation. There could have been protection of some kind because without some kind of property right it is impossible for the whole issue of division of the marital home to be addressed in any meaningful way. Without a private property right, we are left with always is an arbitrary decision by somebody else, most often the band chief and council, as to who is going to end up with possession of that home once the marriage dissolves.

• (1630)

These issues were raised by Maizy Baker and Wendy Lockhart Lundberg with the House standing committee on aboriginal affairs. They were also raised in the Senate committee hearings that took place a month to five weeks ago. These ladies, and many others, travelled great distances, all the way from British Columbia in the case of Wendy and Maizy, to tell their story and to put their concerns forward with the senators who were studying this bill and who were supposed to be working behind the scenes with Liberal MPs to make amendments that would provide the kind of protection and address the kinds of concerns that were being raised.

The groups made very forceful presentations. I have copies of the minutes of the Senate committee meetings, I sat in on some of those meetings. After the Senate committee listened to all of those presentations and after hearing the expressions of frustration and deep concern these women were telling, at the end of the day the committee sent the bill back to the House with a couple of amendments.

While the amendments are a small step in improving some of the expropriation concerns expressed by myself and others in the House, they do not go anywhere near the issue of aboriginal women's rights. They do not go anywhere near the issue of the concerns of municipalities over mutual consultation when adjacent lands are to be developed. On the issue of compensation, the only real change is that the bands must adhere to the Expropriation Act, which we do agree is an improvement. However, it does not require the bands to expropriate only for the public works or public services that may be required by the band. It still says that it is anything that the band council may deem to be in the band's interest.

I have the May 14 minutes of the Senate committee on aboriginal people. When the minister appeared before the Senate committee on Bill C-49, she said:

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Thank you, honourable senators, for allowing me to be here to speak about an extremely important piece of legislation. I have been following your work and I recognize the attention and diligence that you have brought to Bill C-49.

I would start by positioning the bill and its importance from my point of view. As honourable senators are aware, the bill ratifies and brings into effect a framework agreement that was signed on February 12, 1996, by the 14 First Nations and the former Minister of Indian Affairs and Northern Development. Together with the signatory First Nations, Bill C-49 is a product of over 10 years of work that sought to find a meaningful way of restoring land management jurisdiction to the signatory First Nations.

I would suggest that if this is the best they can do after 10 years I am absolutely nonplussed. I cannot understand how anybody can say that this is a good bill. After 10 years, I would have expected something much more refined, something that would have addressed the issues and the concerns that have been expressed.

The minister went on to say:

The framework agreement and this legislation provide the signatory First Nations a legitimate, organized and controlled means of taking back the authority to manage their lands and resources at the community level and pass laws regarding how their land is developed, conserved, protected, used and administered.

• (1635)

We can already see the major difference between the Squamish Reserve, for example, or any reserve that might be covered under this bill, and any non-aboriginal community.

I live in a non-aboriginal community. Some members of the House live in communities, but I think most members probably live in communities, municipalities, cities or whatever. The municipality I live in collects property taxes from me and has some say in what I can and cannot do with my property. I believe that is based on consideration for my neighbours who may not want me to put up a barn in my front yard. However, it certainly cannot tell me where I can live, where I cannot live, who can live in my house and so on, because I own my property not the community. The municipality does not own that property.

An hon. member: You can raise money on your property, too.

Mr. Mike Scott: Yes, I can pledge my property for security if I want to raise money for a mortgage, to start a business and for a whole variety of uses.

What the legislation before us does is it transfers the administration of lands which, incidentally, are lands that are legally held in the title of the crown of Canada. This is also a big flaw and a big mistake. Why should the land title for Indian reserves be held by the crown? That is totally inappropriate, but that is how they are held. What the crown is simply saying is that it is not going to

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administer those lands any more, that it is going to turn them over to the local chief and council.

We all know that in a democracy that expresses itself to be concerned about the individual rights of people and tries to give individuals as much freedom and opportunity as possible, we recognize that fundamental to that is, as I said earlier, creating a private property right. This does not do that. The bill just simply transfers the administration of these lands from one government jurisdiction to another, from one body of government to another and from one bureaucracy to another.

The Reform Party is on record as supporting the notion that decisions made with respect to most aspects of community life are better made at the community level than they are in Ottawa or in the legislatures in the various provinces. We believe that the more we devolve the decision making the more likely it is that better decisions will be made. It is very likely that as a result of this legislation there will be better decisions made with respect to the business of the band and the business of land development, but, from an individual point of view, I would argue that it is more likely that individual rights will be prejudiced as a result of this legislation rather than enhanced.

I will now continue to quote the minister. She said:

This means that First Nations can undertake projects without having to turn to me for their approval.

We would agree that is a good thing. She continues to say:

They will have the flexibility to move quickly when economic opportunities arrive or when partners approach them. In that way, they can get on with the task of creating jobs and encouraging economic growth in their communities.

I should also like to welcome my parliamentary secretary. We spoke about the importance of (him) being with us today, as well. I am glad he is able to join me.

The notions and philosophy in Bill C-49 are in keeping with our government's efforts to increase self-sufficiency in First Nations communities. The bill is a major component of the goals that we outlined in "Gathering Strength—Canada's Aboriginal Action Plan", which was the federal government's response to the Royal Commission on Aboriginal Peoples.

Members will recall that the government tabled a response to RCAP of January of last year. I remember that it was during the ice storm because I came back here for the minister's announcement and almost had to stay here for a week before I could get a plane to leave again.

The minister, in referring to that, was saying that these legislative initiatives were a response to the RCAP report. I would remind the House that there were many people present at that announcement of the minister, including Mr. Daniels who represents off-reserve natives, and Marilyn Buffalo who represents Native Women's Association of Canada. They were not particularly

enamoured with the minister's announcement and made presentations very much in opposition to what Bill C-49 is all about.

• (1640)

The minister goes on to say:

In previous opportunities that I have had to meet with the Senate, we have had a lively and informed discussion on how appropriate it is that we move to a new and modern relationship with First Nations in Canada.

I will now turn to the issue of the land codes. Let us remember that the bill and the framework agreement provide for the creation of land codes that will set out the specifics of the new land management regime for each First Nation. Community members, not chiefs and council, will approve these land codes. A land code will be the basic law that will govern lands and resources, after the land provisions of the Indian Act are withdrawn from the community. The land code will include the rules and procedures that will apply to the use and occupancy of First Nations land, the sharing of revenues, accountability to members, the enactment of laws, conflict of interest, and the establishment of alternative dispute-resolution mechanisms. The land codes are to be ratified by on- and off-reserve adult members in each community. First Nations will establish a specific process for ratification within the parameters of the framework agreement.

I want members to remember that what the minister is essentially saying is that the band members themselves are going to be the ones to adopt these land codes and they will be the ones who determine how land is to be managed on the reserve after Bill C-49 is enacted.

The aboriginal women who testified in front of the standing committee on aboriginal affairs and the senate standing committee had some very pointed things to say about that very issue. They are deeply concerned that this will not be the case. I want members to recall that. I will come back to it through the testimony of the aboriginal women who came to Ottawa and gave us their views.

The minister goes on to say:

I would note that this bill is really a win-win opportunity for all parties.

We only wish it were so. She goes on to say:

The First Nations win because they can include their land and resources in decisions that shape their future. The First Nations and their neighbouring communities also win because increased economic development on First Nations land will mean a healthier economy for the region. They will be able to deal directly with the First Nation on business matters instead of having to go through my department.

Again, we think that is a good thing. We are not opposed to that. As a matter of fact, the Reform Party worked very hard trying to negotiate amendments to the bill late last fall that would have seen us supporting Bill C-49, except we could not get the government's agreement to support those amendments.

Now, at this late stage, we find ourselves in this unfortunate situation of not being able to support Bill C-49, and we do it on behalf of these people who have approached us. It is not our issue

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anywhere near as much as it is theirs. They are the ones who have asked to do this.

The minister goes on to say:

I should like to turn now to three particular issues that have been the concern of this committee and others, not the least of which is the issue expropriation.

The issue of expropriation deals with the First Nation expropriation powers. Members of the committee have raised the issue of whether First Nation expropriation powers here differ from those provided to other entities. At the outset, I would remind you that expropriation powers already exist under the Indian Act.

They do, but those expropriation powers are currently in the hands of the federal government and not in the hands of the band. The federal government is currently bound to the Expropriation Act.

She goes on to say:

On request of First Nations, I can exercise expropriation powers for the general welfare of First Nations under section 18(2) of the act.

With this bill, we are seeking to replace the powers under the Indian Act and to ensure that the signatory First Nations have the tools they need to manage their land. The power to expropriate of the signatory First Nations is similar to the expropriation power afforded to federal and provincial governments and the public and private organizations such as municipalities, school boards, universities and hospitals.

It is important to recognize that this bill does not allow for arbitrary expropriation.

All of the people we heard from, including band members, are saying exactly the contrary. If members read the wording of the bill, it is easy to see that the minister is incorrect. I want to repeat this. She said that it is important to recognize that this bill does not allow for arbitrary expropriation. It says in the bill that the band can expropriate for any purpose it deems to be in the band's interest.

• (1645)

If the band council has a meeting one night and decides it is in the band's interest to expropriate a piece of property to build a community hall or to build a sewer and water project and so on, that is fair ball. What happens if it decides it is in the band's interest to expropriate and take a number of band members or non-native leaseholders out of their homes because there would be a higher return on that property if there were multi-family residential apartments for rent? That is the kind of concern people have been expressing.

The minister is quite wrong when she makes that statement. She knows she is wrong. It is very clear. Words mean something. Words are not put into agreements because they have no meaning. I am not a lawyer but I do know from long and sometimes painful experience that we have to take agreements at face value. We cannot read

into them things that are not there and we cannot read out of them things that are there.

It says very clearly that the band can expropriate for any purpose it deems to be in the band's interest. Any purpose. It does not say it has to be a water project or a sewer project. It does not say it has to be a road or a hydro project or anything like that. Any purpose. By the way, no municipality or province can expropriate under those kinds of conditions. Canadians would never stand for it.

Expropriations do happen from time to time in Canada but they happen when there is clearly a public good at stake and most of the time there is fair compensation. Too many times government drags its feet and does not want to pay fair compensation, but for the most part there is reasonable compensation paid as a result of an expropriation that may take place.

In this instance for the appeal process, if they do not like what the band offers for that expropriation, it is for the band itself. That is clearly unfair. We are not going to suggest that bands are going to be unfair, but it is part of any reasonable process that a disengaged, unbiased third party would arbitrate a dispute if there was a dispute over what fair compensation should be for an expropriated parcel. Every other Canadian would want to be entitled to that and every other Canadian is entitled to that. That is the reason we have arbitration processes. It is the reason we have our courts. Courts are disengaged, unbiased parties who are supposed to arbitrate a decision when two parties are in dispute.

When two parties are in dispute I do not think many people would find it very acceptable that one party would go to the other for a resolution of that dispute. Mr. Speaker, if you and I are in dispute over an issue of monetary compensation, I hardly think it would be fair that I would have to go to you to have that dispute resolved, that you would be the decision maker. That is the way this legislation is written. I do not think that is acceptable at all. I do not think that is the Canadian way of doing things. I do not understand why the government is not willing to make changes.

I apologize if I am taking time, but I want to clearly articulate the serious flaws with this bill. I want to say it is not appropriate for a minister of the crown to say that she has a fiduciary obligation to aboriginal people, which she does and we accept that, and then to be the arbiter herself of these very serious questions. We need to have an opinion from justice.

We need to have an opinion from some other area that can give us an unbiased, fair interpretation of what this all means without the burden of the fiduciary obligation of the minister attached to it. She has her job, she should do her job. But we should also have another party. I would suggest it should be the Minister of Justice, the justice department that provides us with the kind of direction that we need.

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• (1650)

The Acting Speaker (Mr. McClelland): Order. This may well be a good opportunity for the member to catch his breath, as I have to read the adjournment motion.

[*Translation*]

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 Winnipeg North Centre, Health; the hon. member for Markham, Government Contracts; the hon. member for Skeena, Aboriginal Affairs; the hon. member for Dewdney—Alouette, Immigration; and the hon. member for Davenport, Kyoto.

[*English*]

The hon. member for Skeena has unlimited time on debate.

Mr. Mike Scott: Mr. Speaker, I want to go back to the minister making her comments and observations with respect to the expropriation powers in the bill. She said:

I understand that specific concerns have been raised about whether these areas have been treated with sufficient clarity. From my point of view the bill does deal with expropriation appropriately.

Again, from the minister's point of view she said the expropriation issue has been dealt with properly. But from her own backbench, the member for Vancouver Quadra, the member from Essex Kent and members of the Senate have said clearly that it has not been dealt with. They have said very clearly that the bill is poorly drafted. How can we accept the minister's words? I do not think we can.

I am trying to paint a picture of a minister who seems to have a very strong inclination to defend this legislation in its present form rather than to seriously consider the critique that has been levelled against it, rather than consider the changes that would be appropriate and that have been suggested by the Reform Party and others. She said:

Having said that, it is important that we make our intentions clear, I would welcome your further attention to these aspects of the bill.

She goes on to identify the second major issue with respect to this bill, that being matrimonial property.

In terms of matrimonial property, I recognize that we have another important issue: the management of real property upon marital breakdown. This is a significant issue that we must address. There is a legislative gap regarding matrimonial real property rights upon the marital breakdown on reserve. In cases of marital breakdown the Indian Act does not provide guidance on the use, occupation and possession of the matrimonial home or on the division of the interests in land on reserve.

The minister herself identifies the problem under the Indian Act and says that there is no redress, there is no solution, there is no way of ensuring fairness and equity at the present time under the Indian Act. She goes on:

The courts have been asked for guidance. However, the Supreme Court of Canada replied in *Derrickson v Derrickson* that reserve lands are under federal jurisdiction and provincial laws respecting the division of matrimonial lands do not apply. Clearly, this is an issue that needs resolution.

This legislation is a significant step forward as it would enable the 14 signatory first nations to resolve the matter.

I would say to that, without the land codes and without the benefit of being able to look at them, we have no way of knowing whether this is a step forward, a step backward or a step sideways. We do know for sure that the minister has identified clearly what I have just been saying, that there are no private property rights for aboriginal women on reserve. That leads to the problem where in the event of a marriage breakdown, there is no ability to divide the matrimonial home or to assign the matrimonial home under the laws and jurisdiction of provincial guidelines which exist for all other Canadian women.

The minister went on to say:

The first nation members are required to vote on a community process for the development of rules and procedures for matrimonial property. This process must result in rules and procedures to be adopted within, at a maximum, 12 months from the date the land code takes effect. An arbitration process has been set up in the framework agreement to ensure that this delay be respected. The rules and procedures cannot discriminate on the basis of gender.

Again, the minister is saying that the land code is the way to address this issue. What we are saying and what the people who appeared before our committee to testify are saying is that they do not believe that is the case. They do not believe that the requirement to develop a land code is any guarantee that we will actually see property rights for aboriginal women, and families for that matter, introduced in any real and meaningful way with the enactment of Bill C-49.

• (1655)

She went on to say:

As hon. senators can appreciate, for those first nations who remain under the Indian Act, we have a continuing issue and problem. For those who will be part of Bill C-49, we are taking a bigger step.

The larger issue remains significant. The issue of matrimonial real property upon marital breakdown affects all first nations that remain administered under the Indian Act. We must look beyond the first nations land management act and determine what can be done to resolve the current vacuum in the Indian Act concerning the division of real matrimonial property.

She is absolutely right. We keep referring to 14 first nations bands that are going to be covered under this bill at the present time. That is quite true. It is incumbent upon every member of this House to realize that any band that decides it wants to be covered

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under this bill simply has to elect to do so by band council resolution and it will automatically come under the umbrella of Bill C-49, the first nations land management act.

It is not quite correct to say there are only 14 bands. Potentially every band in Canada will be under this first nations land management act in the future. It is very likely we will see more and more of these bands electing to be covered under the umbrella of this legislation in the very near future once the bill is enacted.

The minister went on to say:

Matrimonial property is a significant issue. It needs to be dealt with more thoroughly as do the issues facing aboriginal women generally.

A good statement.

We need to address the concerns that have been raised by witnesses whose testimony reached beyond Bill C-49 and we need to assess as well the work of the Special Joint Committee on Child Custody and Access and your special study on aboriginal governance which I am looking forward to receiving. I congratulate the committee on the work that you have done to date.

The minister is clearly acknowledging that this issue is a real and important issue and it is an issue which affects aboriginal women and needs to be addressed. If the minister recognizes this and says so in testifying before a Senate committee for all Canadians to see, then why does she bring in legislation which does not deliver? Why does she bring in legislation that does not provide the assurances that these women are looking for? Why does she not do that?

These are legitimate questions. We are not trying to be spoilers. We are not trying to frustrate the process. We are trying to ensure that the rights of these people are finally recognized which they have not been for 130 years. We are trying to make sure that it is done in a real way and in a way that will make them feel secure about their future.

The minister says:

In that regard, I should like to table a letter in both French and English that formally requests the assistance of this committee in that particular regard. I will not read it. However, I should like it to be considered because this is an area that has broad application and through which the work of the Senate would be useful.

The minister is asking the Senate to address the issue.

A third area that has been of interest to a number of people regards the consultation with municipalities. A few municipalities near some of the 14 first nations have raised concerns that they have not been consulted on the framework or on the development of land codes. There are those who say the provisions in the bill must be more specific and that the legislation must require that consultation will occur. I am not sure that one can actually legislate the quality of consultation. What is truly effective for first nations and municipalities is to build a consultative partnership based on mutual respect and individual autonomy. The signatory first nations and nearby communities have the option, if they so choose, to create their own consultative process. In fact, this is what has been happening. For the government's part we have been keeping municipalities informed of the process of creating a first nations land management regime and have left it to first nations and nearby municipalities to decide for themselves what further discussions would be useful between them.

• (1700)

I can tell the House with absolute certainty that what the minister said here is incorrect. We have met with municipalities on the lower mainland of British Columbia who say they are appalled that the federal government would attempt to enact this kind of legislation without consulting them. They have not been consulted.

Once they became aware of this bill, and they became aware of it largely through media reports that started to surface in late December of last year and January and February of this year, they became deeply concerned and they started contacting members of parliament, and members of the committee in particular, asking why they had not been consulted.

The minister is trying to lead us to believe in her testimony that all is well with the views of municipalities. I can say that is just not true.

Then the minister goes on to say that this bill and the framework agreement put land management powers back in the hands of first nations and remove the minister from the decision making process. Again, this is a step that we would support wholeheartedly. We do not think that it is appropriate that a minister in Ottawa, regardless of which minister or which political party might be in power, should be making day to day decisions about the use of land on reserves, or anywhere else in Canada for that matter, thousands of miles away from Ottawa.

This bill and the framework agreement pave the way for a better understanding and a closer relationship between first nations and neighbouring municipalities. They remove some of the previous constraints that impeded the building of partnerships between first nations and neighbouring communities and now various land and resource management initiatives will be able to proceed.

The minister said that the 14 first nations who signed the framework agreement are leaders in land administration. This initiative was brought forward at their request. They worked co-operatively and in partnership, not only with each other, but with the federal government, with the affected provinces and with third party stakeholders. Now they are waiting for parliament to pass this bill so they can get on with the building of their communities.

Again, we would take our hats off to these band leaders and say "Good on you for trying to get the decision making power wrested away from Ottawa and brought to your own communities". Again, the flaw is that the federal government continues to see aboriginal people as collectivities rather than as individuals. When that is done it undermines the individual rights that those people would like to have. It certainly takes away the opportunity to address issues such as the disposition of the marital home, the ability to inherit property, the ability of people to feel like they have their

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own place which they can call theirs, that belongs to them, their family, to their children and their children.

After 130 years why do aboriginal people not feel that they have the security of owning their own home? Why does the federal government continue to turn a blind eye to the property rights of aboriginal people? This legislation makes no attempt to redress that. It sees aboriginal people as collectivities.

Many aboriginal people see themselves as collectivities as well from a cultural point of view, from a language point of view and so on. That is legitimate, but they are also individuals. I can tell the House from a lot of experience, and I know many other members of the House have a lot of experience, that if we go to virtually any reserve community in this land and talk to individuals, if there are 2,000 people living in that community we are going to get 2,000 points of view virtually on every issue, just like there are 301 points of view in the House of Commons on every issue that we debate.

Why does the government insist on seeing these people as homogeneous groups who all think and act the same way and who all want the same thing? Nothing could be further from the truth? I say that it is insulting to see these people in that light. I say that it is insulting not to see these people as individuals with their own lives and desires, dreams and aspirations. They are individuals, not collectivities. That is the failure of this bill. It sees people as collectivities and does nothing to address individual rights, property rights.

• (1705)

The minister further testified before the Senate committee, saying that this bill deals with something much broader than land management. It is about self-reliance. It is about economic opportunity and accountability to members. It speaks to the new relationship that we are building with aboriginal people, one based on the principles of mutual respect, recognition, responsibility and sharing.

Those are great words, but again she is saying self-reliance. Without private property ownership they will never have self-reliance. It cannot happen. The two are mutually dependent. We have to have both of them together or neither one.

That is one of the main barriers that aboriginal people have to self-reliance in Canada. There are no property rights. If they have no property rights, how can they raise money? How can they raise capital to start a business? If they do not have property rights, how can they pass their property along to their children when they pass along? If they do not have property rights, how can they have any sense of security about where they are going to live the rest of their lives and how they are going to have personal security?

I am sincere when I say that I am absolutely shocked that the federal government and the minister of Indian affairs do not understand that. I would ask her how she would like it if the private property which she owns all of a sudden became communal property. She would be living in her house at the pleasure of the municipality. She would not have the ability to take a mortgage on her property or to pass it along to her children. How would the minister feel under those circumstances? How would any of us feel? That is important.

The minister goes on to say:

I would be pleased at this point to answer questions that you have with regard to Bill C-49.

Then Senator St. Germain states:

Thank you, Madam Minister, for appearing and for covering most of the issues which were controversial during our hearings.

I will not confuse the day but, being from the province of British Columbia, I would be remiss if I did not bring up an issue that has generated a lot of concern; that is the issue concerning leaseholders and one particular band in my province. It is not necessarily appropriate to discuss this here today because it is a different issue, but Bill C-49 is viewed as having a possible impact on the situation in some way, shape or form.

As a member who represents that region, I wish to alert you that we must find some type of resolution on behalf of our native people and on behalf of the leaseholders and on behalf of every person in British Columbia. Therefore, I will ask at a later date for your assistance in resolving this unacceptable situation.

The Senator of course is referring to the very unfortunate Musqueam situation.

He goes on to say:

In regard to Bill C-49 and the land code, I have a technical question. Do you have officials with you?

The minister states:

I have some officials with me.

Then the senator states:

In the event of a vote on the establishment of a land code, how would alleged voting irregularities or alleged denial of voting rights, perhaps by off-reserve natives, be resolved? The minister will be at arm's length from those 14 bands. What method or tribunal would be used to resolve that dispute?

The minister answers:

Your earlier comments, Senator St. Germain, are noted. I appreciate the significance to you of the issues raised in your province. I continue to hope for a satisfactory resolution to those issues.

In the process of ratification, certain steps involve a verifier who is jointly selected between the federal government and the First Nations. Indeed, once the process of verification has been approved and once I have been party to signing an individual agreement—and I must sign an individual agreement to bring a First Nation into the process—the ratification process on the First Nation occurs. The verifier continues to

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have the responsibility to examine the ratification process and to ensure that the appropriate electors participated. If there are challenges to that process, the verifier will analyze the disputes and allegations that may be brought forward and will make a determination as to whether the process of ratification has been followed acceptably. If it has not, then we do not have an agreement.

● (1710)

I want to give members the minister's comments against the backdrop of what happened with the ratification of the Nisga'a treaty because I think it is important that the House understand this.

When the Nisga'a treaty was presented to the Nisga'a people for ratification, and part of the ratification process was written right into the agreement itself, it was the Nisga'a people who were of voting age who were going to have the opportunity and the right to vote in a referendum to accept or not to accept the agreement.

This took place, I believe, in November of last year. The Nisga'a people live not far from where I live. They are in the riding which I represent. I was contacted by many of those people, who expressed real concern over the voting process because it was the Nisga'a Tribal Council that was the enumerator of the voters. It was the Nisga'a Tribal Council that decided whether or not people were on the voters' list. It was the Nisga'a Tribal Council that put the voters' list together, that put the polling stations together, that manned the polling stations and that oversaw the vote, which took place over the course of two days.

I ask members of the House how we would feel if we had an election process in a province or in Canada where the sitting federal government was the one that enumerated all the electors, was the one that set the rules for the vote, was the one that manned all the polling stations, was the one that scrutinized the results and counted the ballots. Would we accept it if the Prime Minister was the one setting up the process? That is the process that was followed.

The minister is basically saying that there will be a verifier. I want to tell members that in the case of the Nisga'a ratification the federal government had one observer to cover seven polls over a two-day period. There was one observer for all of the polls, not one observer for each poll, which included Vancouver, four stations in the Nass Valley, as well as Terrace and Prince Rupert.

I am not suggesting that the Nisga'a Tribal Council did anything underhanded; I am just saying that it was not a fair vote and a vote that people felt confident in. One party oversaw it which had a vested interest in the outcome of the vote. That is what will happen under Bill C-49.

The minister is saying that there will be a verifier. What does that mean? The government will have the same thing it had up in

the Nass Valley when the Nisga'a ratified their agreement. It will have one person overseeing all of the polls, but it will essentially be the band council that will put the voters' list together, decide who can vote and who cannot, where the polling stations will be, what time they will open and close and who will staff them.

This is just unacceptable in a democracy. At great expense we send people from our parliament all over the world to oversee elections in other countries, such as South Africa and South America, to make sure that a fair process is followed and then we see this kind of process taking place in our own country, and our own government thinks it is fine. It does not see anything wrong with it. It feels that this is the right way to go about it.

I hear a lot of noise behind me—

An hon. member: The Bloc is supportive of what you are saying.

Mr. Mike Scott: I am glad the Bloc is supportive. We always appreciate support when we get it.

An hon. member: You are going to miss your flight, Mike.

Mr. Mike Scott: I am not concerned about my flight at the present time.

The senator goes on to ask:

Are you comfortable enough with those amendments that we as a committee can proceed to final ratification on them?

The minister states:

As I said in my opening comments, I fundamentally believe this is a very good bill on all counts. In receiving testimony from the 14 First Nations, I know you feel that way as well.

She completely ignored the testimony of the Aboriginal Women's Association of British Columbia, Maizy Baker, Wendy Lockhart Lundberg and others. She just wanted to focus on the testimony of chiefs and councils that appeared before the Senate committee.

The minister continues:

Having said that, there may be opportunities for us to clarify the particular language used on expropriation.

● (1715)

The minister was telling the senators that the only area where she was prepared to entertain any amendments was expropriation. There is nothing on the issue of aboriginal women's rights. There is nothing on the issue of property rights. There is nothing on the issue of consultation with neighbouring municipalities. The only

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area where the minister was prepared to entertain any amendments at all was on the expropriation powers.

The Senate dominated by Liberal senators is nothing but a puppet for the government. Lo and behold we get amendments back from the Senate. Do we have anything on aboriginal women's rights? No. Do we have anything on consultation? No. We have a couple of small baby steps on expropriation.

As a parliamentarian I am so frustrated with this process and the fact that the Senate, which had an opportunity to address these issues, would not do it. It is essentially controlled by the Prime Minister's Office as is everything else around here.

In reality, the Prime Minister's Office and cabinet members make all decisions. The House of Commons is a necessary inconvenience for them and they treat it with contempt. They know they have to come in here. They come in here as a matter of ceremony more than anything else. The way the Senate treated the bill is a very clear indication of that.

If it were truly an effective elected Senate, a Senate that had credibility and that was not a puppet of the PMO, I believe there would have been amendments this party would have supported. The bill would have been amended properly. It would have passed through the House with all party consent and everybody would have been happy.

We did not get that because the other place has no credibility. It is only doing the handiwork of the PMO. It only dances to its tune. The Senate committee continued:

Senator Chalifoux: Thank you, Minister. . . for appearing before us. It is important to have many things clarified.

You state you are willing to develop a process to address the issues of women, especially women living on reserve, and including the consideration of the matrimonial property laws, et cetera.

You have spoken to representatives of the NWAC and I understand that you want them to participate. Do you have any funding to assist that organization to participate? That is a big issue. That organization does not have that kind of money. They really need funds to participate properly. Have you addressed that issue?

The minister said:

Senator, I thank you for your work in this particular regard. I recognize that you have taken a keen interest and a keen responsibility.

Matrimonial property is a huge issue for us.

Those were warm words. Is it a huge issue? There are no changes to the bill. She continued:

I was approached first and foremost by the native women's association in B.C. This involves not only the national association; the British Columbia native women's association really addressed this in the first instance. Clearly something has to be done in the context of Bill C-49 to begin to deal with this problem. The resolution in Bill C-49

is appropriate in my opinion. It means that, community by community, women will be participating in the creation of codes—

We see the minister is ducking the issue. She does not want changes to the bill but she says that she will rely on the codes. No one has written a code as yet. She will rely on the codes, which no one can read, to deliver on these issues.

The people we are hearing from, Wendy Lockhart Lundberg, Maizy Baker, the Aboriginal Women's Association of Canada and the Aboriginal Women's Association of British Columbia are saying there is no way they want that in the legislation. They want a guarantee. They are asking us why they cannot have the same rights as all other Canadian women. Why do they have to be dependent on the good graces of a band council to come up with a land code? Especially after I described the ratification process on the Nisga' treaty, we can see how the results of referendums and ratifications can be skewed.

Why do they have to rely on that process? Why could the minister and the government not put that protection in the legislation for them and make sure it was there now? It is a flawed process. I suggest the reason it is not there is that the minister and her government care more about the collectivities than they do about individuals. They put collective rights ahead of individual rights when it comes to aboriginal people.

I submit that has been the bane of aboriginal people from the beginning of the country. It is time we ended that. It is time we recognized that these are real people. They are individuals and they deserve the same individual rights as all the rest of us.

• (1720)

She went on to say:

NWAC can play a broad role. I would note that their funding comes primarily not from my department but from Canadian Heritage.

Imagine that. Its funding comes from Heritage Canada. Referring to the Minister of Canadian Heritage she said:

I will take the representations and relay them to my colleague. . . Having said that, we do provide money to NWAC for particular project work, not the least of which was included last year and again this week—the symposia on the important issue of Bill C-31. We have provided funds to NWAC so that they can begin to have broad discussions. They have invited many chiefs and individual members and other experts on this issue. We are supporting them.

We can see what she was saying there. The senator asked if she would provide funding for these women so that they could put together a reasonable package or proposal that would address important issues such as the issue of the matrimonial home in the event of a marriage breakdown. The minister in effect said that it was not her responsibility but the responsibility of the Minister of Canadian Heritage and that she would have a word with her some time. That is exactly what the minister was saying. Where is the

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concern on the part of the minister when that is how she treats this very important question?

Then Senator Austin intervened:

Minister, you, of course, are welcomed by all members of this committee and we thank you for your work in this important area.

He must be a Liberal senator. He continued:

I wish to begin by echoing comments of Senator St. Germain with respect to the high level of interest that this legislation has provoked in British Columbia.

We can see from the discussions that took place the high level of concern expressed about British Columbia. It is not as if this is a meaningless bill. It has been well covered in the press in British Columbia and it has been such a subject of debate because people are very concerned about it.

The senator went on to say:

I know you are quite familiar with what is happening in British Columbia. The reason for the high level of interest is the perceived link between the issue of the Musqueam leaseholders under this bill and the Nisga'a treaty, and the link is not always rational. People tend to link things because they appear in a certain order, whether that is realistic or not.

This committee, in hearing its evidence, has heard a great deal of concern with respect to two nuances of clause 28 of the bill, relating to expropriation. As there is a good deal of concern and because I think—and believe my colleagues agree—that it would lessen the tensions that exist in the political system of at least my province, I have developed, with the stakeholders, some language that I am just having put before the members of the committee here. The language has now been seen by both sides and, I believe, by your officials. I should just like you to consider that language, be aware of it, and be aware that I will be proposing this amendment when they come to the clause-by-clause consideration.

We can see that obviously the senator is a Liberal senator. He quite rightly identified that the concern with Bill C-49 had been linked to the Musqueam situation and the Nisga'a treaty. He then pooh-poohed this by saying that people should not be concerned because they are completely unrelated.

I suggest they are related in some fundamental ways. As I have already identified, there was absolutely no consultation on the part of the minister. They negotiate agreements in back rooms that affect large numbers of people without even giving people notice that they are doing it. That is exactly what happened with the Nisga'a treaty. That is exactly what happened with Bill C-49. That is exactly what happened with the Musqueam leaseholders.

In 1965 the Musqueam leaseholders signed a lease with the federal Government of Canada. In 1980 the minister of the day, John Munro, assigned the government's authority in that lease over to the band without notification, without consultation and without an as you may please to the leaseholders who lived on that land. Until 1993 they went under the assumption they had a lease with the federal Government of Canada. They found out 13 years after the fact that was not the case, that the lease interest had been assigned over to the band.

• (1725)

This is not to take anything away from the Musqueam Band, but when a Canadian citizen or taxpayer signs a lease with the Government of Canada, it is expected that the federal government will honour the lease and treat the leaseholder fairly. Is it treating someone fairly when a deal is made and the leaseholder is not notified that the interest in the lease has been assigned to somebody else? That is the common link between government aboriginal policies in a whole range of areas.

The member from Essex Kent has it right. The minister and her department's policy is to keep the dummies in the dark, in their view we being the dummies. Anybody who is not in the PMO or in the cabinet room, as far as they are concerned, do not need to know. When legislation such as this comes into the House, we are just a thorn in their side, somebody that they have to deal with.

As far as they are concerned, they think the Parliament of Canada is irrelevant. They think that all government operations should be run out of the PMO and the cabinet room. At some point I think they would like to see the House of Commons completely eliminated as a relevant institution altogether.

The senator went on to say:

The amendment essentially deals with subclause 28(1). . . There was a good deal of concern that the disjunctive "or" with "other first nation purposes" was a broader power than that which was reserved by the federal government for itself, in terms of the items which could be made subject to expropriation. The amendment would add the word "community".

Is that not something? Now we have a real safeguard in the legislation. The Liberals are patting themselves on the back and saying "weren't we great?" They amended the expropriation powers to recognize or reflect the concerns that were expressed. How did they do it? They included community purposes. Other than first nation purposes, they included first nation community purposes.

An hon. member: A meaningless amendment.

Mr. Mike Scott: Exactly, a meaningless amendment.

The senator went on:

A number of intervenors who were concerned seemed to be comfortable that adding that word would bring the wording within the normal concept of expropriation.

The people to whom we have talked, the people who made interventions to the Senate and to our committee, in no way believe that is satisfactory or addresses the problem. He went on to say:

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he second amendment is to subclause 28(5). At lines 42 and 43, the amendment would remove the phrase "shall take into account the rules set out in the Expropriation Act" and would replace it with "shall apply the rules set out in the Expropriation Act".

We would agree that this amendment is strengthening the bill. It is one small step. For my hon. colleagues who may not understand what this means because they are not familiar with it—

An hon. member: You mean the Liberals do not understand it.

Mr. Mike Scott: Exactly. This is for the benefits of the Liberals. I know they are interested. I can see them over there paying rapt attention to every word that comes out of my mouth.

This means that the first nation can expropriate for any community purpose. If it wants to build a casino or put up a multi-residential structure, it can expropriate people's residences in the process because that could be deemed a community purpose. This requires the first nation to abide by the rules set out in the Expropriation Act.

On the one hand they have increased protection. On the other hand they have not given any sense of increased protection at all. This effectively means that the expropriation powers of the 14 bands covered under the agreement are much stronger and much broader than expropriation powers anywhere else in Canada.

• (1730)

The amendments that have been moved are not nearly sufficient to level the playing field and make the expropriation powers similar to other communities, other provinces or even the federal government.

The minister responds and says:

There are a number of things I should like to say. First, there has been a very direct focus on ensuring that third-party interests are considered and managed appropriately as a result of this bill. As honourable senators are aware, any kind of third-party interest that exists now will continue to exist until its expiration, even after the passage of this bill.

The other thing to note is that the 14 First Nations have gone to considerable lengths to engage and consult third parties and must, with final agreement of their individual agreements, ensure that all third parties are aware of what is happening and what the circumstances of the land codes as developed will be. The focus on third parties is a real one.

We want to ensure that we pass good legislation.

Frankly, I find that a bit of a joke. I will continue with the quote.

That is the priority for all of us, including First Nations who will be among the beneficiaries. I believe it is a win-win-win situation for all parties.

I have followed the debate and discussions you had around new language that may add clarity while not changing the intent of the bill. I want to reiterate that the intention

of the bill as presented is consistent with what now exists in the Indian Act and with what will be available, and what is available, to other expropriating bodies. However, if we can get a clearer product and, from the point of view of the table, a better piece of legislation by clarifying the language, we must consider it.

With regard to that issue, I just wish to say again that it is vitally important that we get Bill C-49 completed and enacted into law. We have communities within the 14 First Nations who are stymied now, waiting for jobs and economic development. I am thinking, for example, of the Scugog First Nation, who have other lease arrangements that are in limbo because we are waiting for this legislation.

The minister is going to the emotional appeal rather than addressing herself to the technicalities of this bill. She, as the minister, should understand those technicalities. She should understand the importance and significance of them and she should be able to speak to them. She was not prepared. She danced all around the issue.

I have heard this minister speak many times. She is very good at emotional appeal. She is very good at talking in generalities, but she is not very good at talking about specifics. I believe the reason she is not is that she fundamentally does not understand this language herself. I believe that she is acting at the behest of her own department and that her department is the one that formulates the legislation. I also believe it is the department that pushes the agenda and that the minister is there as a mouthpiece for the department to do its bidding.

This minister has shown over and over again, whether we are debating Bill C-49, the Nisga'a treaty or other issues, that she does not have a fundamental understanding of what she is talking about.

Here is another example of the minister not wanting to speak to the specifics of this bill. She continues:

Getting this done must be a priority. I recognize that there are issues. In that regard, making these clarifications may allow us to move forward with a good product. I am hopeful that the table will encourage swift passage through the Senate and state loudly and clearly that they understand and appreciate how significantly important it is for the 14 First Nations to get on with it and for us to prove that, in fact, we can change the relationship and recognize, with courtesy, respect and dignity, the capacity and capability of First Nations to govern themselves.

There we have a clear, emotional appeal for courtesy, respect and dignity. She is calling on us to have that, which we all have and want to have, but that is not the point. It is not a matter of discourtesy or disrespect or a lack of appreciation for these 14 bands that leads us to this point. It is a concern for the technicalities in this bill. The minister does not want to address the issue so she dances all around it.

Senator Austin says:

We should like your assurance that the bill will be dealt with expeditiously in the House of Commons when sent there.

The minister says:

To the extent that I have any kind of influence, believe me, it will be made clear that this bill is a priority for me. I would ask the senators, in their report and at third reading, to clarify that it is an important undertaking for them as well.

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● (1735)

Senator Austin said:

Mr. Chairman, the minister tabled a letter. With the agreement of colleagues, The letter should be appended to the report as well as to the proceedings.

Senator Tkachuk said, "We have not seen the letter". The chairman said, "Well, it is being copied now". Senator Austin said, "We will need to come back to that". Senator Ghitter said "Minister, I congratulate you on this legislation". Who is Mr. Ghitter? Would Mr. Ghitter be a Liberal Senator?

An hon. member: He is a Tory hack, that is what he is.

Mr. Mike Scott: Oh, he is a Tory? Apparently the Tories like this legislation as well.

Here is what Senator Ghitter had to say:

I am also very respectful of the comments you have made with respect to Senator Austin's comments and the need for more clarity on expropriation.

We support the amendments that Senator Austin has proposed. We also feel that there is a lack of clarity within the expropriation provisions.

It appears that Senator Ghitter is playing the minister's tune as well. He is not prepared to take her on, on the aboriginal women's issue. He is dancing to her tune. He is not prepared to take her on, on the issue of consultation. He is having a very nice conversation with the minister saying that they really appreciated her being there, that they really liked her words and that they agreed with the need for some clarity in the legislation. He was not prepared to deal with the hard issues. We can see that this very mutual adoration society, I suppose, continues ad nauseam through this entire process.

For the benefit of my colleagues, because I do not want to put them through much more of this kind of painful experience, I will go on to talk a little bit more about the presentations that were actually made by the presenters as opposed to the senators. I think members might hear a slightly different tone and a slightly different set of concerns. I can assure members that it was not a mutual admiration society when these people were presenting.

I will start with Mrs. Marilyn Buffalo, who is president of the Native Women's Association of Canada. She attended an evening session of the Senate standing committee on April 27 and presented the position of her association very clearly. She said:

I wish to thank you for providing the native women of Canada with the opportunity to give you a presentation here this evening. As a non-profit organization incorporated in 1974—25 years ago—the Native Women's Association of Canada is an aggregate of

native women's organizations and is an association that is formed like a grandmother's sacred lodge. In this grandmother's lodge, we, as aunts, mothers, sisters, brothers, relatives, collectively recognize, respect, promote, defend and enhance our native ancestral laws, spiritual beliefs, language and tradition given to us by our creator.

The Native Women's Association of Canada is founded on the collective goal of enhancing, promoting and fostering the social, economic, cultural and political well-being of First Nations and Metis women with First Nations and Canadian societies.

The principles or objectives of our organization, as stated in our constitution, are as follows: to be the national voice for native women; to address issues in a manner that reflects the changing needs of native women in Canada; to assist and promote common goals towards self-determination and self-sufficiency for native peoples in our roles as mothers and leaders; to promote equal opportunities for native women in programs and activities; to serve as a resource among our constituency in the native communities; to cultivate and teach the characteristics that are the unique aspects of our cultural and historic traditions; to assist native women's organizations, as well as community initiatives, in the development of their local projects; to enhance and advance issues and concerns of native women; and to link with other native organizations with common goals.

The Native Women's Association of Canada is not opposed to Bill C-49. We are well aware of the time, diligence and hard work that the signatory chiefs, their supporting staff and their lawyers have put into the realization of this legislation and we have great appreciation and respect for this fact.

● (1740)

This is the same thing as the Reform Party of Canada has said. We are not opposed to the legislation. We recognize the amount of work that has gone on here. We recognize the good aspects in this bill.

She then goes on to say:

This bill will give the signatory band the authority to manage its own reserve lands and resources without having to obtain approval from the Minister of the Department of Indian Affairs and Northern Development. We will celebrate this level of autonomy if the membership of the First Nations concerned enjoys and provides their informed consent.

Under the Indian Act, there are no provisions offering protection of matrimonial property for native women in cases of divorce from Indian men. Native women, unlike other Canadian women, cannot obtain orders for possession or for partition and sale of reserve land under provincial legislation, according to the Supreme Court of Canada case *Derrickson v. Derrickson*.

According to the B.C. Native Women's Society, typically, a native woman lives on her husband's reserve. This is likely due to the fact that previously the woman was legally bound to live on her husband's reserve. If the marriage ends, the woman and her children have no place to live because the husband usually keeps his house.

This was Marilyn Buffalo, president of Native Women's Association of Canada, who was stating this. It was not some Reform MP. Why does the woman not understand this? Often the woman cannot return to her old reserve unless she is divorced and she does not usually get support from her husband's reserve. This creates a desperate situation for the woman and her children.

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Ms. Buffalo continues to say:

Although the federal government has been aware of the deficiencies in the Indian Act, it has failed to provide a remedy. Considering the serious implications for native women, and the failure of the federal government to take action on their behalf, the B.C. Native Women's Association launched a court case against Canada. In that action, the B.C. Native Women's Association seeks two declarations: first, that the federal government has a constitutional responsibility under section 15 of the Constitution Act to correct the inequality that exists in the Indian Act regarding matrimonial property; and, second, that the federal government cannot pass its fiduciary responsibility to correct the inequality deficiency on to the First Nations.

In other words, they are saying that the federal government has the responsibility. They cannot delegate that. That is what we are saying of the Nisga'a, they cannot delegate. These are constitutional obligations that belong to the federal government. They cannot be delegated.

Ms. Buffalo goes on to say:

The federal government answered the action by applying to the court to strike out those parts of the B.C. Native Women's Association statement of claim that relate to the framework agreement. On December 15, 1998, the signatory First Nations obtained intervener status in the case. On December 22, 1998, the judge announced that he would reserve his decision on the federal government's application. As of this date, the judge has not returned his decision.

We can see what has happened. The Native Women's Association has launched a suit against the federal government and the 14 first nations that are signatory to Bill C-49, and are to be covered under it, have applied for intervener status. They are trying to stop these women from achieving their goals. It appears that the minister is taking the side of the leaders in these 14 bands rather than looking at this in a fair and unbiased manner.

She continues to say:

The Native Women's Association of Canada certainly cannot blame the signatory chiefs for the fact that the Indian Act ignores the human equality and property rights of native women. It is the federal government that must answer for this particular breach of its fiduciary responsibility. It is the Native Women of Canada's responsibility to bring forward the concerns of native women regarding this bill. That is why we are here.

NWAC, as it is sometimes referred to, has already expressed very strenuously its great concern about this legislation to the Minister of Indian Affairs and Northern Development, to the Standing Senate Committee on Aboriginal Peoples, and to the chiefs who support this bill, including the national chief himself. There has been no meaningful response to our efforts. Despite NWAC's discussion with the departments of Justice and Indian Affairs, there has been no serious commitment by the federal government to act on this matter.

• (1745)

This was the presentation that was made in April of this year. No meaningful response to our efforts. On June 9 at the National Native Women's Association annual general assembly the minister of Indian affairs announced her commitment to act on the concerns

expressed by native women in regard to their equality and matrimonial property rights in cases of divorce.

The minister announced that she would establish an independent fact finding process to examine native women's rights to matrimonial property when a marriage breaks down. It would appear that this was meant to be just a smokescreen. As the minister introduced Bill C-49 just two days later into the House of Commons she was well aware of the concerns that native women have with this legislation. Almost a year later there has been very little action taken by the Department of Indian Affairs and Northern Development regarding the fact finding process.

It is our great hope that this bill will not become law before the serious and obvious gaps are filled. A provision was added to Bill C-49 that is supposed to address the issues that concern native women. This provision is clause 17 which states:

A first nation shall, in accordance with the framework agreement and following the community consultation process provided for in its land code, establish general rules and procedures in cases of breakdown of marriage, respecting the use, occupation and possession of first nation land and the division of interests in first nation land;

The first nation shall, within 12 months after its land code comes into force, incorporate the general rules and procedures into its land code or enact a first nation law containing the general rules and procedures.

The minister described the third provision which is:

The first nation or the minister may refer any dispute relating to the establishment of the general rules and procedures to an arbitrator in accordance with the framework agreement.

The minister went on to say "However, this provision does not adequately address the concerns of native women. In its current form the bill presents the following issues of concern. First, there is no indication of how cases of divorce and division of matrimonial property are to be dealt with within the 12 months following the community ratification of the land code. As each first nation is to predevelop its own land code, in the absence of any clear underlying principles, native women will not have any access to any consistent application of law concerning protection of their property rights as all other Canadian women have and all other native women have".

The bill states that the first nation or the minister may refer any dispute to an arbitrator but native women who may be victims of inequitable practices have not been given standing in the dispute resolution processes. Moreover, who will pay for the native women's involvement in this process particularly when it is clear that native women are the poorest of the poor?

Under clause 12 of Bill C-49, signatory first nations can obtain community approval for the adoption of their land code and an individual agreement by any process agreed upon by the first nation and the minister with a minimum approval of 25% plus one

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eligible voter. This threshold is so low that it provides no assurance that the will of the community will be behind the new regime.

Imagine instituting a land code with 25% plus one of the eligible voters in support of it. Besides the lack of protection of native women's equality and property rights, another issue raised by Wendy Lockhart Lundberg causes great concern to native women. This has to do with the extraordinary expropriation powers given to the chief and council under clause 28 of the bill.

I want to remind the House this is a native woman on behalf of the Native Women's Association of Canada appearing before a Senate standing committee saying that the expropriation powers, which I talked about, are far too powerful and far too broad for the band council. They do not need that kind of expropriation power. She is also intimating that it is not only bad for non-native leaseholders, but it is also bad for native people and she goes on to explain why. I will cover that in just a minute.

Wendy Lockhart Lundberg uses the example of her own mother to illustrate her concern about these extensive powers of expropriation. Her mother's status was reinstated in 1985. However she has not been welcomed back to the Squamish nation although she is a member. As a status Indian she receives only health benefits.

• (1750)

Ms. Lockhart Lundberg's grandfather had a certificate of possession for two lots which he bequeathed to his daughter, Ms. Lockhart Lundberg's mother, in his will which was properly executed in accordance with the Indian Act. These lots are still in his name but are occupied by other people and have not been referred to Ms. Lockhart Lundberg's mother.

I ask is that fair? Is that what we in Canada want to see happen? The band could easily expropriate those lots with minimal compensation because compensation need only be fair, whatever that means. The first nation need only take into account the provisions of the Expropriation Act.

Ms. Lockhart Lundberg is quick to point out that the expropriation powers can be used against all band members. She was quoted in a House of Commons debate as saying that the Squamish first nation chief and council is rumoured to have plans to commercially develop valuable waterfront reserve lands in north Vancouver. These plans could mean the displacement of band members to reserve lands further up the coast.

Ms. Lockhart Lundberg is saying that the band could in fact expropriate band members who are sitting on valuable waterfront property where their homes are. They could be expropriated further up the coast to much less desirable land so that the band could build some kind of resort or multi-residential condominiums and so on

for lease or for rent on the basis of where it thinks it will get the biggest revenue stream for band activities.

Another of Ms. Lockhart Lundberg's complaints is that the Squamish first nation's chief and council did not have a community mandate to sign the framework agreement. Clause 45 of the act stipulates that any band may sign on to the framework agreement on behalf of the band if it has been duly authorized to do so. Ms. Lockhart Lundberg believes this means duly authorized by the community following consultation and a referendum.

A likely response from the signatory chiefs would be that duly authorized means the authorization comes with being elected by the community and that they are not only authorized as elected chiefs to act on behalf of the band, but they are obligated to do so. It sounds a lot like the Prime Minister who says "I was elected with 38% of the popular vote two and a half years ago which means I can do virtually anything I want for the next five years".

We would have to say that some of the band leaders who think this way have come by it honestly because they have had a lot of contact with prime ministers and governments who think precisely that way. That is one of the reasons we have a real problem with accountability. If there is a problem with accountability on reserves today, and there certainly is on many reserves, there is a real problem with accountability as we have seen in the last few weeks in the House of Commons when the Prime Minister is not willing to be accountable for his actions. These bands come by it honestly.

In an effort to create awareness in the community, Ms. Lockhart Lundberg has a core of about 10 women who have started a petition in opposition to Bill C-49. The petition and the signatures were sent to Ted White, Reform Party member of parliament for North Vancouver. As of April 6, some 262 signatures have been received.

The Acting Speaker (Mr. McClelland): I need to admonish the hon. member for Skeena not to use the surnames of any members presently sitting.

Mr. Mike Scott: My deepest and humblest apologies, Mr. Speaker. I know that you admonished me once before. It was an error, I can assure you. I will try not to do it again.

The national Native Women's Association of Canada supports Ms. Lockhart Lundberg in her outstanding efforts. In keeping with the commitment of the Native Women's Association of Canada to advance issues and concerns of native women and in a spirit of co-operation and compromise, the association submits the following proposals to amend Bill C-49.

Here we have people who are testifying before the Senate committee, because the Senate has not been able to come up with any worthwhile proposals for amendments, making their own

Government Orders

suggestions for amendments. They are hopeful the Senate is going to adopt them.

The first proposal is that into clause 6(3) there should be inserted a provision related to the division of matrimonial property which meets minimum recognized standards to serve until affected first nations implement a land code that includes division of matrimonial property on divorce provisions.

• (1755)

The second proposal concerns clause 12. It is that an approval rate of a minimum of 51% of eligible voters for land codes and individual agreements should be required.

The third proposal regards clause 17, incorporated by reference into clauses 21(2) and 22(2), to add a minimum standard to guarantee that native women's rights to matrimonial property in divorce are no less than the rights of other women and to ensure consistency, equality and natural justice.

What could be more fundamental in a democracy than equality, consistency and natural justice? What member in the House would dare stand up and speak against those principles? What member in this House would dare suggest that these women are not entitled to these?

An hon. member: Sit down and give me a chance.

Mr. Mike Scott: Why are the members who are making all the noise over there opposed to amending the bill to reflect those qualities, to give these women what they are looking for?

The fourth proposal regards clause 20, to add a provision specifying that the lawmaking powers would include the use, occupation and possession of the first nation land and a division of the interest in the first nation land in case of a marital breakdown.

The fifth proposal is to add a provision specifying what happens regarding matrimonial property when a first nation law passed pursuant to Bill C-49 is inconsistent with provincial laws of general application.

That is interesting. Mr. Speaker, I am sure you are very familiar with the Nisga'a treaty. You have probably read it several times by now. In the Nisga'a treaty when it comes to land management, this is the direction the federal government is going in.

In the event of an inconsistency or conflict between a Nisga'a law and any federal or provincial law, the Nisga'a law will prevail. That is the direction the minister and the government are going in, not in the direction the aboriginal women's association of Canada

is asking for. I use the Nisga'a as an example because I think it does point to the underlying philosophy and attitude of the Government of Canada under the Liberal administration.

The seventh proposal recommends that clause 28 be amended to limit the powers of the expropriation provisions by adding a requirement for a community approval process calling for no less than a 51% approval rate of eligible voters. Add a provision requiring that an appeal process be available to first nation members. Add a requirement for all proposed expropriation orders and a subsequent community consultation process to be verified by an independent verifier jointly appointed by the first nation and the department of Indian affairs, and amend clause 28(5) to ensure that first nations must apply the rules for determining fair and full compensation as set out in the Expropriation Act.

This is the one area where the Senate made some concessions. It has put the band under the Expropriation Act. It has not gone to the extent of saying that the powers of the expropriation be limited by requiring a 51% approval rate in the community. It has not required that an appeal process be available to first nation members, but it has required by the amendments that we have before us, and we do agree that these amendments are a small step in the right direction, that the Expropriation Act provisions apply.

The eighth proposal regards clause 45. It recommends that "duly authorized" be defined as meaning supported by at least 51% of the community as indicated in the community referendum.

She went on to say that it would appear that the two greatest weaknesses of Bill C-49 are its lack of provisions protecting native women's aboriginal equality and property rights, and the extraordinary powers of expropriation accorded to signatory first nations.

NWAC is concerned mainly with the provisions and issues affecting native women and consideration for making the legislation more acceptable to them.

In her opinion the amendments presented are reasonable. Some of the chiefs of the signatory first nations have sent letters to NWAC members giving them assurances that the concerns of native women can and will be adequately addressed in the individual land codes. It is my strong belief that if it is the chiefs' intention to adequately address the concerns of native women anyway, then the chiefs should have no objection to the proposed amendments.

• (1800)

That seems to be pretty simple to me: do not wait for the land quotes, put it in legislation. If the chiefs are being upfront and genuine in saying that they want to see the issue addressed as well, then it should be in everybody's interest to incorporate it into the

legislation and our concerns on this side of the House would be largely alleviated.

She went on to say that she wanted it clearly understood that NWAC does not imply that the signatory chiefs have any intention of perpetrating discrimination against native women in their communities. This submission is merely intended to point out potential problems with this legislation. The fact is that any and all first nations will be able to sign the framework agreement, perhaps with the sole intention of abusing the substantial power contained within the legislation.

We can see that Marilyn Buffalo was saying the same thing that I have said. We are not accusing the chiefs of trying to make a power grab so that they can take advantage of people; we are saying that words mean what they mean. The reason we have laws, the reason we have constitutions, the reason we have these protections called the charter of rights and freedoms is not because we necessarily expect that somebody will take them away from us, but we want to guarantee that nobody ever can. We want to make sure that we are protected. These women are fighting for that same assurance. They want to make sure that their rights are protected in the legislation.

She continued by saying that members of the aboriginal community had asked not only at this committee but at previous committees whether or not NWAC had a mandate to address this issue. The fact that they have been around for 25 years is an indication that there needs to be a voice, an independent voice, one that is not dominated by males and male dominated organizations. That is the reason this organization was founded, not by them, but by their aunts and their grandmothers.

For the purposes of the record, as she said before, NWAC is only one of the five national organizations that own real estate in Ottawa. They are completely mortgage free and they do not spend money unless they have it. They do all the work on a pro bono basis.

They are contributing their time. It is not like some of the other organizations that there are around here, in a wide variety of areas, where people are being paid big salaries. These people are doing it out of a sense of commitment, not for the sake of a paycheque.

She said that they have many friends and are prepared to go to the full extent of the law to be involved and to assist in any way they can. She also said that the backgrounder that was developed and sent to every member of parliament and senator was done in-house by volunteers.

Senator St. Germain then went on to thank Miss Buffalo for her presentation. He said that he had a question which zeroed in on one particular incident in regard to Ms. Lockhart and the Squamish Band. He asked if there were any other incidents in other parts of the country. He indicated that perhaps she would not want to explain why they zeroed in on this particular case. However, he said that they were dealing with huge numbers of these situations and he wanted to know if they were isolated.

Government Orders

Miss Buffalo said that her answer was twofold. First, neither NWAC nor any other women's group was informed as to what was going on here in Ottawa. Many of their women did not know about this legislation.

Senator St. Germain said "That happens to many of us".

Miss Buffalo said that should not be an excuse. That is not acceptable. Because they are poor they do not read the *Globe and Mail*. It does not hit their reserve. Nor does the *National Post*. By the time they receive information it is by luck or through the native newspapers and many of them do not cover this issue. By the time native women read this it is ready to become law. That is the unfortunate reality. She said that this was also not being debated in open public forums.

Senator St. Germain asked: "How are you funded? Are you funded by the government?"

• (1805)

She responded by saying that they receive funds of \$300,000 a year from Heritage Canada. That is their core funding from the national office, which they run through.

The senator asked if there were several incidents which she could enumerate. She said that there were, which is why at one point they were excited about the task force that was going across Canada, the proposed fact finder. They were excited by the announcement that the minister made at their annual meeting. Unfortunately, she had made an—

[Translation]

FOREIGN PUBLISHERS ADVERTISING SERVICES ACT

The House resumed consideration of the motion in relation to the amendments made by the Senate to Bill C-55, an act respecting advertising services supplied by foreign periodical publishers.

The Acting Speaker (Mr. McClelland): Order, please. It being 6.06 p.m., the House will now proceed to the taking of the deferred recorded division on the amendment to the motion to concur in the Senate amendments to Bill C-55.

Call in the members.

• (1845)

[English]

(The House divided on the amendment, which was negated on the following division:)

(Division No. 561)

YEAS

Members

Abbott
Anders
Benoit

Ablonczy
Bailey
Breitkreuz (Yorkton—Melville)

Government Orders

Cadman
Chatters
Epp
Gilmour
Grey (Edmonton North)
Hart
Hill (Prince George—Peace River)
Hoepfner
Johnston
Kerpan
Lowther
Mark
McNally
Mills (Red Deer)
Obhrai
Ramsay
Ritz
Scott (Skeena)
Stinson
Vellacott
Williams—47

Casson
Duncan
Forseth
Grewal
Hanger
Hill (Macleod)
Hilstrom
Jaffer
Kenney (Calgary Southeast)
Konrad
Lunn
Mayfield
Meredith
Morrison
Penson
Reynolds
Schmidt
Solberg
Strahl
White (Langley—Abbotsford)

Leung
Limoges (Windsor—St. Clair)
Longfield
Malhi
Manley
Marchi
Martin (LaSalle—Énard)
Matthews
McGuire
McLellan (Edmonton West)
Ménard
Milliken
Mitchell
Murray
Nault
O'Reilly
Paradis
Patry
Perron
Pettigrew
Picard (Drummond)
Pillitteri
Power
Price
Provenzano
Reed
Robillard
Saada
Scott (Fredericton)
Shepherd
Speller
Steckle
Stewart (Northumberland)
St-Julien
Szabo
Thibeault
Torsney
Ur
Wappel
Wilfert

Lill
Lincoln
MacAulay
Maloney
Marceau
Marleau
Massé
McCormick
McKay (Scarborough East)
McWhinney
Mercier
Minna
Muisse
Myers
Nystrom
Pagtakhan
Parrish
Peric
Peterson
Phinney
Pickard (Chatham—Kent Essex)
Plamondon
Pratt
Proctor
Redman
Richardson
Rock
Sauvageau
Sekora
Solomon
St. Denis
Stewart (Brant)
St-Hilaire
Stoffer
Telegdi
Thompson (New Brunswick Southwest)
Tremblay (Lac-Saint-Jean)
Valeri
Wasylcia-Leis
Wood —180

NAYS**Members**

Adams
Assadourian
Augustine
Baker
Beaumier
Bélanger
Bellemare
Bergeron
Îles-de-la-Madeleine—Pabok
Bevilacqua
Blondin-Andrew
Boudria
Brison
Bryden
Byrne
Calder
Caplan
Carroll
Chamberlain
Charbonneau
Collenette
Copp
Cullen
de Savoye
Desrochers
Dhaliwal
Discepola
Drouin
Dubé (Madawaska—Restigouche)
Duhamel
Earle
Eggleton
Finlay
Fontana
Fry
Galloway
Girard-Bujold
Godin (Châteauguay)
Gray (Windsor West)
Guarnieri
Guimond
Hardy
Harvey
Hubbard
Iftody
Jennings
Jordan
Keyes
Knutson
Lalonde
Lee

Alcock
Asselin
Bachand (Richmond—Arthabaska)
Bakopanos
Bélair
Bellehumeur
Bennett
Bernier (Bonaventure—Gaspé—
Bertrand
Bigras
Bonin
Bradshaw
Brown
Bulte
Caccia
Canuel
Cardin
Catterall
Chan
Coderre
Comuzzi
Crête
Dalphond-Guiral
Desjarlais
DeVillers
Dion
Dromisky
Dubé (Lévis-et-Chutes-de-la-Chaudière)
Duceppe
Dumas
Easter
Finestone
Folco
Fournier
Gagliano
Gauthier
Godin (Acadie—Bathurst)
Graham
Grose
Guay
Harb
Harvard
Herron
Ianno
Jackson
Jones
Keddy (South Shore)
Kilger (Stormont—Dundas—Charlottenburgh)
Kraft Sloan
Lastewka

PAIRED MEMBERS

Alarie
Axworthy (Winnipeg South Centre)
Barnes
Chrétien (Frontenac—Mégantic)
Debien
Goodale
Laurin
Loubier
Mifflin
Normand
Rocheleau
Turp
Venne

Anderson
Bachand (Saint-Jean)
Brien
Clouthier
Gagnon
Kilgour (Edmonton Southeast)
Lefebvre
Mahoney
Mills (Broadview—Greenwood)
Proud
Tremblay (Rimouski—Mitis)
Vanclief
Whelan

The Speaker: I declare the amendment defeated.

The next question is on the main motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

The Speaker: All those opposed will please say nay.

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Some hon. members: Nay.

The Speaker: In my opinion the yeas have it.

And more than five members having risen:

• (1855)

(The House divided on the motion, which was agreed to on the following division:)

(Division No. 562)

YEAS

Members

Adams	Alcock
Assadourian	Augustine
Baker	Bakopanos
Beaumier	Bélaïr
Bélanger	Bellemare
Bennett	Bertrand
Bevilacqua	Blondin-Andrew
Bonin	Boudria
Bradshaw	Brown
Bryden	Bulte
Byrne	Caccia
Calder	Caplan
Carrroll	Catterall
Chamberlain	Chan
Charbonneau	Coderre
Collenette	Comuzzi
Copps	Cullen
De Villers	Dhaliwal
Dion	Discepola
Dromisky	Drouin
Duhamel	Easther
Eggleton	Finestone
Finlay	Folco
Fontana	Fry
Gagliano	Galloway
Graham	Gray (Windsor West)
Grose	Guarnieri
Harb	Harvard
Hubbard	Ianno
Ifody	Jackson
Jennings	Jordan
Keys	Kilger (Stormont—Dundas—Charlottenburgh)
Knutson	Kraft Sloan
Lastewka	Lee
Leung	Limoges (Windsor—St. Clair)
Lincoln	Longfield
MacAulay	Malhi
Maloney	Manley
Marchi	Marleau
Martin (LaSalle—Émard)	Massé
McCormick	McGuire
McKay (Scarborough East)	McLellan (Edmonton West)
McWhinney	Milliken
Minna	Mitchell
Murray	Myers
Nault	O'Reilly
Pagtakhan	Paradis
Parrish	Patry
Peric	Peterson
Pettigrew	Phinney
Pickard (Chatham—Kent Essex)	Pillitteri
Pratt	Provenzano
Redman	Reed
Richardson	Robillard
Rock	Saada
Scott (Fredericton)	Sekora
Shepherd	Speller
St. Denis	Steele
Stewart (Brant)	Stewart (Northumberland)
St-Julien	Szabo
Telegdi	Thibeault
Torsney	Ur
Valeri	Wappel
Wilfert	Wood—128

NAYS

Members

Abbott	Ablonczy
Anders	Asselin
Bachand (Richmond—Arthabaska)	Bailey
Bellehumeur	Benoit
Bergeron	Bernier (Bonaventure—Gaspé—)
Îles-de-la-Madeleine—Pabok)	Bigras
Breitkreuz (Yorkton—Melville)	Brisson
Cadman	Canuel
Cardin	Casson
Chatters	Crête
Dalphon-D-Guiral	de Savoye
Desjarlais	Desrochers
Dubé (Lévis-et-Chutes-de-la-Chaudière)	Dubé (Madawaska—Restigouche)
Duceppe	Dumas
Duncan	Earle
Epp	Forseth
Fournier	Gauthier
Gilmour	Girard-Bujold
Godin (Acadie—Bathurst)	Godin (Châteauguay)
Grewal	Grey (Edmonton North)
Guay	Guimond
Hanger	Hardy
Hart	Harvey
Herron	Hill (Macleod)
Hill (Prince George—Peace River)	Hilstrom
Hoepfner	Jaffer
Johnston	Jones
Keddy (South Shore)	Kenney (Calgary Southeast)
Kerpan	Konrad
Lalonde	Lill
Lowther	Lunn
Marceau	Mark
Matthews	Mayfield
McNally	Ménard
Mercier	Meredith
Mills (Red Deer)	Morrison
Muise	Nystrom
Obhrai	Penson
Perron	Picard (Drummond)
Plamondon	Power
Price	Proctor
Ramsay	Reynolds
Ritz	Sauvageau
Schmidt	Scott (Skeena)
Solberg	Solomon
St-Hilaire	Stinson
Stoffer	Strahl
Thompson (New Brunswick Southwest)	Tremblay (Lac-Saint-Jean)
Vellacott	Wasylcia-Leis
White (Langley—Abbotsford)	Williams—99

PAIRED MEMBERS

Alarie	Anderson
Axworthy (Winnipeg South Centre)	Bachand (Saint-Jean)
Barnes	Brien
Chrétien (Frontenac—Mégantic)	Clouthier
Debien	Gagnon
Goodale	Kilgour (Edmonton Southeast)
Laurin	Lefebvre
Loubier	Mahoney
Mifflin	Mills (Broadview—Greenwood)
Normand	Proud
Rocheleau	Tremblay (Rimouski—Mitis)
Turp	Vanclief
Venne	Whelan

The Speaker: I declare the motion carried.

(Amendments read the second time and concurred in)

Private Members' Business

The Speaker: On a point of order, the hon. government House leader.

* * *

FIRST NATIONS LAND MANAGEMENT ACT

NOTICE OF CLOSURE MOTION

Hon. Don Boudria (Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I wish to give notice that when the House next considers the motion for consideration of the amendments made by the Senate to Bill C-49, an act providing for the ratification and bringing into effect of the framework agreement on first nations land management, a minister of the crown shall propose a motion, pursuant to Standing Order 57, that the debate be not further adjourned.

The Speaker: It being 6.56 p.m., the House will now proceed to the consideration of Private Members' Business as listed on today's order paper.

PRIVATE MEMBERS' BUSINESS

• (1900)

[*Translation*]

INCOME TAX ACT

Mr. Michel Guimond (Beauport—Montmorency—Côte-de-Beaupré—Île-d'Orléans, BQ) moved that Bill C-502, an act to amend the Income Tax Act (deduction of expenses incurred by a mechanic for tools required in employment), be now read a second time and referred to a committee.

He said: Mr. Speaker, I am pleased to speak to this bill, which I introduced in the House in order to raise an issue that has been around too long and is harmful to the growth of an essential sector of Canadian and Quebec industry, namely auto mechanics.

I introduce this bill on behalf of all the women and men who work as auto mechanics and have been calling for this bill for some years now.

Mr. Speaker, you are a democratically elected member of parliament, as I and every one of the 301 members of this House are. We all know that when we are campaigning and visit various car dealerships and garages, the mechanics frequently raise the issue of having a tax deduction for the cost of purchasing tools.

I am calling for the co-operation of the House, for I believe that there is nothing partisan about this legislation in the least. The bill

is presented with no malice and no ulterior motive, and I trust that my colleagues of all parties will subscribe to it.

I take care to point out that it concerns mechanics and not the broader issue of the automobile, because I would need a number of hours more in order to explain the negative effects Quebec has felt since the implementation of the auto pact.

In this regard, I will simply say that since its implementation a number of years ago, this trade agreement with United States has benefited Ontario only. Given that 97% of automobile assembly takes place in Ontario, clearly the auto pact benefited Ontario. It explains in large measure the difference in the rates of unemployment between Quebec and Ontario.

We are not talking here about automobile mechanics in the true and literal sense of the word. Instead, we are talking about men and women who, day in day out, slog under automobile hoods in often difficult working conditions.

There is winter when they have to work under cars with salt, snow or slop literally running down their faces. These men and women slog, their hands covered in grease, in an effort to repair what many people—often the poor—consider one of their most valuable possessions. For many people, their only possession—when it is not borrowed from the bank—is a car. These men and women must be encouraged, and this is the intent of this bill.

I say cars represent one of the most valuable possessions because of the major financial investment that their purchase or lease represents for Canadian and Quebec households.

We want to be able to make use of this investment, which we pay back at the end of each month to the bank, for a long time. This is why everyone wants cars to be well maintained and the necessary repairs made, hence the absolute necessity of being able to count on trained, competent and motivated mechanics to work on their cars and trucks.

• (1905)

As things now stand, it is difficult for these mechanics to be able to work under ideal conditions because of the high cost of buying the tools they need.

Since my time is running out, I will conclude by saying that I am counting on all members of the House to support this bill. These men and women are asking the government to allow them to deduct from their income the cost of buying their tool set, which can run from \$5,000 to \$40,000.

Ultimately, what we want is for all of society to benefit.

[*English*]

The Acting Speaker (Mr. McClelland): I recognize the hon. government House leader on debate.

Hon. Don Boudria (Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I wish to state that the completion of Bill C-49 is an urgent matter because it has been delayed some five months longer than hoped by dozens of groups of Canadians, both natives and others, who must await its passage before completing long overdue arrangements.

Therefore, I move, pursuant to Standing Order 53, that in relation to Bill C-49—

Mr. Leon E. Benoit: Mr. Speaker, I rise on a point of order. We are debating now a private member's bill on mechanics' tools. I just cannot understand the relevance of the House leader for the governing party talking about Bill C-49 during this debate.

The Acting Speaker (Mr. McClelland): I appreciate the intervention of the hon. member for Lakeland. The government House leader rose on debate, was recognized and was making his point.

Hon. Don Boudria: Mr. Speaker, in addition to what I have just said, I want to say that in relation to the said bill, Bill C-49, the requirement for notice of motion—

Mr. Gerald Keddy: Order.

Mr. Mark Muise: Order.

* * *

FIRST NATIONS LAND MANAGEMENT ACT

Hon. Don Boudria (Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I move, pursuant to Standing Order 53:

That, in relation to Bill C-49, the House continue to sit until the adjournment is proposed by a Minister of the Crown; and

That, in relation to the said bill, the requirement for notice of a motion pursuant to the standing order be suspended.

Mr. Ken Epp: Mr. Speaker, I rise on a point of order. This is a debate on mechanics' tools. This individual is totally out of order. He cannot do this by the standing orders.

He is trying to sneak in a statement here which he cannot do any other way. It is just downright dirty and I ask you to rule, Mr. Speaker, that what he is trying to do is out of order. Let us get on with the debate on Private Members' Business.

The Acting Speaker (Mr. McClelland): Perhaps we can lower the temperature here a bit if we read the relevant standing order. It is Standing Order 53(1). If members will give me a second, I will consult with the Clerk to make sure that what we are doing here is absolutely kosher.

The relevant standing order is found at page 30 of the standing orders dated February 1, 1999. Standing Order 53(1) states:

S. O. 53

In relation to any matter that the government considers to be of an urgent nature, a Minister of the Crown may, at any time when the Speaker is in the Chair—

• (1910)

And the Speaker is any of the chair occupants:

—propose a motion to suspend any Standing or other Order of this House relating to the need for notice and to the hours and days of sitting.

It goes on, but the government House leader is entirely within the purview of the standing orders of the House of Commons.

A motion has been proposed on a matter of urgent nature by the government House leader pursuant to Standing Order 53(1). If we go further into the standing orders, and if members would bear with me I would appreciate it because this is the first time this has happened to me as well, the Speaker has the option to provide for up to one hour of debate.

The time provided to debate the motion will be up to one hour. It is the purview of the Speaker to determine how it will be done. It would seem to be appropriate that it would be done by party at 10 minutes each.

Unless someone else can give me a reason that we do it some other way that would be better, that is what we will do.

Mr. Ken Epp: Mr. Speaker, I rise on a point or order. This is not according to the rules of the House.

Some hon. members: Oh, oh.

Mr. Ken Epp: I do not know Beauséne's totally by heart.

An hon. member: The Speaker ruled.

Mr. Ken Epp: I am not talking about the ruling. I am talking about Beauséne's, which I have not yet completely memorized, but I know that there is a citation in it which says that a member may not rise on debate as a guise for making a motion. He cannot do that. It is against the rules.

The Acting Speaker (Mr. McClelland): The standing order very clearly states that "a Minister of the Crown may, at any time when the Speaker is in the Chair, propose a motion".

The member was recognized on debate and moved it on debate. It is before the House. We will now have one hour of debate. On debate the hon. member for Elk Island for 10 minutes.

Mr. Ken Epp: Mr. Speaker, the mover of the motion has nothing to say. That is why he is not getting up to debate the motion.

The Acting Speaker (Mr. McClelland): It has been pointed out to me that the mover of the motion should be the first speaker on debate. The hon. government House leader.

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Hon. Don Boudria: Mr. Speaker, I do not think I need the full 10 minutes to say what most of us in the House think at this point.

Most members in the House would concur right now that having delayed a bill for months and months and months, a bill dealing with Canada's—

Mr. Leon E. Benoit: Mr. Speaker, I rise on a point of order. The member who is speaking, the House leader of the governing party, rose on debate. He made his motion—

• (1915)

The Acting Speaker (Mr. McClelland): No, this is not a point of order.

Mr. Leon E. Benoit: Mr. Speaker, I rise on a point of order. The member rose on debate. Once he said his piece, he moved his motion, which is fine—

The Acting Speaker (Mr. McClelland): The government House leader moved the motion. The Speaker then had to read the motion into the record, present it to the House. From that point on debate on the motion started. There had been no debate on that motion until it was read to the House.

The hon. government House leader on debate.

Hon. Don Boudria: Mr. Speaker, as I was saying, I do not think I need much time to convey what most members think about this issue and about what has been occurring.

Let us stick mainly to the issue. The issue is that the aboriginal community and indeed several other Canadians involved with the issue of land claims have been urging us for months and months and months to pass Bill C-49, which we did. The Senate considered it and made an amendment which most of us concur in. Many of us have had members of Canada's first nations communities urge us to pass this legislation.

The conclusion to all of that is that we need this bill urgently. I do believe that most of us think in our hearts that we have already said that is precisely what we would do and that is precisely what I am urging the House to do now.

Mr. Ken Epp: Mr. Speaker, I rise on a point of order.

Standing Order 53(2) very clearly states:

After the Minister has stated reasons for the urgency of such a motion, the Speaker shall propose the question to the House.

The minister never stated the purpose of this motion and the urgency of it. Therefore the motion is out of order.

The Acting Speaker (Mr. McClelland): When the hon. member for Elk Island stood the first time, as I recall and we can check the blues, the hon. government House leader made the point of why it was an urgent matter and then went into it. We can check blues. I

know the hon. member for Elk Island is a student of House procedure. We recognize that.

It is the opinion of the clerk that this is being done strictly according to the standing orders of the House of Commons. Therefore the Chair accepts it and recognizes the member for Elk Island on debate.

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, often in this House when we speak we say we are so pleased to stand here. I often think of it still. This is a place of honour. I am called the hon. member for Elk Island, as all members here are called honourable. I wish that I could on this occasion also stand to say that I am really happy to speak to this motion. I am not.

The motion the government House leader has brought forward is that we should suspend Private Member's Business. That is the motion, that we should now talk about Bill C-49, for which the time for debate ended earlier today.

I think it is unconscionable. For years and years and years the government front bench, whether it is the Conservatives or the Liberals, has controlled Private Members' Business. Here we are into Private Members' Business speaking about a very important bill, that of double taxation for mechanics who have to buy tools in order to make their living. This motion is now pre-empting that very important bill.

Bill C-502 is important to Canadians. The bill has been brought forward by a private member, a bill that should properly be dealt with in Private Members' Business. The government over there says "Private Members' Business nothing. Democracy, who cares about it?" All the Liberals are about is getting their own way and pushing their way around like schoolyard bullies. That is not acceptable. It is wrong.

• (1920)

There are a couple of ways of getting Bill C-49 passed. The government ran twice on its red book platform of making government more accountable, making government more democratic, doing things that are right according to the rules of the House and everything. This is the same government which is now invoking closure on a bill which is incomplete. That is why we are opposing it.

We are not pulling a shenanigan today. We are simply exercising a parliamentary process. We are exercising a duty in order to ensure that the flaws in Bill C-49 are corrected. The government wants to invoke closure and just ram it through because the Liberals want to go on their golfing vacations. They want to go away. They do not want to be here.

We are in deep trouble if members of parliament replace the urgency and the need for running the government on behalf of the people of Canada with the urgency to get out of Ottawa. I am willing to stay here until the end of September if I have to in order

to correct the flaws in the bill. It is shameful that the government just snubs its nose at the democratic process, at debate, invokes closure and brings in these bills.

This is not a new thing. It happens every June. It happens every December. The government waits until then for the things it knows are not popular and not right and it hopes that the opposition will tire. The Liberals hope that we will not care enough and that we too will want to join them on the golf course. Well, we do not. We are here to represent the people.

This is not the time to debate Bill C-49. There are some very important flaws in that bill which must be corrected. It is our job as the official opposition, indeed it is our job as members of parliament and it should have been the job of the senators, to fix the errors in that bill which make it unacceptable.

The bill is unacceptable to women. Aboriginal women are being cut off from the rights that every other Canadian has. They are being cut off by the bill.

We proposed an amendment to it. Of course the government invoked closure. It invoked its "Let us get our MPs to stand and vote when we pull their strings". The Liberal members got up and passed it without the amendment. As a result, aboriginal women will not have the rights that are rightfully theirs because of the lack of the amendment.

I can think of other things, such as the right to confiscate land, to foreclose on land and all sorts of different things. We are dealing with people whose right of lease is being transferred and they have no rights.

It is incredible that the government is not willing to go through the democratic process. As I said, there is a very simple way to get this bill passed and that is to correct its several little flaws. That is all we are asking.

Often when we use words they have a tendency to reflect on ourselves so I want to be very careful when I use the word, but an element of arrogance is involved in a person who says "I have it absolutely right and you do not know a thing". That is what they are saying over there. The Liberals are saying that the members of the opposition do not know that there are some flaws in this bill.

As we heard today, the hon. member for Skeena has had many representations from people in the native community, from women and others. He has had representations from people who live on lands adjoining the native reserves. Those people have brought forward some very important concerns which ought to be corrected. What is the point of ramming this bill through and getting it wrong?

One of my former bosses had a little placard on the bulletin board in his office which read "If you don't have time to do it right,

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when will you find time to do it again?" It is fine when we are working in an office somewhere to say that we have to take the time to do it right, otherwise we will have to find more time to do it again. When we are dealing with issues like this, doing it again is not a tenable option. Once a bill is passed into law, it is usually very difficult to backtrack and to correct the errors and flaws in it.

• (1925)

All we are asking is that the government simply do what it promised to do and which it is failing to do. Exercise a true, democratic process here and not the bullying tactics. Do not play the schoolyard bullies by saying "It is our way or no way. We are bigger than you. We have 156 members and you do not have that many so we are just going to march forward and you poor guys, you are worthless, you are useless". That is what the government is saying and it is absolutely untenable.

I am here to represent the people of Elk Island but I am also here to represent Canadians from coast to coast. I am here to make decisions that are good for Canada in the long run, not just for tomorrow. I am here for more than just making sure that members of parliament can start their vacation two and a half weeks before it was scheduled to start because the lazy bums over there do not want to do their work. That is not acceptable.

The Acting Speaker (Mr. McClelland): I am giving the hon. member for Elk Island the two minute warning. Since I am giving him the two minute warning, I am also going to give him another warning. We are not going to refer to each other as lazy bums.

Mr. Ken Epp: Mr. Speaker, did I use those words? My apologies. I must have gotten carried away. That type of language is not usually even in my thinking. I am genuinely sorry.

All of us must do our job. We must never permit our eagerness to get out of here to supersede the urgency and importance of doing our job and doing it right. I am embarrassed to be part of a parliament that is so eager to get out of this place and go back to the ridings, as important as that is. Do those members have holidays planned? What do they have planned? I do not know.

I do not have anything planned. My plans are to come back here on Sunday night and to be here Monday to Friday. I am going to be here in any event because I have it booked. I have work to do here. I am here to represent the people.

It is absolutely shameful that the members over there are so eager to get out of here that they will not work on a bill for a little longer and perhaps accept some amendments from the opposition that will fix the flaws. Then at the end of the day we could stand up proudly before our children and our grandchildren, before Canadians from coast to coast and say that we did a good job when we were in Ottawa.

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Instead the Liberals are going to be hanging their heads in shame and saying "We should not have done that. We should have listened to other heads, but instead ours were totally clouded. They were on the other side and we assumed that they did not know what they were talking about".

Those Liberals over there have a lot of wisdom, but there is also some wisdom on this side. If we worked together we would get much better legislation on behalf of the Canadian people.

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

Some hon. members: Question.

Some hon. members: Debate.

The Acting Speaker (Mr. McClelland): The ruling was 10 minutes per party.

Mr. Gurmant Grewal: Mr. Speaker, I rise on a point of order. According to Standing Order 53(3)(c) it is not 10 minutes per party, it is 10 minutes per member. I see more members who want to speak. I believe they should be given a chance to speak pursuant to the standing order.

[Translation]

Mr. Stéphane Bergeron (Verchères—Les-Patriotes, BQ): Mr. Speaker, I respectfully submit that you have ruled on this matter, and I suggest that you put the question to the House.

[English]

The Acting Speaker (Mr. McClelland): There is no question that when I explained how this was going to work I said we have a maximum of one hour of debate. That means if we split it we are going to have 10 minutes per party. If the other parties do not choose to use their time, that is their business. It is 10 minutes per party. That is it. I am putting the question now.

• (1930)

Mr. Gurmant Grewal: Mr. Speaker, according to Standing Order 53(1)(c), which was quoted by the government House leader, no member may speak more than once, nor longer than 10 minutes. It is not per party, Mr. Speaker. It is written here very clearly that no member may speak more than once, nor longer than 10 minutes.

One member has spoken for 10 minutes. Now it is time for the next member to utilize the time allocated by the standing orders, which is 10 minutes. I would ask that you kindly look at the standing orders and have the House work accordingly.

The Acting Speaker (Mr. McClelland): This has certainly been an educational evening for many of us, because most of us have never gone through anything like this before.

Under this standing order the Speaker is vested with the discretion. The discretion the Speaker is vested with is the form of the debate. At the start of the debate I, as the Speaker, said "This is the way we are going to conduct this debate. It will be 10 minutes per party". That is what I said. That is the way it is going to be.

I will put the question now. I will not recognize any points of order on the same subject.

The question is on the motion. Will those members who object to the motion please rise in their place?

And 10 or more members having risen:

The Acting Speaker (Mr. McClelland): The motion is deemed to have been withdrawn.

(Motion withdrawn)

The Acting Speaker (Mr. McClelland): The House will now resume consideration of Private Members' Business, as listed on today's order paper.

Mr. Jim Abbott: Mr. Speaker, for my information, I wonder if you could advise me where we are in Private Members' Business. How many minutes are left in the debate, please?

The Acting Speaker (Mr. McClelland): There are 53 minutes left in debate on Private Members' Business.

After Private Members' Business the House will go to the Adjournment Proceedings. After the Adjournment Proceedings the House will adjourn, as it would ordinarily have done.

PRIVATE MEMBERS' BUSINESS

[English]

INCOME TAX ACT

The House resumed consideration of the motion that Bill C-502, an act to amend the Income Tax Act (deduction of expenses incurred by a mechanic for tools required in employment), be read the second time and referred to a committee.

Mr. Leon E. Benoit (Lakeland, Ref.): Mr. Speaker, I must say that I am actually embarrassed to be a member of the House today because of what has just happened. It is completely unacceptable for the government House leader and those opposite to pull these kinds of shenanigans and interrupt Private Members' Business, which is important business.

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This bill would allow a tax deduction for mechanics' tools for the 90,000 mechanics across this country who want to be treated fairly under our tax laws. When this issue was debated last year it was under my bill, Bill C-366. The bill which we are debating tonight is exactly the same bill, except that one number has changed, the value of the tools. When it was debated, every party in the House, except the governing party, supported that bill.

• (1935)

I even received letters and confirmation from many members of the governing party who supported the bill. Tonight, what do we have? We have the government House leader trying to interrupt a debate on this important bill so the government can bring forward a bill which it has had months and months to deal with. Actually, it is years. I apologize for my underestimation.

Why now is it so willing, without thought it seems, to interrupt this important private member's bill? I do not know, but it is wrong and I am embarrassed to be in the same House as these members who would try to pull that stunt. It is shocking and completely unacceptable.

Bill C-502, as I have said, is identical to Bill C-366 which was debated last year. This bill is asking for a tax deduction for mechanics' tools where it is a requirement of employment that they purchase their own tools.

Currently, mechanics, who are generally low wage earners, most of whom earn \$20,000 to \$25,000, and there are 90,000 of them across the country, are forced to pay thousands of dollars for tools with after tax dollars. It is double taxation.

When people in small businesses buy tools, for example farmers, they are allowed to deduct the full purchase price of any tools under \$200. The value of tools over \$200 can be written off and claimed under the capital cost allowance. They can write them off very quickly.

This bill would put mechanics on the same footing as small business people, musicians and several other groups which can claim and deduct, for the purposes of taxation, the cost of their tools. There are several groups who are already allowed to do that.

Why is the government speaking out against this piece of legislation? It is really hard to understand. It seems that whenever the Liberal Party or the finance minister talk about tax fairness it really means one thing. The government is very willing to look at tax fairness and implement what it calls tax fairness when it means more tax. However, in this case, if this bill were to pass, it would mean that less taxes would be taken out of the pockets of mechanics.

The House leader was willing to throw all of that aside, to interrupt the debate and to kill the debate. We will not get another chance to debate this bill before the House breaks for the summer.

He was willing to just throw these 90,000 mechanics aside and say to heck with them, they are not important. It does not matter to the government if mechanics have to spend \$15,000 on tools, out of their own pockets, when they cannot write off the expense. It does not seem to matter at all.

It matters to the other parties. The other parties have come out as being clearly in favour of this bill. They did when it was my bill, Bill C-366, and they have tonight. The finance committee, on at least two occasions since 1993, has clearly been in favour of this change, which would make the tax system far more fair. It would allow a deduction for mechanics who purchase tools when it is a requirement of employment that they own their own tools.

This issue came before the House last year. It came in the form of a very broad motion once or twice before. It is time we dealt with this because it is important to those 90,000 mechanics, and it is important to me. I believe that everyone should be treated fairly. Clearly, fairness in this case means that mechanics and others in similar situations should be allowed to claim this deduction.

It will amount to something like \$60 million a year which the the government will not be able to grab from these people. That is why it is not supporting it, because it will lose \$60 million a year in tax revenue. We know that it just cannot get enough. There have been dozens and dozens of tax increases since the government came to power in 1993. We know very well that it has increased the tax take by over \$30 billion a year since 1993. It is completely unacceptable that it would try to throw this all aside and snub mechanics once again as it has done several times in the House and as it has done twice in the last year.

• (1940)

When I brought this bill forward the last time, I received 7,000 letters from mechanics across Canada in two months. Copies were sent to the finance minister. He knows that these letters have been received.

What kind of sincerity does the government show in debating this bill? Under access to information I received a copy of the speech that the parliamentary secretary gave when he spoke to my bill. That access to information request showed that he did not even write the speech. He did not even show the courtesy to mechanics to write his speech. The access to information request showed that a departmental official from inside the finance department wrote his speech, and he delivered the speech. He delivered it just like a good little boy should. That is the lack of respect that the parliamentary secretary has for those mechanics, who are only asking for what is fair. Government members do not even have the courtesy to write their own speeches. They get departmental officials to do that. It is disgusting.

It is time this bill passed. I am going to support this bill. We are going to support this bill. The Bloc is going to support this bill. I

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believe the Conservatives will. They did the last time. The NDP will support it. NDP members have received letters. There should be a lot of Liberal MPs who support this bill as well. If they do not, I can guarantee that they are going to get letters from their constituents. They will have to explain to their constituents that they would not even support this issue, which is a clear issue of tax fairness. That is all it is.

I recently came back from Prince Edward Island. I was amazed by the number of times I heard those people say that this House is no longer a democratic institution. They have seen their members vote on issues which they know they do not support. They have seen them vote in favour because their whip has told them that they are going to support the bill. They pointed to several bills, one being the old Bill C-68, the gun registration bill. They are still upset about that. They are going to continue to be upset about that until we get into power and throw that legislation out.

They are upset for several reasons. They are upset with the legislation, but they are also upset with the process. The process is no better tonight. We see tonight, again, government members opposite showing a total lack of caring, a lack of respect. The Liberals are showing arrogance, arrogance which we know comes before the fall. We are seeing a level of arrogance on that side of the House that I have never seen in this place before. I believe it will not be too far down the road when that fall comes. The Liberals have come to think that they have all the answers. They have come to think that the people they are supposed to be governing for do not matter any more.

In this case, they have sent the message very clearly to 90,000 mechanics who only want what is fair. The House of Commons finance committee has said it is fair on two occasions. Just to point out to government members, as if they do not know it, the House of Commons finance committee is controlled by a majority of government members.

It was a committee controlled by a majority of government members which said, "Yes, let's do this. Let's give these mechanics their tax deduction". Now is the time to do it. Let us just do it, with no more stalling. Let us do it now.

Mr. Scott Brison (Kings—Hants, PC): Mr. Speaker, I share the concern of the hon. member about the way the government continues to utilize the House as a tool for its own short term purposes. It refuses to treat the House of Commons with the respect that it clearly deserves and treat Canadians with the respect that they clearly deserve.

• (1945)

I will speak on Bill C-502, an act to amend the Tax Act. I will then discuss some of the types of tax reforms in a more holistic since that I believe is necessary in Canada.

We are supportive of this private member's bill, which deals with an amendment to the Income Tax Act, to allow the deduction of expenses for mechanic tools required in employment. This is not the first time this important issue has been raised in the House. It is not the first time that the government has not dealt with this issue, despite the fact that the finance committee has recommended that there be changes to the Income Tax Act to reflect the intent of the legislation. Beyond the fact that there is widespread support for this issue, there is multi-partisan support, including the Reform Party, the New Democratic Party, the Progressive Conservative Party and the Bloc Quebecois.

The bill, if implemented, will have a positive impact on one of the most important industries in Canada, the automobile industry. There are over 115,000 mechanics working and paying taxes in Canada. Mechanics have a very significant initial cost to enter the trade. Effectively, some initially invest an average of \$15,000 in tools. Some initially invest as much as \$40,000 in tools. They will have to replace this worn out equipment and buy newer equipment every year. It is like members of parliament. We have a very short shelf life. Sometimes we only last four years. rate is very rapid. However, these expenses are very difficult to justify when we consider that the average income for a mechanic is about \$29,000 per year.

This is a very important piece of legislation. It is difficult for mechanics and people in this industry.

I hear the phone going off. It is probably the results of the vote. It reminds me of the song by Johnny Cash and June Carter Cash "We got married in a fever hotter than a pepper sprout" and we have been looking for Preston ever since the fire went out. That is another story.

Mr. Gurmant Grewal: Mr. Speaker, I rise on a point of order. If I heard right, the hon. member used an hon. member's name in the House.

The Acting Speaker (Mr. McClelland): How could that happen? If it did, would the hon. member for Kings—Hants do what is necessary to correct it.

Mr. Scott Brison: Mr. Speaker, I am sorry. I may have been mistaken. I believe they may have thought I said Preston, but I in fact said that we need to press on. If we are going to provide a national alternative to this government, we need to press on and work co-operatively to ensure that happens.

Back to private member's Bill C-502, which is of course the important piece of legislation that we are discussing at this time. It is very important that we encourage those people who are inclined to study and educate themselves to become mechanics and pursue this line of work. We have a shortage of skilled mechanics right now across Canada. From a labour market flexibility perspective, there are not enough people doing this work at this time which creates significant problems for the Canadian automobile industry.

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As I mentioned earlier, the finance committee has been consistent in recommending in both the 1996 and 1997 prebudget reports that we allow the tax deductibility of tools and amend the Income Tax Act to facilitate that. The finance committee makes a lot of recommendations, some of which the government takes seriously and some of which it does not. It treats recommendations from the finance committee or from any other agency or committee like a buffet. It chooses from the buffet and consumes, in terms of public policy, what it deems to be politically palatable and leaves the rest. The unfortunate thing is that Canadians are not getting the issues dealt with in the serious visionary way they need.

• (1950)

When I first looked at the legislation, my initial concern was that it would further complicate the tax code. I am really concerned that the Canadian tax code is far too complicated and too complex. It encourages one type of behaviour and discourages another. I call it a Pavlovian tax code. There is a bit of Pavlovian psychology in trying to encourage Canadians to do some things and the government trying to discourage other types of behaviours.

Governments are very poor at picking winners and losers in terms of tax policy and incentives. I am typically very much adverse to an amendment that would further complicate the tax code. I then thought about it and asked myself what the chances were that we would get any serious tax reform out of the government opposite or any significant broad based tax relief. I thought that the chances were probably fairly low.

If we could get some type of tax relief for hard-working mechanics across Canada, even if it would further complicate the tax code—and that is not something we want to see—and even if it only came in bit by bit, that would be a positive step.

What we would really like to see is the Canadian government actually dealing with the tax issue and the systemic flaws in the tax code in a more holistic manner. The most important purpose of taxation is obviously to raise revenue. Another purpose, to a certain extent, is the redistribution of income. However, our tax code is trying to do too many things within the Canadian structure. We need to adapt our tax structure and our transfer structure. We need to take a serious look at changing and updating our equalization system.

There has recently been a trend among provinces to adopt a predatory tax policy to reduce taxes in order to attract businesses and people to the provinces. I think that is actually very sound. It has been done in Alberta with Premier Klein and in Ontario with Premier Harris. We have seen it more recently in New Brunswick with the new Premier Bernard Lord. Tax reduction and significant tax cuts resonate significantly with Canadians as do messages from governments that keep their word. Mike Harris and Ralph Klein have remained consistent in keeping their word and providing meaningful tax relief to Canadians.

With provinces pursuing predatory tax policy, the perverse impact would ultimately be that the provinces that can least afford to have an aggressive tax policy, the provinces that need economic growth the most, like in Atlantic Canada, will actually have the highest tax rates because their fiscal situations do not allow them to reduce taxes.

I would suggest that one of the issues the Canadian government should be looking at is a change to the equalization system and to the tax and transfer system such that over a 10 year period governments, like the one of Bernard Lord in New Brunswick or the future government of John Hamm, the future Progressive Conservative premier of Nova Scotia, could see, over a period of time, incentives to the equalization system to reduce their provincial taxes. Over a period of time, the equalization system would be phased into a system that would actually encourage provinces to reduce taxes. Currently the opposite is the case.

This is just one of the issues that needs to be dealt with. There are literally hundreds of issues within the tax system that need to be addressed. Canadians need a significant overhaul of the tax code in Canada. We have not had serious tax reform since the early 1990s, some in the late 1980s, both of which were under the previous Progressive Conservative government of Brian Mulroney, which had the vision to do what was right but not always what was popular. Prior to that, the last serious tax code reform was back in 1971 with the Carter commission.

• (1955)

The fact is that now more than ever, with a globally competitive environment, we need to move forward and address the single biggest impediment to growth, jobs and prosperity in Canada: a Canadian taxation system and tax code that is archaic and is not working. We want to get Canadians working.

Mr. Tony Valeri (Parliamentary Secretary to Minister of Finance, Lib.): Mr. Speaker, again we have heckling coming from the Reform Party. I must apologize to you for having to sit through that speech with all the rhetoric.

Mr. Leon E. Benoit: It hurts, does it not?

Mr. Tony Valeri: The hon. member says it hurts. If the hon. member had any sense at all, he would perhaps deal with some of the facts rather than deal with this kind of back and forth taunting that he is so accustomed to. It is too bad he had to bring it to the House as well. I unfortunately cannot apologize to his constituents. Hopefully when he goes back he will do that himself.

What I would like to do is basically deal with this particular matter. As members have indicated in the House, this issue has come before the House and members have commented on this. The finance committee has looked at it, has listened to witnesses and

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has included this particular measure in its report as part of a prebudget consultation.

I just want to go back to some of the comments made by the Reform Party member earlier and restate the state of confusion that he is in. He seems to be confused about the types of employment that people are involved in. He confuses self-employment with working for an employer. He talked about the ability of farmers to deduct versus the ability of individuals who are employees of a particular corporation to not be able to deduct certain expenses.

There is no question that work related employees' expense deductions are not available because employers normally provide items required for employees to perform their duties. It is true in large part, but the hon. member across the way, the mover of this particular motion, is also correct that in some occupations it is not true. In fact, automobile mechanics do incur substantial expenses as a condition of employment.

We also know from the hon. members who spoke on this issue earlier, that it is also a complex issue. I would therefore like to frame the issue with respect to a number of tax policy principles. I think all members would agree that any change in tax policy needs to be fair and that the changes would also need to be relatively simple to administer and easy to comply with for the taxpayers. They should also be consistent with respect to the government's overall fiscal situation.

The task of finding appropriate tax treatment for mechanics' tools is difficult. I often welcome this type of debate because it gives members on both sides of the House the opportunity to put forward their perspectives on certain issues. I do want to highlight some of the challenges that we would face as a government with respect to this particular issue.

I do meet with mechanics in my riding and I often look forward to that opportunity. We do engage in an exchange that is usually a healthy exchange, unlike the exchange that takes place between the Reform Party and ourselves.

Given that mechanics are not the only occupation in which employees incur substantial expenses as a requirement of employment, it would be difficult to justify providing tax relief solely to mechanics to the exclusion of all others, which is in fact what this private member's bill proposes.

Tax relief has been requested for work related expenses and it has been sought to include individual personal computers purchased by employees, reading materials or professional journals, other general costs associated with skills upgrading, as well as tools for employee tradespersons, which is essentially another very important aspect to look at.

In extending tax relief to many equally deserving taxpayers, or as the hon. members across the way would say, just extend it to

everyone, it is also important to recognize that it would certainly incur substantial expenses. We would need to look at it.

The hon. member for Kings—Hants talks about looking at this issue and says that we are not really in agreement with it because it would complicate the tax system even further. I am in agreement with that. We need to provide some greater reduction in taxes and to ensure that tax reduction simplifies the tax system and does not in any way complicate it.

• (2000)

We need to ensure that when any tax relief is provided it is only for items required as a condition of employment and not for personal use. I mentioned earlier in my speech that there are other areas for which people have requested tax relief which would involve personal use.

It is fair to say that the provisions we need to address with respect to these issues would inevitably be complex since they would need to account for a large variety of items for which tax recognition may be claimed.

I point to one and how difficult it often is to audit this type of expense. Let us consider the extensive provisions needed just to ensure the equitable recognition of automobile expenses. This type of tax relief would complicate the tax system even further and involve a whole bunch of regulatory burden and other measures which would not in any way simplify the system but rather complicate it.

In light of what I have mentioned, I think hon. members would agree that the bill does not properly take into account issues which need to be considered before tax recognition could be provided for employee expenses, and in particular mechanics' tools.

The complexities associated with the proposed measure and the small size of the fiscal surplus lead us to a point where we feel that tax relief—and I know all members are in agreement with tax relief—should be directed toward broad tax relief to all Canadians. We have a challenge with our personal income tax system. We recognize that it is the highest in terms of the G-7 countries. We recognize that. We have begun to reduce personal income taxes. Obviously members opposite do not think it is enough. They do not mind going back into a deficit position.

Most Canadians insist that governments maintain balanced books and demand that governments provide priority spending, provide tax relief and ensure that the debt continues to be paid down. That is the program we have embarked upon and one that we will continue to put forward.

When we talk about tax relief, certainly I would not be an advocate of tax relief which would complicate the tax system even further. I would advocate tax relief for Canadians at all levels of income.

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This is why we started to provide tax relief by increasing the basic exemption, ensuring that all Canadians would benefit from it. We have eliminated the 3% surtax for those Canadians who were paying it, because that surtax was directed specifically to paying down the deficit. Since we have eliminated the deficit the 3% surtax has now been eliminated.

We need to go further. We also have to look at employment insurance. Most members opposite complain that employment insurance premiums are too high, but they very rarely mention that employment insurance premiums have been reduced by billions of dollars since we have come to office and will continue to be reduced. I find it quite ironic that often members opposite—

Some hon. members: Oh, oh.

Mr. Tony Valeri: Obviously members opposite are now listening for the first time. I find it ironic that they continue to advocate tax relief and at the same time come forward on a specific measure which would complicate the tax system.

The same mechanics who are paying taxes which members opposite feel are too high would be robbed of any further broad based tax relief. As all Canadians realize, there is not a big black hole full of Canadian taxpayer dollars. We have to make choices and the choice of the government is to continue to provide broad based tax relief to ensure that we can stay in balance, to ensure that there is priority spending in health care and education, and to ensure that we continue to pay down the national debt.

Every Canadian now realizes that we pay some \$40-odd billion in interest on the national debt. They are not about to sit by and tell us to give it to certain measures which might be the pet projects of members opposite and rob us of the tax relief we are looking for.

This is not something that I will support. I say to my constituents back home that we will continue to support broad based tax relief. We will continue to support a broad based program which meets the needs and priorities of Canadians.

I understand, appreciate and empathize with the positions of members opposite that a deduction with respect to mechanics' tools is something that governments need to take into account. It is not just mechanics' tools, as I mentioned. There are a number of other occupations where the relationship is not one of self-employed or contract but of employees that are required to make substantial investments.

• (2005)

We realize that it is a challenge, but when the trade-offs are put on the table I would submit most Canadians would agree that what is required is to continue to provide the greatest simplicity in the tax system, to continue to ensure that we pay down the debt, and to

continue to ensure that we provide broad based tax relief, even if members opposite would disagree.

[*Translation*]

Mr. Odina Desrochers (Lotbinière, BQ): Mr. Speaker, I am pleased to speak today to Bill C-502, the purpose of which is to permit mechanics to deduct from their taxable income the cost of tools they are required to buy to practice their trade.

In visiting my constituents in the riding of Lotbinière, I often hear from mechanics and employees in car dealerships about how it is unfair that they are not entitled to this deduction.

Earlier, the hon. member opposite told us that the Standing Committee on Finance had looked at this matter and immediately acknowledged the problem. This is what the committee had to say:

The Committee believes that all Canadian employees should be allowed to deduct from their income the cost of large mandatory employment expenses. Special provisions in the Income Tax Act already apply to artists, chainsaw operators and musicians.

To deny this tax treatment to apprentices and technicians in the automotive industry is not only unfair, it also imposes an impediment to employment, especially for the young who might choose to work as apprentices. Revising the tax treatment of such expenses would remove the impediment that exists under the present tax rules.

This was the December 1997 prebudget tour report, which the Liberals contributed to. However, they have a lot of ideas and consider many subjects. They analyze, but action must wait.

I would like to give some statistics on the automotive industry. Independent business alone employs over 150,000 professionals to maintain and repair automobiles, including some 25% in Quebec, representing some 40,000 individuals, who are affected by this problem.

The media often debate important issues involving automotive manufacturers but short shrift is given vehicle maintenance and repair professionals who, unfortunately, are forced as a condition of employment to buy their own tools and to maintain them in perfect working order, and to pay insurance costs on top of the cost of buying and maintaining them.

This is a heavy financial burden because, in addition to normal wear on tools, technological advances require these technicians to constantly invest in new equipment.

Here are few statistics. An apprentice automobile mechanic must spend between \$2,000 and \$5,000 to buy the tools necessary to his trade. This same mechanic, who cannot work without a set of functional and modern tools, will have to spend in the first 5 to 10 years over \$15,000 on tools. If he specializes, he will have to spend between \$30,000 and \$40,000. This is a far from negligible

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expenditure, justifying in our opinion the request we are making today that this be tax deductible.

Let us look at this a little more closely. Mechanics in Quebec and Canada live in an unfair situation, and it is high time that the parliamentarians in this House do something about it.

The bill being debated this evening is intended to enable people employed as mechanics to deduct the cost of the tools they provide, if they have to do so as part of the conditions of their employment. More precisely, the deduction could cover the cost of renting these tools; costs related to their maintenance; related insurance; the full purchase price of tools under \$250; and, subject to regulatory adjustment of this amount reflecting inflation and the capital allowance cost, tools of more than \$250.

• (2010)

I am convinced that this measure would make tax equity possible for these people, who richly deserve it.

Another problem raised, which we should also look at in relation to this highly unfair situation, is the matter of the next generation of mechanics. This is food for thought for our Minister of Finance and our Minister of Revenue. Here we have a sector of employment not to be overlooked as an opportunity for young workers, particularly when there is so much youth unemployment.

The government has a duty therefore to look seriously at this matter. It must not use the excuse that, if it allows this deduction for mechanics, other trade groups will be calling for something similar. That is the usual evasive tactic used by the Liberals across the way.

They hide. They are frightened. They sidestep out of fear of creating a precedent, but precedent has been set long ago with this government. We need only think of the Employment Insurance Act and, more recently, the legislation that is going to allow the government to get its hands on \$30 billion from the pension funds of public servants, RCMP employees and Canadian Armed Forces personnel.

Getting back to the mechanics' demands, as I have demonstrated, the cost of their tools is astronomical. I would remind hon. members that a tool of the trade is a tool of the trade, whether it is the virtuoso's violin, the logger's chainsaw, or the various tools used by a mechanic.

I will review the precise objectives of this bill. First, the bill's purpose is to ensure that mechanics receive equitable tax treatment that is identical to that received by farmers and commensurate with that received by chain saw operators, artists and musicians.

Second, the bill is intended to alleviate the financial burden imposed on mechanics, whose terms of employment require them to buy their own tools.

Third, the bill would offer a solution to the serious shortage of manpower in the automotive trades. Enrolment in apprentice programs would go up and more mechanics would be able to continue in this line of work.

Fourth, the bill seeks to create jobs for young unemployed Canadians and Quebecers, because talented young people are beginning to realize that a career in the automotive industry is increasingly within their reach.

Fifth, the bill would permit mechanics to continue providing the public with the customary level and quality of vehicle repair and maintenance services, which will be to the benefit of all car owners.

For all these reasons, I feel that the bill would be good for the economy and job creation. The Bloc Québécois and I are in favour of the measures I have just outlined.

It seems that the majority of members on this side of the House are aware of this completely unfair situation, which is penalizing people who do a lot for our society. Is there anyone nowadays that does not need a mechanic? People pay a lot for a car and want good service for it. This takes skilled people who do a good job, but these people need help with their tax load.

In my view, a tax break for those working in this sector is essential. It is something parliament should address. It is a situation that is hard to understand because other sectors have already been given a tax break.

In fact, it is typical of this government to have a double standard. It is always difficult to clarify matters.

The member opposite said earlier that what we are asking for will complicate the system, but I say that it will clarify it. It will give hard-working, honourable people the deductions that will allow them to do a better job, provide better service and be happier in their work.

That is what I wish for them.

• (2015)

[English]

Mr. Gurmant Grewal (Surrey Central, Ref.): Mr. Speaker, after this evening's shenanigans or Shawinigans, whatever it is, both words are synonymous, pulled by this arrogant, weak, lazy Liberal government with no vision, I rise on behalf of the people of Surrey Central to speak to Private Members' Bill C-502.

Bill C-502 seeks to allow mechanics to deduct the cost of tools from their income tax. It will allow them to write off the costs of a set of tools which they need to work.

This bill is virtually the same bill as one previously submitted by a Reform Party member, the hon. member for Lakeland, in the

previous session. The hon. member for Elk Island spoke to that bill. Unfortunately that bill was deemed non-votable despite receiving the broad support of all opposition parties, but not the support of the arrogant, weak, lazy Liberal government with no vision.

Many mechanics, perhaps around 100,000 in Canada, are expected by their employers to provide their own tools. In fact mechanics, including auto body mechanics, cannot even apply for certain jobs unless they have their own tools. If their tools are not good tools, it may affect them in terms of their job performance. It may affect them in terms of being able to keep their job. If they do not have good tools, they may not be working under safe conditions. If their tools are not good enough or are limited in quantity, they try not to let anyone find out about it because they are afraid of losing their job.

Mr. Richard Denniston, a constituent of mine in Surrey Central, told me that auto technicians have to spend at least \$20,000 on tools and upgrading their tools.

Mechanics are not like many other workers who simply show up for work with the appropriate clothing. Mechanics are special. They need to show up for work with the tools they can use and trust.

The purpose of Bill C-502 is to offer an incentive for mechanics that will encourage growth and job creation in this sector of our economy. "Give us the tools so we can do the job" is all the mechanics are saying. The bill will treat mechanics in a similar fashion, in a fair manner, as other professionals and tradespeople.

Many self-employed people are allowed to claim as deductions the items they require to provide a particular service. Doctors, dentists, lawyers, real estate agents and small business people can write off the tools of their trades, whatever they may be. They are deductible. If doctors hire additional staff, they can deduct it from their taxes. If dentists buy new equipment, they can deduct it from their taxes. It is only mechanics who cannot.

Mechanics have to use their tools to keep their jobs. Others can claim these expenses on their income tax returns, but mechanics cannot. Why would we deny mechanics the ability to obtain the proper tools, the tools they say they need to earn a living?

This is consistent with the Reform Party's tax relief policy for individuals, families and businesses. This bill would give tax relief to young people entering the job market or those making a career change for securing potential employment. The Reform Party has always supported measures that lower the tax burden of Canadians. This includes virtually any measure anytime that would force this arrogant lazy Liberal government to lower taxes instead of raising them.

Taxes have been raised by the government 37 times, to the tune of about a \$42 billion increase in revenue since 1993. That comes to \$2,020 per taxpayer or \$1,123 per Canadian. It is a huge amount

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of money to those people who are working harder and harder to pay taxes to the government.

The government raised the CPP premium, the largest tax increase in Canadian history.

• (2020)

We also know the effect of bracket creep. It is sending tax dollars to the government's coffers when Canadians are paying taxes. High taxes kill jobs. The government balanced the budget on the backs of the taxpayers.

The government is so pleased to give subsidies to businesses. Now it is going to give subsidies to American businesses through Bill C-55 which was voted on.

I will not take much time of the House because outside the House something very important is happening. Democracy is speaking. Grassroots reformers are speaking out. They will show Canadians what grassroots democracy means. No other party in the House practises democracy.

The Reform Party supports this important noble idea as a temporary measure until the entire Income Tax Act can be reformed into a flattened and lower tax regime without exemptions.

[*Translation*]

Mr. Roy Cullen (Etobicoke North, Lib.): Mr. Speaker, I wish to begin by congratulating the hon. member for Beauport—Montmorency—Côte-de-Beaupré—Île-d'Orléans on Bill C-502. I would, however, respectfully submit that this bill does not provide all that is needed.

[*English*]

I know the member opposite when he proposed this bill was concerned about the working people. I would offer the suggestion that if he has the interests of the workers at heart, he should be looking for more broadly based policies that would accomplish the same objectives.

One of these that I am pleased to point out is in the finance committee report that was tabled yesterday or the day before. It talks about the need for tax provisions such as employee stock option plans that enhance productivity by encouraging employees to share in the risks and profits of firms.

If we moved in that direction we would provide workers, employees, with a greater stake in the work they do. They would have a greater sense of participation and job satisfaction. At the same time the productivity of firms would be increased. This has been shown by studies in the United States and Canada. Productivity would be increased 20% to 32%. We would have an environment where a source of retirement income would be made available to employees because they had built up an equity in the firm.

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While I respect what the member has proposed in a sense, I think what we need is a broader strategy, more broadly based answers and solutions to these sorts of problems. Deductions for tools for mechanics is not really ambitious enough. While I do respect the member for proposing it, we need much more broadly based solutions to deal with the questions of productivity, incentives, employee participation and employee job satisfaction.

[Translation]

Ms. Jocelyne Girard-Bujold (Jonquière, BQ): Mr. Speaker, I am pleased to speak this evening on Bill C-502.

I will make it clear that the subject here is automobile mechanics and not the far broader matter of automobiles in general. Otherwise I would have needed several hours to address the harmful effects Quebec has experienced since the inauguration of the auto pact.

No, here we are dealing with mechanics, the men and women who toil away day after day under the hoods of our cars, their hands covered in grease and grime, repairing what we consider a very precious possession.

These are possessions we are still making monthly bank loan payments on and we want to keep them running as long as possible. At the present time it is very difficult for mechanics to work under ideal conditions because of the high cost of the tools they need to do their jobs.

In fact mechanics usually have to provide many, if not all, of the tools required for their work. In addition to being very expensive, some of these represent more than a one-time expense.

• (2025)

Technological change quickly puts some tools out of date, new ones have to be bought.

In short, it costs a mechanic several thousand dollars in order to be able to perform his job because there are exceptions as my colleague for Lotbinière has just mentioned.

Mechanics in Quebec and Canada are in an unfair situation. It is high time that parliament remedy this. This is why the member for Beauport—Montmorency—Côte-de-Beaupré—Île-d'Orléans introduced this bill, which is intended to help these thousands of workers who make our life easier and who are at a huge disadvantage compared to other workers.

I am sure that this measure will permit fair taxation for our fellow citizens who deserve it amply.

There is an injustice. And we know what corrective action must be taken. I ask my colleagues opposite to be tricked into inaction until a global solution is found to the problem of federal taxes in Canada. After all, if anyone deserves a review of current federal taxes in their favour, it is the Canadian and Quebec middle class.

This bill is therefore vital because it allows us to correct an unfair situation that affects many young people who lack money as they come out to school. Without these—

The Acting Speaker (Mr. McClelland): I apologize for interrupting the hon. member.

The time provided for the consideration of Private Members' Business has now expired and the order is dropped to the bottom of the order of precedence on the order paper.

* * *

UNITED NATIONS HUMAN RIGHTS COMMITTEE

The Acting Speaker (Mr. McClelland): It is my duty to lay upon the table the report of the United Nations human rights committee concerning Robert W. Gauthier.

ADJOURNMENT PROCEEDINGS

[English]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

HEALTH

Ms. Judy Wasylycia-Leis (Winnipeg North Centre, NDP): Mr. Speaker, I am pleased to have a few minutes to raise an issue that I presented to the House on April 22. It concerns a very critical health care issue, that of organ donations and transplantation.

One thing I am sure we in the House all agree on is that we have a serious problem in terms of the number of organ donors in Canada. There is no question that Canada has one of the worst rates of organ donors anywhere in the western world. That is a critical situation which all of us need to work at addressing.

The health committee spent a good period of time hearing from witnesses, receiving evidence, getting advice and presenting a report about how to address this very serious matter. I regret though that on a couple of very important issues in my opinion the committee's recommendations were weak and less than helpful.

I want to raise two specific points and ask the government to give serious consideration to these recommendations.

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The first has to do with respect to a national donor registry system. The government has refused to commit to a registry that would encourage Canadians to think seriously about demonstrating their commitment to donate an organ if they should be faced with death. I want the government to look at a model that has been tried in other jurisdictions.

The Government of British Columbia has a donor registry system that allows every individual to look at the situation. They can make the serious decision that yes they want to donate, or no they do not want to donate, or that they are undecided.

• (2030)

We think that would have been a very important system to encourage Canadians to make commitments around organ donations. The government and the health committee of parliament have refused to make that specific recommendation.

Second, I want to raise the issue of safety and the whole area of health protection when it comes to organ donations. In our view, organs are no different than blood. We know we should have learned from our sorry history on the question of blood and taken very seriously the recommendations of Justice Krever when he said that this government must pursue a proactive regulatory approach when it comes to blood. I would suggest he would also say that applies to organs, to tissues and to everything that is important in terms of the health and well-being of Canadians.

On this particular issue the government continues to reject the recommendations of Justice Krever and is bent on pursuing what it would call a risk management approach, which is basically a hands off, buyer beware kind of mentality, and that is not at all appropriate to the kind of issues we are dealing with.

Time and time again, whether we talk about blood, medical devices, food, genetically modified products, children's toys, breast implants or drugs, this government continues to reject its responsibility around absolute safety for Canadians. I urge the government to take seriously the need to protect all Canadians when it comes to—

The Acting Speaker (Mr. McClelland): I am sorry to interrupt the hon. member, but her time has expired.

Mr. Andrew Telegdi (Parliamentary Secretary to Minister of Citizenship and Immigration, Lib.): Mr. Speaker, I am pleased to respond to the hon. member.

Let me state that in November 1998 the Minister of Health asked the Standing Committee on Health to consult broadly, analyze and provide advice regarding the state of organ donations in Canada. He also asked that during the course of their deliberations committee members consider the appropriate federal government role in the development of the national safety, outcome and process standards to improve Canada's organ donation situation and save lives.

The committee consulted broadly with Canadians and has released a report suggesting a Canadian approach that will improve donation rates. This initiative is viewed as a strong regulatory approach and may well be used by other countries in developing their own risk management framework.

Organ and tissue donation is a critical and ongoing issue. We have heard witness after witness before the Standing Committee on Health state that what is needed for transplantation is not another committee report with a list of recommendations, but action.

Health Canada is committed to providing the leadership that is required and delivering to Canadians the action that is desired. Health Canada has demonstrated a leadership role in addressing the many issues surrounding transplantation and will continue to do so in its response to the standing committee's recommendations.

ABORIGINAL AFFAIRS

Mr. Mike Scott (Skeena, Ref.): Mr. Speaker, I rise today on a question that comes from question period about 10 days ago. At that time I asked the Minister of Indian Affairs and Northern Development about a situation with respect to the Nisga'a agreement.

Essentially, there are several questions that we think need to be addressed in advance of Nisga'a ratification legislation. One of the very serious issues that needs to be addressed is the whole issue of overlap.

As the parliamentary secretary is aware, the Gitanyow and the Gitksan bands—the Gitanyow is actually a part of the Gitksan—are claiming that about 84% of the land that the Nisga'a will control after the ratification of the Nisga'a agreement is actually their traditional land.

They have written a book about it. They advance a very strong case. As to whether it is accurate or not is a matter of some debate, but the fact remains that they have advanced a very strong case.

Subsequent to that and subsequent to me asking the minister, they travelled to Ottawa to meet with various members of parliament from different parties to talk about their concerns. Essentially, they are saying that they do not want the ratification of this agreement to proceed until such time as this overlap issue is dealt with.

• (2035)

I cannot understand for the life of me why the minister responded to my question by saying that negotiations are ongoing and they are confident that they are going to have an agreement when the Gitanyow and the Gitksan people are telling us that nothing could be further from the truth. They are not even talking at this point in time. There are no negotiations going on. There is

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nobody listening to their side of the story. They feel very much like the minister and the department are taking one side on this issue, and they feel that is very unfair.

They have intimated to us that if ratification proceeds in advance of this very serious question being addressed, then the result likely will be a great deal of uncertainty and chaos in the future because they will be proceeding with a court case, challenging the Nisga'a agreement and challenging the federal government in its breach of fiduciary obligation if in fact this agreement is ratified. If they are successful in their court challenge, who knows what the landscape might look like down the road.

I again ask the parliamentary secretary to explain, not only to this side of the House, but also to the Gitksan and the Gitanyow people, who are watching this on their televisions at home, why it is that the federal government appears to be taking a side in this dispute and why it is prepared to proceed with ratification of this very precedent setting, groundbreaking treaty in British Columbia without first resolving these disputes. I might add that it is not a matter of a small overlap because 84% of the land that the Nisga'a will end up controlling after the agreement is ratified is claimed by the Gitksan.

Maybe the parliamentary secretary could answer those questions for the people in my riding who are very concerned about this issue and who would like to have the answer.

Mr. David Iftody (Parliamentary Secretary to Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, unlike the member, I wish that I had two hours today to respond to his question because I would love to take it.

Let me say that the hon. member is absolutely wrong again on his premise, as he has been wrong so many times throughout the year in his questions relating to this important file.

To begin with, I met last night for two hours over a working dinner with the Nisga'a, their lawyers and their negotiators. Again this afternoon, for an hour in my office, I met with the Gitanyow nation's representative, Bob Epstein, whom I have known for almost 10 years. We have talked about a mediation process and I am pleased to announce to the House that the process is moving along quite well. I believe that over the summer, while this legal argument is in abeyance, we will have an opportunity to debate that with him.

I would ask the hon. member a simple question and point out in my one minute and 11 seconds now remaining that it strikes me as passing strange that a member would take sides with some of his constituents against others. This is unusual, indeed. I do not think that anyone in the House has ever seen that kind of practice before. There have been a number of practices used, I believe, by the member, including the issue today on Bill C-49, to break the deal.

We had a deal on Bill C-49 with all of the House leaders this morning which was broken, much to the dismay of the people involved, which involved of course the member standing here for two hours, saying many things that are so inaccurate I want to spend the rest of the summer going over them to come back here in the fall and talk to him about them.

I have many friends in British Columbia. I have travelled there many times over the past 10 years. I would like to say to the good people of British Columbia, because I think it is worth repeating in these final hours before we break for the summer, that the member voted for Bill C-49 almost in its current form at second reading in the committee and then came back to the House and changed his mind. I hope we have a different member from Skeena when we return in October.

IMMIGRATION

Mr. Grant McNally (Dewdney—Alouette, Ref.): Mr. Speaker, on May 3 I asked the Minister of Citizenship and Immigration two questions about Canada's lax immigration policies. At that time congressional meetings were being held in Washington to study the security of the American and Canadian border.

I asked the minister if she was proud of the fact that under her tenure Canada had become known as a launching pad for terrorism and drug trafficking. I also asked her when she was going to wake up, stop talking and implement concrete measures to fix the broken system, which has become known as an easy mark to drug traffickers and terrorists.

Let me expand on these thoughts. The witnesses that appeared before the committee on the judiciary subcommittee on immigration in Washington said many things which this Liberal government and the Minister of Citizenship and Immigration, as well as the parliamentary secretary, should take note of. Dale Brandland, sheriff for Whatcom County in Bellingham, Washington, stated before the committee:

Our friends to the north, the Canadians, are good neighbours but I must tell you that I am troubled by their liberal immigration policies. Anyone that has a passport can enter Canada and there is very little to stop them from entering the United States once they get there.

• (2040)

He went on further to cite an example:

Mr. Abu Mezer is a prime example. Local Border Control personnel in Whatcom County had apprehended Mr. Abu Mezer on three separate occasions, after attempting to enter the country illegally. He was finally held, pending formal deportation. . . . Approximately 7 months later he was shot by the New York City Police Department just prior to planting a bomb that would have blown up the subway system.

This was an individual who was in Canada three times under this lax immigration policy, rather than being deported under some criminal charges that he was facing in Canada after serving his time.

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Eugene Davis, deputy chief of the U.S. border patrol in Blaine, Washington, said:

Over the past several years Canada has adopted a non-visa requirement policy with many countries that the United States continues to require visas from. This has resulted in many smugglers being able to easily bring third country nationals into Canada and then smuggle them across the border into the U.S.

He went on to say:

The Canadian government has stated that virtually every known terrorist group in the world has offices in Canada.

The Inspector General of the U.S. Department of Justice, Michael Bromwich, stated:

The border in western Washington is experiencing a marked increase in the smuggling of BC Bud, an especially potent strain of marijuana.

He also stated:

The INS and other intelligence reports indicate that terrorist groups locate in Canada in part because of Canada's liberal visa and asylum (refugee) laws—

It is quite clear that the immigration system is broken. I hope we get some answers from the parliamentary secretary rather than empty rhetoric talking about what other parties stand for when it is his party that has not taken action to correct these wrongs and to fix the broken system.

We saw an example of that in committee today when members of the Liberal government, rather than taking concrete action to remedy a situation on the head tax for refugees, voted against it and defeated it.

They could have taken action to fix a broken part of the system, to remedy an injustice. They could have taken time to fix the system and deal with these individuals who are abusing it. Their own department officials, and I quote from an access to information document, stated:

The blatant misuse of the refugee process (in same series, a Honduran refugee claimant was openly honest about the fact that he had no understanding of what a "refugee" actually was, that he was just doing what he had been counselled to say upon arrival in Canada, and the reason that he was in Canada was to earn some money for his family back in Honduras). This portrayal was extremely damaging to the integrity of the program and department.

Certainly it was. This is the kind of thing that is happening. This is the immigration CICs own internal documents stating that there are problems with the system. Yet the minister fails to take action to address these serious problems.

I would like some answers from the parliamentary secretary to these questions.

Mr. Andrew Telegdi (Parliamentary Secretary to Minister of Citizenship and Immigration, Lib.): Mr. Speaker, let me start by telling the member opposite that there is no head tax in the country.

For him to stand in his place and try to trivialize a tragic time in the country's history is despicable. I think the member should be ashamed of himself.

I will get back to the other issues he was speaking about. I will enlighten him by pointing out that both governments are working to protect the borders because movement occurs in both directions. This is not a one way street. I will also take this opportunity to mention a handful of collaborative initiatives between Canada and the U.S.

First, both governments have taken concrete steps to systematically and regularly share information on known or suspected terrorists to ensure their early detection. Second, a new information sharing tool to support daily immigration enforcement efforts is near completion. Third, exchanges of information on visa issuance resulting in illegal immigration are now formalized and systematic.

Last but not least, let me remind the member opposite in the Reform Party that it is this government which announced the shared border accord with the United States in 1995. It is this government that took that accord one step further and solidified its commitment on the immigration front by establishing several joint working groups in order to build a comprehensive Canada-U.S. strategy for the future. This initiative is called Border Vision. The concrete examples I described earlier are a direct product of this initiative.

Suffice it to say, we have more vision that my Reform colleague who obviously is not aware of the testimony of all witnesses who appeared before the U.S. judiciary committee's immigration and claims subcommittee. If the member were, he would know that the vast majority of witnesses spoke of the close co-operation between the U.S. and Canada to combat the trafficking of drugs and illegal immigration.

Let me conclude by saying that members of the Reform Party talk about immigration and refugee policies. They cannot get past their noses. They keep talking about criminality, criminality, criminality. The member is wrong, wrong, wrong.

● (2045)

KYOTO

Hon. Charles Caccia (Davenport, Lib.): Mr. Speaker, two years ago the Standing Committee on Environment and Sustainable Development recommended the elimination of subsidies to fossil fuel industries.

Two days ago I asked the Minister of Finance if he agreed that these subsidies were counterproductive in light of Canada's international commitment to reduce greenhouse gases and should therefore be eliminated.

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Unfortunately we have federal tax incentives which encourage increased production of greenhouse gases and make it much more difficult for us to cut carbon dioxide emissions.

Commitments to reduce carbon dioxide emissions are not new. In the 1993 election we committed to cut by 20%. Yet the Department of Finance is blissfully continuing with policies which compound rather than resolve the problem.

In addition, in 1996 the government introduced a special tax concession for the oil sands industry. Oil sands extraction produces several times the amount of greenhouse gas produced from conventional oil extraction. This tax concession makes the task of reducing emissions much more difficult.

In addition, it may cost Canadians up to \$600 million in forgone revenue. We found that out in 1997 from estimates provided by the Department of Finance. How then can we achieve the Kyoto goals with these perverse tax incentives in place, approved by the Department of Finance?

In a report commissioned by the highly respected Earth Council entitled "Subsidizing the Unsustainable Development: Undermining the Earth with Public Funds" we find a statement which applies to Canada as well as to other OECD countries:

Judging by their public pronouncements, governments around the world realize they should be following policies that encourage a transition to greater energy efficiency and lower energy use. Yet many official policies instead encourage energy profligacy and waste. Worse still, they usually favour the dirtier energy sources.

The report also includes a table showing subsidies provided by OECD countries. The table shows Canada contributing some \$6 billion in budgetary subsidies in the form of tax expenditures. The authors go on to say:

The more environmentally damaging a fuel, the bigger the subsidy. The subsidy ranking is a pollution rogues' gallery—coal far in the forefront, followed by oil, then nuclear power and finally natural gas. Strikingly small is the proportion of total funding devoted to sources of renewable energy, the most environmentally friendly sources.

The Kyoto commitment is urgent and serious. We must remove counterproductive tax concessions and promote the production of a renewable energy and the shift to natural gas, of which we have plenty.

For all these reasons I ask the parliamentary secretary when the government will remove the tax subsidies to oil sands developments.

Mr. Tony Valeri (Parliamentary Secretary to Minister of Finance, Lib.): Mr. Speaker, I appreciate the opportunity to comment on the question put forward by the hon. member for Davenport who is very knowledgeable in this area and has chaired the environment committee for quite some time. He certainly has provided much information that needs to be reviewed and digested.

It is also fair to say that in the past many direct government subsidies have been eliminated. In 1995 the government ended the direct financial support for energy megaprojects. At the same time the Government of Canada increased spending on energy efficiency and alternative energy programs despite the fiscal pressures with which it was faced.

It is also true that spending on R and D and market development programs in renewable energy and energy efficiency at NRCan now exceeds spending on the fossil fuel industry. In addition, the 1998 budget provided \$150 million over three years to begin to address the climate change challenge.

The hon. member for Davenport made reference to renewables versus non-renewables. It was the 1998 budget in which the government moved to narrow the gap between renewables and non-renewables by extending the benefits and the \$150 million.

• (2050)

We have a process in place today where we need to balance the creation of a strong economy and jobs with protecting the environment. There is certainly a consultative process in place now which ensures that all Canadians, particularly the member for Davenport, will have the opportunity to take part in the development of that strategy. We certainly look forward to the very valuable input that he will provide in that strategy.

The Acting Speaker (Mr. McClelland): I am sure that hon. members remaining in the Chamber would join with me in wishing one of our assistant head pages good luck in her future endeavours. This will be her last day assisting us in the Chamber. She is going on to law school and we wish her well. Isabelle Roy, thank you.

A motion to adjourn the House is now deemed to have been adopted. Accordingly the House stands adjourned until tomorrow at 10 a.m. pursuant to Standing Order 24(1)

(The House adjourned at 8.51 p.m.)

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