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Wednesday, May 3, 1995

Speaker: The Honourable Gilbert Parent

HOUSE OF COMMONS

Wednesday, May 3, 1995

The House met at 2 p.m.

Prayers

STATEMENTS BY MEMBERS

[*English*]

PROFESSOR MICHAEL SMITH

Mrs. Anna Terrana (Vancouver East, Lib.): Mr. Speaker, today I want to pay homage to a great Canadian who became a Nobel Laureate in 1993 and who will be awarded the Order of Canada today.

Professor Michael Smith resides in Vancouver East and teaches biochemistry at the University of British Columbia. Professor Smith has an outstanding career of academic and humanitarian achievements. He received his Nobel prize for work dating back to 1976 centring on a program he developed for reprogramming genes.

[*Translation*]

Professor Smith gave the half a million dollars in prize money to many causes. He gave \$126,000 to the Société des femmes canadiennes en sciences et technologie; he has pledged the rest of it to schizophrenia research and to assisting people who teach in remote regions of British Columbia.

Professor Michael Smith's generosity and competence know no bounds.

[*English*]

It is people like Professor Michael Smith who make us all proud of being Canadian. It is on behalf of Canadians everywhere that I want to thank and congratulate Professor Smith for his achievements and generosity.

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CANADA REMEMBERS

Mr. Peter Adams (Peterborough, Lib.): Mr. Speaker, I was proud when the Secretary of State for Veterans Affairs visited Peterborough riding. He visited the RCAF Association, the Navy Club, Empress Gardens and a number of other locations. He met with ex-servicemen and women from legions through-

out the city and county of Peterborough and with members of the Dutch Canadian community.

This visit was part of ongoing activities in connection with the Canada Remembers year during which we take time to remember the sacrifices and achievements of the last year of World War II 50 years ago.

It is fortunate that this important anniversary is being recognized this year. We need to remember Canada now as never before. We should all take time to think about this great country, about our history and our future, about our land and about our people.

I thank the Peterborough Canada Remembers committee and I urge the secretary of state to continue his vigorous efforts to encourage us all to be proud of Canada.

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[*Translation*]

GOVERNMENT SPENDING

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, once again, taxpayers' money is going up in smoke. The federal government has chosen the Italian Alps as the site of an international conference on tobacco farming in third world countries. Yes, you heard me right, the Italian Alps.

Canadian taxpayers will pay the expenses of not only six federal representatives, but also 20 experts from various countries. How can the Government of Canada justify such an expenditure in the present context of austerity?

Once again, the federal government's total lack of common sense in the way it manages the public purse has surfaced. While the federal government's reforms are wreaking havoc on the most needy, it is spending taxpayers' money like there is no tomorrow.

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[*English*]

FIREARMS LEGISLATION

Mr. Cliff Breitzkreuz (Yellowhead, Ref.): Mr. Speaker, hundreds of law-abiding citizens in Yellowhead are attending firearms legislation meetings across the riding.

The message they are trying to get through to this ivory tower, out of touch government is this: They do not see how gun control will prevent criminals from committing crimes; they do not like the fact that this legislation will give the federal cabinet

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unprecedented search and seizure powers; and they do not like the fact that their right to bequeath or inherit property is being trampled on by Bill C-68.

Already over 800 people have attended four gun control meetings in my riding with more meetings to come. Not one person has spoken in favour of Bill C-68. The majority of the people of Yellowhead want the standing committee on justice to make changes to the gun control bill so it seeks to punish the criminal instead of making criminals out of law-abiding gun owners.

My constituents want the justice system to work for them, not against them. Common sense must prevail.

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[Translation]

GUN CONTROL

Mr. Gilles Bernier (Beauce, Ind.): Mr. Speaker, the people of Beauce are living a nightmarish week in the wake of a horrible and incomprehensible tragedy. A disturbed father killed his daughter and Sainte-Marie de Beauce's chief of police before killing himself. The people of Beauce, who always stand by each other, have extended their support and compassion to the families directly affected.

In this ever-changing world, which causes some people to become despondent and perturbed, we all hold great power, the power to choose: choosing to love instead of hating; choosing to heal others instead of hurting them; choosing to create instead of destroying.

In Sainte-Marie de Beauce, after the initial shock and consternation, the time for consoling and forgiveness has come. One of the things we can learn from this tragedy and the many others preceding it is that we must review the way we control guns and bring in measures to manage them wisely.

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RÉSEAU NATIONAL D'ACTION ÉDUCATION FEMMES

Mr. Ronald J. Duhamel (St. Boniface, Lib.): Mr. Speaker, it is a pleasure to have this opportunity to stress the importance of a national organization that is actively involved in providing opportunities for education for women in minority language communities.

The Réseau national d'action éducation femmes has for many years been involved in promoting and improving the education of francophone women.

Its role also includes making the public aware of the specific needs of francophone women in minority language communities, seeking out teaching tools, providing literacy training, promoting recognition of vested rights and doing research on employment equity.

I would also like to draw your attention to activities that are being prepared for next fall. The Réseau national d'action éducation femmes is gearing up for a national francophone women's education week.

I would urge hon. members to show their support for this outstanding initiative and to help make it a success. We all have a stake in education.

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[English]

MOTORCYCLE AWARENESS MONTH

Mrs. Dianne Brushett (Cumberland—Colchester, Lib.): Mr. Speaker, last Saturday on behalf of the Government of Canada, I proclaimed the month of May in Nova Scotia as Motorcycle Awareness Month. It is a time to raise the awareness of all motorists to the presence of the two wheeled vehicles that share the road. It is a time to promote education and safety among bike enthusiasts.

Since the end of World War II, motorcycles have increased in popularity, especially among the Canadian and American veterans who used them overseas. They were the ones who formed the first bike club as a means of recreation and fellowship in community service.

A motorcycle ride can be one of the most exhilarating experiences as I found out last Saturday when I was a passenger on a ride through Truro following the blessing of the bikes.

I congratulate the members of the organization, the Responsible Bikers of Nova Scotia, who have not had an accident or a death since their founding.

I urge all members of this House to participate in similar education programs.

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[Translation]

COMMISSIONER OF OFFICIAL LANGUAGES

Mr. Pierre de Savoye (Portneuf, BQ): Mr. Speaker, the Commissioner of Official Languages made a surprising statement last week when he maintained that Quebec violated the Official Languages Act by failing to offer courses in English to immigrants through its Centres d'orientation et de formation des immigrants.

(1405)

Yesterday, when he appeared before the joint committee on official languages, the commissioner admitted his mistake. He had no jurisdiction in this case and agreed that Quebec's immigration policies did not in any way violate the Official Languages Act.

The commissioner should concentrate on telling federally regulated corporations to get their act together, including regional carriers affiliated with Air Canada and the Canada Post Corporation.

The commissioner should also put more pressure on provincial governments that continue to deprive their francophone residents of the educational facilities to which they are entitled.

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[English]

GUN CONTROL

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, immediately following the disaster of the Oklahoma bombing, the U.S. attorney general pledged she would seek the death penalty for those responsible. This demonstrates that country's intolerance for violent crime, something that is greatly lacking in our own country. Here a bleeding heart mentality has reigned for years.

In Canada last week, one of our police chiefs was shot to death. Did the Minister of Justice display the same outrage as his American counterpart to this senseless act of violence? Did the minister express the growing outrage of Canadians, including our police officers, who have repeatedly called for a return of capital punishment in this country? No.

Our justice minister's only response to this latest act of violence is to offer Canadians costly and useless gun registration. That is what this minister calls getting behind our police forces.

Criminals will not be deterred by the registration of firearms. They will not be stopped until we have a justice minister with sufficient backbone to take a strong stand against this senseless kind of violence.

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AGRICULTURE

Mr. Vic Althouse (Mackenzie, NDP): Mr. Speaker, this government and the previous government offered deregulation and competitiveness as the only answers to globalization. Yet the very price of deregulation is making competitiveness almost impossible for global traders like western Canadian farmers.

This government has removed the cost guarantees that went with the Crow benefit and is promising to remove the price ceilings on freight rates by 1999.

Control over farm costs has virtually disappeared. Fertilizer and fuel prices have taken huge unwarranted price jumps lately. Fertilizer costs are up 20 per cent or more over last year. Big fuel price increases are well documented all across the country. Combined with freight cost increases of 100 per cent, how can the grains industry, which has been struggling already, continue to be competitive?

Deregulation theory promised to cut costs, not raise them. Was it all a big lie?

[Translation]

JOB CREATION

Mr. Nick Discepola (Vaudreuil, Lib.): Mr. Speaker, once again, total confusion prevails in the separatist camp. The Quebec Premier has made more contradictory statements.

Last March, he told us that, since September, 58,000 jobs, or 78 per cent of all new jobs in Canada, had been created in Quebec. However, on May Day, he boasted about the 43,000 new jobs created in Quebec since September, a number equal to half of all jobs created in Canada.

Either Mr. Parizeau does not know how to count or else he is very proud to tell us that Quebec has lost 15,000 jobs in less than two months. What good news for the 800,000 welfare recipients in Montreal and elsewhere.

No wonder the Bloc Quebecois and the PQ are once again looking for a scapegoat in Ottawa.

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[English]

FAIRY LAKE ENVIRONMENTAL TOUR

Mrs. Karen Kraft Sloan (York—Simcoe, Lib.): Mr. Speaker, Earth Day 1995 has passed. However the Sacred Heart graduating students of the environment and economic class have left a lasting legacy to the community of Newmarket, Ontario. I was pleased to attend the opening of the environmental tour of Fairy Lake.

The students enthusiastically worked on this class project to inventory and identify the natural and historical elements of the parkland surrounding Fairy Lake. They have also prepared a pamphlet and tour kit as well as a colouring book for children. In order to complete this project the students had to solicit support from the town of Newmarket and local businesses.

(1410)

These enterprising students have now made it possible for individuals and families to enjoy and learn more about the natural and historical environment surrounding Fairy Lake.

Community involvement has always been a priority for the students of Sacred Heart. I would like to congratulate them on their efforts and wish them luck in their future endeavours.

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NATIONAL NURSING WEEK

Mrs. Rose-Marie Ur (Lambton—Middlesex, Lib.): Mr. Speaker, May 8 to 14 is National Nursing Week in Canada. As a former registered nursing assistant, I am delighted to have this

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opportunity to salute my former colleagues in Lambton—Middlesex and throughout Canada.

For this year's National Nursing Week, Canada's 253,000 registered nurses will be planning activities to increase knowledge and understanding of nursing contributions to the health of Canadians under the theme: "Your Family's Health: Nurses make a Difference".

No matter where nurses work, be it in the hospital or in the community itself, their focus has always been the family. Nurses provide families with information to prevent them from becoming ill, to help families through challenging times and to make meaningful choices.

Nurses are also interpreters. They take the vast amount of health care knowledge flooding clients and interpret what it means for their health and that of their families.

Because they have the right combination of knowledge and skills for promoting, maintaining and supporting health, nurses are ideally positioned to make a real difference to the health of Canadians and to ensure the healthy future of Canada's medicare system.

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[Translation]

HOUSE OF COMMONS SECURITY SERVICES

Mr. Gaston Leroux (Richmond—Wolfe, BQ): Mr. Speaker, on the 75th anniversary of the House of Commons Security Services, I wish to pay tribute to all members of the staff.

Created in 1920, a few years after the old Parliament building was destroyed by fire, the Security Services are responsible for the protection of members, employees and buildings on Parliament Hill. They also welcome hundreds of thousands of visitors from Canada and Quebec every year.

I wish to remind everyone that security staff must not only ensure the safety of the public and the employees of the House of Commons but also process many visitors, at a time when vigilance is a must. They do their job effectively and professionally.

On the 75th anniversary of the House of Commons Security Services, I invite all my colleagues to join me in commending the security staff for their much appreciated services.

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[English]

JUSTICE

Mr. Myron Thompson (Wild Rose, Ref.): Mr. Speaker, in the Sunday *Sun* I read of the horrible death of a 20-year old

woman who was shot by her estranged husband. In the same article, I read of five other women who recently died at the hands of their estranged husbands, all in the Ottawa area. Of these five, one was bludgeoned to death, two were strangled and two were knifed.

When will the Minister of Justice open his eyes and realize we have a serious problem on our hands in this country and recognize the instrument of death is not the problem?

When will the minister recognize that the cause for fear in this nation is from a very weak justice system which has lost its focus on protection of the innocent and law-abiding persons and concentrates too heavily on the criminal and his rights?

When will the minister realize Bills C-37, C-41, C-42, C-44, C-45 and C-68 are only tinkering with the seriousness of this problem and essentially solve nothing?

When will the justice minister take the bull by the horns, say enough is enough and send a clear message to the would be killers of this land. Come on, Mr. Minister, do your job and do it now.

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POLAND

Mrs. Carolyn Parrish (Mississauga West, Lib.): Mr. Speaker, on behalf of all Canadians of Polish descent, I rise in the House today to commemorate the 204th anniversary of the Democratic Constitution of Poland and to join in the celebration of the re-emergence of democracy and liberty in that nation.

Poland has historically been blessed with citizens of extraordinary conviction; some even call us stubborn. They believe in an independent Poland as well as in the value of a truly democratic government. The enduring faith of those who recently witnessed the rebirth of democracy is an inspiration to many.

Too often, we who have the good fortune of living in a democratic society become complacent about our freedoms and opportunities. This anniversary is a reminder of the courage, commitment and vigilance which democracy requires.

Gratuluia calowa polska rodzina.

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NEWFOUNDLAND DOCKYARD

Mrs. Jean Payne (St. John's West, Lib.): Mr. Speaker, I would like to speak today about the Newfoundland dockyard which has been a major employer in St. John's West for 110 years. Now Marine Atlantic is negotiating to sell the assets of the dockyard.

Oral Questions

(1415)

Last year the dockyard generated over \$28 million in revenue and employed 840 people, the highest level in well over a decade. Today only 42 people are working at the dockyard and tomorrow the number may well be less.

I call on the Minister of Transport to explore all possible options to ensure the survival of the Newfoundland dockyard. With increased offshore development now and in the future, the potential for more work at the dockyard is strong. Discussions with all stakeholders in this matter, particularly the employees, must begin immediately to ensure the continued employment of the workers.

I believe that a company with \$28 million in revenue can be maintained as a viable economic entity. I ask the minister to work with me to try to find a solution to keep the dockyard operating.

ORAL QUESTION PERIOD

[*Translation*]

CANADA SOCIAL TRANSFER

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, in announcing yesterday the amendments to Bill-C-76, the Minister of Finance tried to play down the motion tabled by the official opposition denouncing the federal government's intention to impose new standards on the provinces for social programs. I would point out that, with this bill, Ottawa is limiting the provinces to assuming a mere advisory role in the process of defining the national standards.

My question is for the Prime Minister. Would he acknowledge that the most concrete way to show his government does not intend to impose new national standards on the provinces is by amending Bill C-76 so that these new standards are submitted to all the provinces for their approval?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I think that the Minister of Finance provided a very satisfactory explanation yesterday. This bill will come before the House of Commons, and we will be able to discuss it. Here in Canada, we must maintain national standards. They already exist in all these programs.

Some need changing, and so the Minister of Human Resources Development and the Minister of Finance will hold the necessary discussions. Since we want to maintain an appropriate level of support for all Canadians, we must ensure that the standards will continue to ensure proper services for people from one end of the country to the other.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, the head of the government is even more ambiguous than his Minister of Finance—no small feat.

Some hon. members: Ha, ha.

Mr. Bouchard: A fine competition. Yesterday, the Minister of Finance told us that an upcoming amendment, not yet tabled, would provide for mutual agreement in establishing the criterion for the imposition of the standards. The expression is very vague. I would ask the Prime Minister to tell us what he means by mutual agreement. Does the government mean the necessary approval of all the provinces or, as with the patriation of the constitution in 1982, will a majority of the provinces suffice?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I have just said that standards already exist, which must be changed. The opposition has called for their change. We want to make changes. We want to discuss the nature of these changes in the House and then we will talk with the provinces. However, the standards that are in place will stay in place, and we are prepared to change them.

If the opposition does not want us to change them, on the other hand, we will not change them. If they do have to be changed, I am sure the proposals of the Minister of Human Resources Development and the Minister of Finance will be very reasonable, as usual, and the provinces will be pleased to accept them.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, in other words: "Trust my ministers; everything will be fine".

Some hon. members: Ha, ha.

An hon. member: That is not very reassuring.

Mr. Loubier: No, indeed. It is not very reassuring.

Mr. Bouchard: I am sure it comes as no surprise that we are not reassured. If the Prime Minister believes the provinces have nothing to fear from the new national standards, why then is he still refusing to call a federal-provincial conference to debate publicly, first, the distribution of the cuts to the transfer payments announced in the budget and, second, the new national standards he wants to put forward, particularly in health and social assistance?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, in health matters, there will be no negotiation, because, as we said clearly during the election campaign, and as I repeat now, the five principles incorporated in the Canada Health Act must remain. We have no intention of changing national health standards for any reason.

Oral Questions

(1420)

As to holding a federal-provincial conference, the Minister of Finance regularly meets his provincial counterparts, and the Minister of Human Resources Development will be contacting and discussing matters with the provincial governments. I am surprised now to see that the Bloc Québécois wants normal relations with the Government of Canada. Speaking for the Government of Quebec, I suggest they consult Ms. Beaudoin; this is another change in direction, Mr. Speaker.

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TAXATION

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ): Mr. Speaker, at a conference on the economy held in Ottawa yesterday, the Deputy Minister of Finance, David Dodge, stated that Canadians earning between \$75,000 and \$200,000 a year pay too much tax. He suggested that the federal government reduce taxes for high income earners so that Canada can remain competitive on global markets.

Does the Minister of Finance agree with his deputy minister and should we expect a ministerial statement announcing a tax reduction for high income earners in the near future?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, it is a shame that the member opposite is so selective in his reading. I made it very clear myself yesterday that this government's ultimate goal is to reduce taxes in Canada. In fact, that is one of the reasons why we are determined to put our fiscal house in order.

At the same time, I indicated that, if taxes were lowered, they would be lowered for the middle class and the poorest in the country because they are the ones who are paying the most.

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ): Mr. Speaker, yesterday, the deputy minister referred to the wealthy and suggested that the taxes of wealthy Canadians be reduced.

The idea would be to listen a little less to the Power Corporation head office and, with respect to tax reform, to start by imposing a minimum tax on corporations. That would make sense.

How does the Minister of Finance reconcile his deputy minister's statement with, on the one hand, his so-called commitment to ensure that all Canadian taxpayers make an effort to help reduce the deficit and, on the other hand, his decisions which have consisted thus far in demanding a much bigger effort from lower income households and attacking the unemployed at every chance?

[English]

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, I know this is going to come as a great shock to the opposition finance critic but there is a minimum tax on great big corporations already.

It should not come as a great shock that we are going to reduce taxes, that ultimately we must reduce taxes. It is why we would like the co-operation of the Bloc Québécois to help clean up the nation's balance sheet. It is why we would like the co-operation of the Bloc Québécois when we want to build newer technologies and put Canadians back to work.

What I would really suggest is that we come together to work for the betterment of the country, rather than create strawmen so the opposition members can make fancy speeches in the House of Commons.

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BOSNIA AND CROATIA

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, in the former Yugoslavia the Croatian army captures a rebel Serb enclave, Croatian Serbs then retaliate by bombing Zagreb, the Croatian capital, and Bosnian Serbs threaten to resume fighting and to ignore security council peacekeeping resolutions because they say the UN did not react strongly to the Croatian offensive.

Peace is nowhere on the horizon and there is growing danger that Canadian peacekeepers will become human shields in a full blown conflict.

My question is for the Prime Minister. What implications will this escalation of the conflict have on our peacekeepers' ability to fulfil their mandate and to deliver humanitarian aid in the former Yugoslavia?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we deplore the activities that have resumed in that part of the world. We hope that everybody will have the good sense to resume the ceasefire. I am informed that at two o'clock p.m. GMT today a ceasefire was accepted by all parties.

Some hon. members: Hear, hear.

(1425)

Mr. Chrétien (Saint-Maurice): I hope everyone realizes it is completely futile to try to resolve this problem by using arms and fighting. Also I hope that the propositions that have been made so far will be taken seriously.

In the meantime we are making sure that our soldiers are being exposed as little as possible. They know they are in extremely difficult circumstances at this time.

I met those who left Valcartier two weeks ago. I am always impressed with their courage and determination, and how willing they are to take chances with their own lives in order to make sure that people are protected from the misery of people who just prefer arms to negotiations.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, in the Liberal red book they said they would not be camp followers with respect to foreign policy. That is certainly not the case in the former Yugoslavia.

Canada is contributing a disproportionate number of peacekeepers and yet we have little say in how they are deployed. We are not part of the UN contact group. Germany, which does not have one soldier involved in the peacekeeping mission, has more of a say than Canada.

How can the government justify being a major player in the peacekeeping effort while it remains a minor player in the decision making process?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, all major decisions are made by the UN. UNPROFOR is a UN group and final decisions are made by the military command of the United Nations. We are not a member of the group of five for various reasons, among them the fact that some of the neighbouring countries think they can play a better role than we can.

We are doing what we do best. We are on the ground, making sure we are not taking sides. That is why the Canadian position is always appreciated by everyone. I talked with the President of Croatia when I was in Budapest and I talked with the President of Bosnia. They both told me they appreciate the professionalism of our soldiers.

Our soldiers are not there for us to gain political points internationally. They are there because they are the best.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, Reformers believe that Canadian peacekeepers are the best in the world and deserve to be supported where they are deployed. However the situation on the ground in Croatia and Bosnia has changed but the peacekeepers' mandate has not. There is no peace to keep.

Given that the Minister of National Defence vowed to withdraw our troops if their safety was threatened and if their ability to fulfil their mandate was in question, will the Prime Minister now order an immediate withdrawal of Canadian peacekeepers from the war zone in Bosnia and Croatia?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, that would be extremely irresponsible at this moment. For the last few years situations have arisen where fighting was renewed. The troops were there doing their job and brought about many ceasefires.

Oral Questions

The situation today is no worse than it was six months or a year ago. It is always difficult. Canadians are not afraid to take on a difficult task. We are there to maintain the peace. We are not there to come and go. When we make a commitment we fulfil our commitment.

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[Translation]

TAXATION

Mr. Pierre Brien (Témiscamingue, BQ): Mr. Speaker, my question is for the Minister of National Revenue.

After granting a research and development investment tax credit during four years, Revenue Canada has now changed its mind and is asking the 15,000 Quebecers who took advantage of that tax provision to repay amounts which are three to four times higher than their tax savings. This retroactive about face could force about half of those concerned to go bankrupt.

How can the Minister of National Revenue ask 15,000 middle income taxpayers from Quebec to repay deductions, with interest, allowed under a tax provision which they used in good faith?

Hon. David Anderson (Minister of National Revenue, Lib.): Mr. Speaker, senior officials from the department are conducting a close review of all the files of taxpayers who invested in these research companies. The various representations made, as well as all the relevant information, will receive full consideration.

(1430)

Mr. Pierre Brien (Témiscamingue, BQ): Mr. Speaker, how can such a retroactive repayment be sought, considering that the problem is the direct consequence of the negligence of the revenue department, which, after four years, has just changed the rules affecting thousands of taxpayers?

Hon. David Anderson (Minister of National Revenue, Lib.): Mr. Speaker, the issue is not as clear nor as simple as the hon. member is suggesting. Again, I stress the fact that every file will be closely reviewed by the department before a decision is made. In some cases, we even have to look at research conducted abroad, or with several companies that have formed a partnership for this purpose.

It is very difficult to solve this issue quickly, but we are doing our best.

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[English]

ABORIGINAL AFFAIRS

Mr. John Duncan (North Island—Powell River, Ref.): Mr. Speaker, the minister of Indian affairs raised the expectations of aboriginal people to the point where his departmental officials are now asking him "to bring high expectations of the aboriginal community to manageable levels".

Oral Questions

What will the minister do in his statements and in his processes to reduce expectations upon which he cannot possibly deliver?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, at present we are looking at how the process of inherent rights can be put into place in an efficient way.

We are working on it. We already have a number of very positive results. We will announce any new policy as soon as it is ready.

Mr. John Duncan (North Island—Powell River, Ref.): Mr. Speaker, in B.C. the current treaty process has created expectations that are forecast to cost \$8 billion to \$20 billion. There is no way that governments can deliver on this. The public is clamouring for a new approach.

What will the minister do to create an affordable process and reduce aboriginal expectations so that B.C. can support modern treaties?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, the views of all stakeholders in this question are being considered.

All stakeholders have to be consulted and discussions have to take place with them. We have to be able to assess their views and in the end to render a series of possible policies that will satisfy all stakeholders. This is exactly what we are doing.

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[Translation]

PENITENTIARIES

Mr. Bernard St-Laurent (Manicouagan, BQ): Mr. Speaker, my question is for the Solicitor General.

In our penitentiaries we have 1,200 Rastafarians, members of a religious sect that includes smoking marijuana as a part of Sunday services. The chaplains, torn between their responsibility for spiritual well-being and the law, feel obliged to give them their weekly joint of marijuana.

Does the Solicitor General think it is normal that illegal substances like marijuana are freely available in federal penitentiaries and are distributed with the blessing of the penitentiary administration?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, the penitentiary administration has informed me that it does not allow the use of marijuana in religious ceremonies.

Mr. Bernard St-Laurent (Manicouagan, BQ): Mr. Speaker, I am afraid our sources contradict each other. Since there is no indication of this in the various annual reports published by Correctional Service Canada, I would ask the minister to identify for the House the Government of Canada's supplier of marijuana.

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, I would like to ask the hon. member what he was smoking before he asked his question.

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(1435)

[English]

TELECOMMUNICATIONS

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, the Minister of Heritage's luncheon in Los Angeles continues to leave a bad taste in the mouths of Canadians. The list of names of people in attendance supplied by his own office shows that Roger Mayer, president of Turner Broadcasting, was conveniently left off the list. Mr. Mayer, however, insists that he attended the lunch with the minister.

Why did the Minister of Heritage hide the fact that Roger Mayer actually attended the lunch? Could it be because Turner Broadcasting has an application before Investment Canada?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, I gave a list of all the people who attended the luncheon as it was given to me. If anybody else slipped in, I have no notion of it.

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, last Friday in question period when the minister was asked who attended the lunch, he conveniently forgot to mention that Mr. Mayer was there. Surely that cannot be blamed on staff. The luncheon was not that huge that he could not remember everyone who was there.

Guess who was coming to dinner? The president of Cineplex Odeon and the chairman of the board of MCA, both principals in the Seagram deal that is under review by Investment Canada and, as I mentioned, the president of Turner Broadcasting, a principal in another deal being reviewed right now by Investment Canada.

These companies stand to gain hundreds of millions of dollars if they receive this favourable review from Investment Canada.

I have a supplementary question. Why did the minister place himself in a direct conflict of interest, given the fact that Investment Canada is consulting his department on the ruling?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the third party is completely mistaken. The review cannot be done by the minister because it is not his responsibility.

Oral Questions

Ministers are going abroad and trying to do something good for the country. This sector is extremely important for Canada. We are in a surplus position. We can export. The more business we can get for the artists of Canada, the better I will feel and the more thanks I will give to the ministers.

* * *

[Translation]

CANADIAN FORCES

Mr. Jean-Marc Jacob (Charlesbourg, BQ): Mr. Speaker, my question is directed to the Minister of National Defence.

The minister has tried several times to attribute poor morale in the armed forces to recent cutbacks and the negative attitude of the media. However, according to an internal report on military morale prepared by Colonel Oehring, the main cause is, and I quote: "An increasingly impotent military leadership and uncaring system".

How can the Minister of National Defence maintain, as he did last week, that the morale of the military is at a low ebb because of budget cuts and the attitude of the media and the opposition, when an internal report by the armed forces, submitted by Colonel Oehring, maintains that the leadership is to blame?

[English]

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I do not know where the hon. member has been. That report surfaced just before Christmas. It was raised in the House by the critic for the Reform Party. It raises some serious concerns that are being acted upon, concerning the feelings of members of the armed forces.

Some of them we are addressing in terms of pay scales. Some we will be addressing in terms of new equipment. I believe there has been a lot of improvement since that memo was written. Many of the suggestions of the special joint committee on defence, of which the hon. member was a distinguished member, have been acted upon. All those things will contribute to better morale in the army.

(1440)

[Translation]

Mr. Jean-Marc Jacob (Charlesbourg, BQ): Mr. Speaker, that was not the answer I got when I asked the Minister of National Defence about this in committee, last week. What does the minister intend to do to turn the situation around?

[English]

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I think I have answered that many times. I answered it in the committee last week.

There is no question the publicity over the last couple of years flowing from the events in Somalia, and some other problems we have had, have tended to raise some questions within the forces. Certainly there has been some question about the number of high officers with respect to the ordinary rank and file in the armed forces. That is being corrected.

We have announced a reduction of about 25 per cent at the general officer level and 20 per cent at the colonel level. The argument that we are perhaps too top heavy is being addressed.

All these things are under review and are being improved upon.

* * *

TOBACCO

Mr. John O'Reilly (Victoria—Haliburton, Lib.): Mr. Speaker, my question is for the Minister of Health.

Some interest groups have been claiming that the tobacco tax decrease has resulted in an increase in tobacco consumption. Other parties have been claiming there has been a reduction in smoking rates.

Could the Minister of Health advise the House whether or not Canadians are consuming more tobacco?

Ms. Hedy Fry (Parliamentary Secretary to Minister of Health, Lib.): Mr. Speaker, I thank the hon. member for the question because it gives us a chance to ensure that everyone knows what the facts are in this issue.

Epidemiology is a system of ensuring that the demographics and all things that make a disease occur are checked out. When we set about our strategy for tobacco we ensured there were four parts of a survey that would be done by Statistics Canada to look at evaluating the strategy.

The third part of the survey came out recently. It has shown that there are 150,000 fewer smokers in Canada right now. We will continue our strategy because this is not a good enough response. We want to be ensured that all people who currently smoke stop and those who intend to will eventually never do so. We are still plugging away at our strategy.

* * *

FISHERIES

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Mr. Speaker, in the minister of fisheries' fight to end overfishing off the Grand Banks he has at times been prone to rhetoric and occasional flights of fancy in the name of conservation.

But yesterday the minister went too far. He trivialized the ultimate sacrifice made by those who died for this great country during the second world war by evoking their memory to score points in our dispute with the European Union.

Oral Questions

Does the minister realize that his remarks offended many Canadians and is he prepared to apologize to those who took offence?

Hon. Brian Tobin (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, about a week and a half ago, along with delegations from Australia, New Zealand, Great Britain, Turkey and Pakistan, I represented Canada in memory of the Royal Newfoundland Regiment. I was at Gallipoli where I had the honour and the privilege on behalf of Canadians everywhere to visit seven war cemeteries commemorating the loss of young lives, in this case young Newfoundlanders and all other allied forces that fought in the Gallipoli campaign.

Having participated in the ceremonies, yes, it was very much on my mind yesterday. Just days before the celebrations commemorating the 50th anniversary of V-E Day is an appropriate time for Sir Leon Brittan to come to Canada giving thanks and not complaints about the country's contribution to the world.

I do not make any apologies for reminding Sir Leon of that. I am proud of it. Canadians are proud of it. We ought to celebrate it.

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Mr. Speaker, the Canadians who died in the second world war did not die to become bargaining chips in the dispute with the European Union. It is my understanding that our dispute over the fishery is built on principle, the principle that by Canada intervening we are trying to save a fish stock which could be destroyed.

(1445)

Does the minister not believe that the principle of saving that stock is sufficient to defend his actions?

Hon. Brian Tobin (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, let me say with the utmost seriousness that all of us without exception on this side of the House, and I would like to think all without exception on that side of the House, deeply appreciate and take the time to give thanks for the tremendous freedom we enjoy because of the contribution of Canadian soldiers in two world wars and in other conflicts around the world, including the contribution today.

If the member thinks it inappropriate to remind others of the sacrifice we have made, all I can tell him is I strongly disagree with him.

The only party in the House that condemned the deal the day it was announced with the EU was the Reform Party.

* * *

[Translation]

FILM DISTRIBUTORS

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, my question is for the Minister of Canadian Heritage.

Film distributors and exporters are concerned about two American movie and video companies, Turner and Polygram, which want to distribute their products without dealing with Canadian distribution companies. The Turner group's plan is said to be currently under review by Investment Canada.

Can the Minister of Canadian Heritage tell us if his department was consulted regarding the plans of these two American companies, Turner and Polygram, for direct distribution of their movies in Canada, thus bypassing Canadian film distribution companies?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, as the hon. member knows full well, the issue is now in the hands of Investment Canada, following the government's decision to force Polygram and Turner to make an application before they are allowed to invest in Canada. An order in council was issued in this regard. The process is under way. We received an application which we will review. A decision will be made in the best interests of that industry in Canada.

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, I regret having to ask a specific question to the Minister of Canadian Heritage as to whether or not he provided an opinion to the Minister of Industry, since we were told the other day that the minister had to give his opinion.

Given the answer just provided, I have another question. I hope that the minister will take this opportunity to answer my first question.

Since the arrival of American companies would deprive Canadian companies such as Malofilm, Astral and Alliance of revenues in excess of \$75 million, will the Minister of Canadian Heritage undertake to ask cabinet to impose a moratorium on any transaction involving foreign film distribution companies in Canada?

[English]

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, it is good to have the hon. member back in the House after a few days of consulting her constituents. She should be spending less time on firearms and more time on Investment Canada.

There is a process under way. We have required the investment to be reviewed. It is a process under review. There is no requirement on the government in any way to give the hon. member any information about the particulars of the review of the application under way. We will do so at the time our decision is announced. She will be one of the first to know the results.

* * *

(1450)

IMMIGRATION

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, Canada's High Commission in Sri Lanka has revealed that a shocking one-third of all Sri Lankans travelling to Canada who were stopped for identity checks at the airport had made refugee claims or were refugees in Canada. They are seeking or have

received refugee status by claiming persecution in Sri Lanka but still went back there for vacations.

The minister has been told time and time again the system is being abused. Will the minister also ignore this blatant abuse or will he clamp down on bogus refugees who make a mockery of the Canadian refugee policy?

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, the commissioner brought no such thing to my attention.

Generally speaking it has occurred where people having made refugee claims and were accepted have travelled. Circumstances do change but I, like the hon. member, do not want any abuse in the system. There are cases of people who upon receiving refugee status immediately travel to the area in which they say they were being persecuted. I do not agree with those individuals for one more moment than he does.

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, the minister should consult with the Canadian High Commission in Colombo.

Our proposal for reforming the refugee determination system to end widespread abuse was to monitor refugees' travel to determine if they are taking trips back to the country they claim is persecuting them. If they do they are not real refugees and should be removed. We have solid evidence of abuse.

When will the minister implement our proposal to stop this abuse? Will he commit today to investigate each and every bogus claim the high commission has identified?

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, I know the hon. member is going to Washington to join the other Newts in talking about immigration. I am sure the Americans are waiting with bated breath. What they should be told is the proposals of Reform Party members are quite simple. They really do not like refugees. They do not want refugees. They do not want immigrants.

They want to abolish the IRB. They want to break our ties from the Geneva convention. They want to close the Canadian doors to the world. That is good for the member but it is certainly not good enough for the government.

* * *

SUSTAINABLE DEVELOPMENT

Mr. Julian Reed (Halton—Peel, Lib.): Mr. Speaker, I have a question for the Minister of National Resources.

Oral Questions

Today at noon a group representing all parties in the House met with the forest industry for a very interesting hour. The subject of sustainable development was raised.

I would like the minister to tell the House to date how the government has addressed the subject of sustainable development.

Hon. Anne McLellan (Minister of Natural Resources, Lib.): Mr. Speaker, it is fair to say, whether it is fish, forests or other natural resources, the government is committed to their sustainable development.

Let me reassure the hon. member Canada is viewed around the world as the leading nation in terms of sustainable forestry development.

Let me highlight a few of the things we have done as a government: the development of the national forestry accord, the development of criteria and indicators to define sound forestry practices. Our model forest program: there are 10 model forests in Canada that are living laboratories of research and science.

Recently in New York my colleague, the Minister of the Environment, on my behalf and on behalf of this nation led the way in terms of the establishment of an intergovernmental committee on sustainable forestry.

Some hon. members: Hear, hear.

* * *

[Translation]

IMMIGRATION

Mr. Osvaldo Nunez (Bourassa, BQ): Mr. Speaker, my question is for the Minister of Citizenship and Immigration. After grossly mishandling the case involving an Algerian filmmaker, Ms. Koudil, immigration officials are now denying visitors' visas to three Algerian actors, Benguettaf, Ayad and El-Kalaa, who were to perform in a play denouncing the rise of fundamentalism in Algeria as part of the Theatre Festival of the Americas in Montreal.

(1455)

Does the minister intend to move quickly to issue visitors' visas to the three Algerian actors, so that a repeat of the Algerian filmmaker fiasco can be avoided?

[English]

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, the hon. member knows or should know I do not believe it is wise for ministerial interventions ad nauseam at the visitor visa level.

There are a million applications around the world. Your leader was the ambassador to France.

The Speaker: I ask the hon. minister to please invoke the chair.

Oral Questions

Mr. Marchi: The Leader of the Opposition was at one point the ambassador to France. There were a number of applications made under his tenure. Some were refused and some were accepted. Individuals refused have every opportunity, if the member checks with his leader, to put in a new application.

With respect to the film maker, there was not a policy of favouritism; there was a policy of fairness. The film maker made a new application and convinced the visa officer her application was justified.

If these three individuals have some complaint or there is misinformation then the process is very transparent and very simple. They are to come forward once again and make a new application without political intervention, whether by this member or this minister.

[Translation]

Mr. Osvaldo Nunez (Bourassa, BQ): Mr. Speaker, are we to understand from the minister's answer that he does not intend to budge and that only a general outcry in Quebec, as occurred in the case of the Algerian filmmaker, can spur him to action?

[English]

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, this is the kind of game that does a disservice to the very portfolio the member tries to protect.

The member just said unless you change there will be pressure mounted to make the system change. I ask the member, who came to this country as a political refugee claimant, whether he wants a system amenable simply by pressure and tactics of a community, wherever they are, or does he believe there ought to be a system in place that allows for applications to be made and if there is a negative determination for the applicant to make another application?

Does the member know that under the Immigration Act I do not have the power or the authority to overturn a visitor visa application? The member ought to know that and play by the rules rather than create special rules for some people.

* * *

CANADA HEALTH ACT

Mr. Grant Hill (MacLeod, Ref.): Mr. Speaker, Keith Banting, a social policy expert, said: "This government's fiscal policies are eroding the Canada Health Act by stealth". These harsh words join a chorus who agree with Reform: Tom Courchesne, the Canadian Medical Association and others.

Will the government openly table changes to the Canada Health Act to preserve medicare?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, the Minister of Finance and the Prime Minister said we

do not intend to present changes to the Canada Health Act as such. There is clarification in the budget, but the principles of the Canada Health Act are there very definitely.

Mr. Grant Hill (MacLeod, Ref.): Mr. Speaker, Canadians were asked last week whether they think health care is affordable. Ninety per cent said they think health care will deal with fewer services in the future than now. Even the Prime Minister said medicare must return to basics.

Reformers say let us make these changes in the open with consultation rather than by default and with stealth.

Again, will the Prime Minister open the Canada Health Act to open review?

(1500)

Ms. Hedy Fry (Parliamentary Secretary to Minister of Health, Lib.): Mr. Speaker, this government said in the budget and the Minister of Finance has said repeatedly that the Canada Health Act is not negotiable.

The hon. member is discussing funding of medicare. We know that many reputable studies have now shown that we spend more as a percentage of our GDP for health care than most other nations with systems of medicare like ours. We can manage our system better and we can make a better system, a more efficient and a more affordable system, by looking at health care renewal in terms of management changes, in terms of moving from acute care to community care, in terms of looking at technology assessment, assessing outcomes and guidelines for care. We can save a great deal of money and provide a better system of health care.

* * *

GASOLINE PRICES

Mr. John Solomon (Regina—Lumsden, NDP): Mr. Speaker, my question is for the Minister of Industry.

An Ottawa gasoline retailer, Mr. Gas, has admitted that communications between gasoline retailers are common in the industry when setting prices. We have seen six increases in gasoline prices in less than year, all uniform across Canada and uniform from company to company, with no justification, resulting in a 25 per cent increase to consumers and accusations of price fixing.

The minister in the House last Friday said in response to my question: "When the prices are the same it is consistent with both competition and price fixing, so how do you know which it is?"

Given this Liberal government confusion and the admission by the company, Mr. Gas, will the minister now roll back prices until an inquiry can be held on gas prices to determine if price fixing is taking place or to have oil companies justify these increases? Failing a rollback, will he at least hold a price inquiry?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, of course it would be inappropriate to comment on the circumstances of a case that is before the courts at the present time.

What I do make clear again to the member is that first, as he knows, the government does not have the power to roll back prices. Second, I believe the most effective way to ensure the lowest possible prices is through real and sustained competition.

The purpose of the Competition Act is to achieve real competition. The director endeavours to enforce that. But we do live in a system of law, and it does require proof when somebody alleges an offence.

It is easy for the hon. member to stand in the House of Commons and say: "Look, the prices are all the same; there is an offence". I suggest to him that it is somewhat more challenging to get a conviction in the courts. I prefer to see people convicted in the courts on the basis of evidence.

* * *

[Translation]

QUESTION OF PRIVILEGE

ORAL QUESTION PERIOD

Mr. Osvaldo Nunez (Bourassa, BQ): Mr. Speaker, a moment ago, I asked the Minister of Citizenship and Immigration a question concerning visitors' visas for three Algerian actors. I feel that the minister attacked me in his answer by improperly mentioning my status as a political refugee.

True, I came here 21 years ago and settled in Quebec but today I have the same rights as any other citizen or any other member of the House of Commons, and I find it unacceptable that the Minister of Citizenship and Immigration—

(1505)

The Speaker: Dear colleagues, I think that this is not a question of privilege but a matter for debate. As you know, during Question Period and during debates, we sometimes use very strong words, but I hope that all our colleagues in the House will choose their words wisely during debates.

[English]

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, let me respond to the member and his colleagues.

When I referred to the individual having come to Canada and been given refugee status, in the same way my family came to this country in 1958—

An hon. member: But they knew they were coming to Canada; there is a difference.

Routine Proceedings

Mr. Marchi: —I was trying to infer that there is a process in train that we ought to respect, and not a process that can be changed simply like a faucet, depending on the day or on the pressure. That is the point I was trying to make.

The Speaker: I would like to close this matter and go to Routine Proceedings.

ROUTINE PROCEEDINGS

[English]

GOVERNMENT RESPONSE TO PETITIONS

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

* * *

INTERPARLIAMENTARY DELEGATIONS

Mr. Barry Campbell (St. Paul's, Lib.): Mr. Speaker, pursuant to Standing Order 34(1), I have the honour to present to the House, in both official languages, the report of the Canada-Europe Parliamentary Association to the Council of Europe committee on economic affairs and development session on the European Bank for Reconstruction and Development, held in London, United Kingdom, from February 18 to February 21, 1995.

* * *

[Translation]

COMMITTEES OF THE HOUSE

TRANSPORT

Mr. Stan Keyes (Hamilton West, Lib.): Mr. Speaker, I have the honour to present to the House, in both official languages, the third report of the Standing Committee on Transport, entitled "A National Marine Strategy".

[English]

In February and March of this year the committee travelled to 10 cities and heard over 85 hours of testimony.

I am proud to present the fruit of these labours contained herein, and wish to thank the members and staff of my committee for their dedication and hard work and the over 170 individuals and organizations whose efforts and contributions made this report possible.

[Translation]

Mr. Michel Guimond (Beauport—Montmorency—Orléans, BQ): Mr. Speaker, I just want to add that the Bloc

Routine Proceedings

Quebecois will be appending to this report of the Standing Committee on Transport a rather elaborate dissenting report, which is at least one third as thick as the report presented by the Liberal majority.

* * *

**MEMBERS OF PARLIAMENT RETIRING
ALLOWANCES ACT**

Mr. Dan McTeague (Ontario, Lib.): Mr. Speaker, I would like to ask for unanimous consent to withdraw private member's Bill C-236.

The Deputy Speaker: Is it agreed?

Some hon. members: Agreed.

(Bill withdrawn.)

* * *

[English]

PETITIONS

GUN CONTROL

Mrs. Georgette Sheridan (Saskatoon—Humboldt, Lib.): Mr. Speaker, pursuant to Standing Order 36, I have the honour to present today, in the name of a number of Saskatoon residents who describe themselves as ordinary, law-abiding citizens, a petition pointing out that some 1,400 Canadians die of gunshot wounds each year and that both legally owned and stolen firearms contribute to such fatalities.

The petitioners urge the Government of Canada to pass Bill C-68 as soon as possible.

Mr. Alex Shepherd (Durham, Lib.): Mr. Speaker, I have a petition from 180 Canadians, from the provinces of Quebec and Saskatchewan, who note that Canadian citizens are opposed to more restrictions and prohibitions on legal firearms. They note the 1993 auditor general's report indicated that many firearms regulations were brought in as a matter of public policy with no regard to future effectiveness or potential benefits.

(1510)

Therefore, the petitioners call upon Parliament not to enact further firearms control legislation, regulations or orders in council.

[Translation]

CAPITAL GAINS EXEMPTION

Mr. Roger Pomerleau (Anjou—Rivière-des-Prairies, BQ): Mr. Speaker, pursuant to Standing Order 36, I would like to table a petition on behalf of residents of my riding. The petition reads: We, the undersigned residents of the Province of Quebec, wish to call the attention of Parliament to the follow-

ing: that the government should be made aware of the unfair treatment of seniors in implementing the elimination of the capital gains exemption. The fictitious capital gain which must be reported this year will count as a real gain, thereby forcing thousands of seniors who cannot afford to do so to pay back to the federal government their old age security benefits.

Therefore, your petitioners humbly pray Parliament to ask the government not to consider as real the fictitious gain made by taxpayers who chose to protect, in 1994, the capital gains exemption they had been entitled to until then.

[English]

CANADIAN EMERGENCY PREPAREDNESS COLLEGE

Mr. Leonard Hopkins (Renfrew—Nipissing—Pembroke, Lib.): Mr. Speaker, I have several hundred names on a petition. These Canadians note that the Canadian Emergency Preparedness College in Arnprior, Ontario, provides training in several aspects of emergency preparedness, including earthquakes, hurricanes, forest fires, civil disobedience, railway accidents, floods, et cetera.

The petitioners request that Parliament recognize that the Canadian Emergency Preparedness College is essential to training Canadians for emergency situations and that the facility should stay in Arnprior, as promised by the government, in order to provide the necessary training to Canadians past and present.

CRTC

Mr. Ronald J. Duhamel (St. Boniface, Lib.): Mr. Speaker, the petitioners believe that unnecessary violence and abuse in all of their forms—be they verbal, physical, or other—in society in general and on radio and television have become major concerns in Canadian society. They also believe that abuse and violence are not necessary to inform or to entertain.

The petitioners want government to ensure the CRTC regulates abuse and violence in all of their forms in all of the media. The petitioners also applaud some of the recent progress made in this area.

EUTHANASIA

Mr. Fred Mifflin (Bonavista—Trinity—Conception, Lib.): Mr. Speaker, I rise to present a petition from my constituents from Badger's Quay, Lumsden, Templeman, Brookfield and Wesleyville. There are 57 of them.

They note that the majority of Canadians are law-abiding citizens who respect the law. They further note that the majority of Canadians respect the sanctity of human life and that the majority of Canadians believe that physicians in Canada should be working to save lives, not to end them.

They are asking that Parliament make no change in the law that would sanction or allow the aiding or abetting of suicide or active or passive euthanasia.

Routine Proceedings

TAXATION

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, I have four petitions to present today on behalf of the residents of Simcoe Centre.

The first petition deals with the subject of fiscally responsible government. The petitioners request that Parliament reduce government spending instead of increasing taxes, since Canadians are already overburdened with taxation due to high government spending.

ALCOHOL

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, the second petition concerns the use of a legal defence that has become known as the drunk defence.

The petitioners believe that in committing the act of choosing to consume alcohol the individual must accept all responsibilities for their actions while under the influence, and I certainly agree.

ABORTION

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, the third petition is on the subject of abortion.

The petitioners request that Parliament reconsider amendments to the Criminal Code to extend protection to the unborn child.

EUTHANASIA

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, the final petition is on the subject of euthanasia.

The petitioners request that Parliament not sanction or allow the aiding or abetting of suicide or euthanasia.

GUN CONTROL

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, I have one petition to present today.

The petitioners believe that public safety is the number one priority of the criminal justice system. They believe the existing firearms regulations are more than enough to ensure public safety.

They are requesting that Parliament do three things: first, support laws that will severely punish all violent criminals who use weapons in the commission of crime; second, support new Criminal Code firearm control provisions that recognize and protect the right of law-abiding citizens to own and use recreational firearms; and, third, support legislation that will repeal and modify existing gun control laws, which have not improved public safety or have proven not to be cost effective or have proven to be overly complex so as to be ineffective and/or unenforceable.

(1515)

HUMAN RIGHTS

Mrs. Sharon Hayes (Port Moody—Coquitlam, Ref.): Mr. Speaker, I have four petitions to present to the House today.

The first petition is from a group within my constituency. It contains 25 signatures, mostly from residents of the Colony Farm facility. The petitioners call upon Parliament to amend the Canadian Human Rights Act to protect individuals from discrimination based on sexual orientation.

In contrast to that, I have three more petitions, one with 2,200 signatures, one with 225 signatures and one with 400 signatures from Canadians across the country.

The petitioners call upon Parliament to oppose any amendments to the Canadian Human Rights Act or the Canadian Charter of Rights and Freedoms which provide for the inclusion of the phrase sexual orientation. I certainly concur with this petition.

GUN CONTROL

Mr. Jim Jordan (Leeds—Grenville, Lib.): Mr. Speaker, I have a petition from the citizens of Leeds—Grenville who request that the current proposed federal gun control measures be withdrawn and that they be replaced with measures which deal directly with criminal offenders.

HUMAN RIGHTS

Mr. Jim Jordan (Leeds—Grenville, Lib.): Mr. Speaker, I have a second petition from the citizens of my riding who request that Parliament not amend the human rights code, the Canadian Human Rights Act, or the charter of rights and freedoms in any way which would tend to indicate societal approval of same sex relationships.

BREAST CANCER

Hon. Audrey McLaughlin (Yukon, NDP): Mr. Speaker, I have a number of petitions on the same subject, with thousands of signatures. These petitions deal with the serious health issue of breast cancer to which about 5,400 Canadian women lose their lives each year and another 17,000 are diagnosed.

The petitioners call upon Parliament to urge the government to work with the provinces and the territories to designate one existing cancer research centre per region in Canada. They also call upon Parliament to take action to establish a toll free number for information, support and public awareness of the disease. Finally, they call upon Parliament to urge the government to begin consultations with the provinces and territories to establish the parameters for a national registry of drugs, medical devices implanted in the body, and various forms of biotechnologies.

Routine Proceedings

CUBA

Mr. Ted White (North Vancouver, Ref.): Mr. Speaker, I rise to present a petition on behalf of the Reverend Sharon Copeman and 40 residents of North Vancouver who are members of the United Church of Canada.

The petitioners state that in 1994 the 35th general council of the United Church commended the federal government for resuming aid to Cuba and urged the government to continue its efforts to normalize relations between Cuba and its neighbours and strongly urged the removal of U.S. blockades.

They ask members of Parliament and the government to sponsor a joint resolution with the Senate of Canada urging the Government of the United States to lift the blockade against Cuba which causes undue suffering for the people of Cuba.

TAXATION

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, pursuant to Standing Order 36 I am pleased to present a petition which has been signed by 48 Canadians.

Part of their request is that the government not overburden Canadians with higher taxation. I believe this was signed prior to the budget and it may not be relevant because taxes did increase. However, there is a portion which is relevant, which states that the petitioners pray and request that Parliament reduce government spending instead of increasing taxes and implement a taxpayer protection act to limit federal spending.

ASSISTED SUICIDE

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, pursuant to Standing Order 36 I am honoured to present a petition on behalf of a number of constituents, organized by Lilly Lewis.

These petitioners request that Parliament ensure that the present provisions of the Criminal Code of Canada prohibiting assisted suicide be vigorously enforced and that Parliament make no changes in the law which would sanction or allow the aiding or abetting of suicide or active or passive euthanasia.

Not only am I pleased to present this petition, I endorse it as well.

FIREARMS

Mr. Nelson Riis (Kamloops, NDP): Mr. Speaker, it is my honour to present a petition today on behalf of residents of Blue River, Avola, Birch Island, Clearwater, Barrière, Darfield, Little Fort and Peneplain Lake.

The petitioners oppose Bill C-68, the bill referring to firearms legislation, and suggest that registration will do virtually nothing to limit the number of people who will be killed by firearms in the future.

I support the petition.

DANGEROUS OFFENDERS

Mr. Nelson Riis (Kamloops, NDP): Mr. Speaker, I have a second petition from citizens of the same communities.

This petition indicates that Canadians are becoming increasingly fearful of walking on the streets in their neighbourhoods. They believe that many convicted violent and sex offenders are being paroled prematurely. The petitioners simply ask the House of Commons and the Minister of Justice to take whatever steps are necessary to amend Canada's Criminal Code and parole system to ensure safety and peace in our neighbourhoods.

(1520)

TAXATION

Mr. Paul Szabo (Mississauga South, Lib.): Pursuant to Standing Order 36, I wish to present a petition that has been circulating across Canada. The petition comes from the Calgary, Alberta, area.

The petitioners would like to draw to the attention of the House that managing the family home and caring for preschool children is an honourable profession which has not been recognized for its value to our society.

The petitioners also state that the Income Tax Act discriminates against families who make the choice to provide care in the home to preschool children, the disabled, the chronically ill or the aged. The petitioners therefore pray and call upon Parliament to pursue initiatives to eliminate tax discrimination against families who decide to provide direct parental care for preschool children, the disabled, the chronically ill or the aged.

* * *

[Translation]

QUESTIONS ON THE ORDER PAPER

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

The Deputy Speaker: Is it agreed?

Some hon. members: Agreed.

* * *

[English]

MOTIONS FOR PAPERS

Hon. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I ask that the Notices of Motions for the Production of Papers be allowed to stand.

The Deputy Speaker: Is that agreed?

Some hon. members: Agreed.

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[Translation]

MESSAGE FROM THE SENATE

The Deputy Speaker: I have the honour to inform the House that a message has been received from the Senate informing this House that the Senate has passed Bill S-9, an act to amend the Canada-United States Tax Convention Act, 1984, to which the concurrence of this House is desired.

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[Translation]

LOBBYISTS REGISTRATION ACT

The House resumed from May 1, 1995, consideration of the motion that Bill C-43, an Act to amend the Lobbyists Registration Act and to make related amendments to other Acts, be read the third time and passed.

Mr. Antoine Dubé (Lévis, BQ): Mr. Speaker, I welcome the opportunity to speak in this debate on Bill C-43 which concerns the registration of lobbyists.

The recent publication of the committee report on Bill C-43 has shown once again that the Liberal Government and the Bloc Québécois have widely differing views of the work of lobbyists and the framework that should regulate their activities.

My first comment, and I realize Mr. Speaker, that I cannot show it because it is against the rules of this House, but I would nevertheless like to say that the colour of the document does not necessarily reflect the title, which is about restoring confidence, since the document in question is red. I would even call it a Liberal red.

My second comment is that although this red document comes after a Liberal red book we saw during the election campaign, it is pretty obvious that this version is quite different from what we read in the initial red book.

Lately this government has shown, by its conduct, that it has decided to govern under pressure from lobbies hired by large corporations and financial interests instead of governing in the best interests of the people of this country. Recent excesses in this respect by the Liberal government occurred in the matter involving the CRTC and Power DirecTv, a subsidiary of Power Corporation headed by none other than the Prime Minister's son-in-law.

Let us see how the government managed to discredit itself in this affair. Everything started in the spring of 1993, when the CRTC indicated that it wanted to encourage the development of a Canadian industry involved in direct-to-home services by

satellite, the so-called DTH. Last August, the Expressvu consortium, a competitor of Power DirecTv, obtained an exemption from licensing, allowing it to offer DTH to future subscribers.

(1525)

The CRTC granted this exemption because Expressvu intended to use one or more Canadian satellites. Power Corporation planned to use the satellites and programming used by its American associate, DirecTv Inc. That is why Power's subsidiary did not qualify for an exemption from licensing by the CRTC.

Unfortunately for Expressvu, Power DirecTv had a direct line to the Prime Minister. Recently, the Liberal government tabled two orders obliging all DTH companies to obtain a licence—orders that were tailored to meet the demands of Power DirecTv. These orders had the effect of taking the advantage away from Expressvu, a consortium that, unlike Power, had decided to offer its subscribers Canadian content.

I may recall that Expressvu planned to begin operations on September 1 this year. By taking this unprecedented action, the Liberal government blithely ignored the independence of a regulatory agency that also has quasi-judicial powers to enforce legislation and regulations pertaining to telecommunications.

This was a serious decision. In the process the Government of Canada adopted a measure that will take effect retroactively and thus have a negative impact on a Canadian corporation—a procedure that flies in the face of all the traditions of democratic countries. Furthermore, the government is sending a message to the entire DTH industry that it no longer intends to support the development of a Canadian industry.

If the legislation applied by the CRTC no longer serves to ensure the development of the Canadian communications industry, what purpose does it serve? The government must stop hiding and must make public its intentions—if indeed the legislation serves no purpose.

The worst part of all this is that it occurred because the president of Power Corporation had the good fortune—and there is no mistake there—to marry the daughter of the Prime Minister. The ties between Power Corporation and the Liberals do not stop there, as I will demonstrate.

Here are a few examples. The current president of Power DirecTv, Joel Bell, was Pierre Trudeau's economic adviser and was designated by him to launch Investment Canada. The president of Power Corporation, as the head of the China-Canada business council, organized the economic part of last November's trip by the Prime Minister and Team Canada to Asia. Former Prime Minister Trudeau continues to sit on the international board of Power Corporation.

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In addition to being the Prime Minister's son-in-law, André Desmarais was his assistant in the early 1980s when he was Minister of Justice. John Rae, vice-president of Power Corporation, directed two leadership campaigns for the current Prime Minister and the 1993 federal election campaign for the Liberals, and so on and so forth.

The government's shady dealings do not, however, stop at this. While some are well married, others, like the Minister of Canadian Heritage, have, it would seem, the incredible good fortune to find themselves at the site of one of the most spectacular financial deals of the century, claiming all the while that they were not involved. This story does not lack for interest either. It could even be made into an excellent sitcom with the film and television talents of our neighbours, the Americans.

A journalist with the *Journal de Montréal* even wrote last week that the Minister of Canadian Heritage, like the hero of the film *Forrest Gump*, has the ability to be involved almost incognito in the major events of his time.

Here are the facts. Three weeks ago, Edgar Bronfman Junior, an American citizen, and Seagram announced the acquisition of the American cinematographic giant MCA—a multi-billion dollar deal. This announcement was made in a hotel in Los Angeles. Well, surprise, surprise, the Minister of Canadian Heritage just happened to be in the room next door.

No problem up to this point, at least no apparent one. It must be said, however, that MCA owns 20 per cent of the shares of Cineplex, a Canadian company controlled by another branch of the Bronfman family. And it must be said that MCA wants to make off with Cineplex by amalgamating with Dallas-based Cinemark USA Inc.

(1530)

Yet, the presence of the Minister of Canadian Heritage in Los Angeles got me thinking. In fact, it appears that Edgar Bronfman Junior's attempt to convince the federal government that MCA is a Canadian company is working. He hopes that this will permit him to escape Investment Canada's scrutiny.

Need I remind you that the government's official policy is that companies dealing in cultural goods must be controlled by Canadian interests, which explains why Mr. Bronfman is trying to put on a Canadian identity.

After the astonishing performance of the Minister of Canadian Heritage in California, Mr. Bronfman will certainly gain what he set out to gain by bringing the minister to Los Angeles in the first place. It should come as no surprise then that the population is becoming increasingly put off, especially young people. I would like to take this opportunity to point out that I am the official opposition's youth critic. My meetings and discussions with young people have made it clear to me just how much they have lost trust in the political machine. Hardly

surprising, given the topic of discussion over the past few weeks.

Along the same lines, there was the Pearson airport scandal over the previous government's privatization proposal. The Nixon report, a report regarding the privatization contract which was signed when the election campaign was in full swing, was handed to the Liberal government on November 29, 1993.

This report incriminated beyond a doubt the lobbyists, public servants and political assistants involved. There are several questions which remain to be answered regarding the identity of unethical lobbyists and the illegal or illegitimate conduct of public servants and political assistants in this case. Up to now, the government has preferred to turn a blind eye and to be closemouthed about the information contained in the report, even though these grim events compromise the credibility of our democratic institutions. The demands of the Bloc Québécois to have the government shed some light on this pitiful remnant of the Conservative era have fallen on deaf ears, up to now.

Of course, the government will claim that it appointed an ethics counsellor to navigate the murky waters of its contacts with lobbyists. Unfortunately, when the heritage minister once again tripped up by writing to the CRTC, which comes under his authority, a letter supporting the licence application of one of his constituents, it took the Prime Minister three weeks to consult his ethics counsellor on this most sensitive issue.

By waiting so long, the Prime Minister himself proved how little importance he attached to his own ethics counsellor. Furthermore, he refused to reveal to the House the gist of the ethics counsellor's recommendations. Such lack of transparency can only lead people to believe that the government has something to hide. The Bloc Québécois reviewed Bill C-43, an act aimed at monitoring the activities of lobbyists, in all good faith. A strong piece of legislation is essential to help our democratic institutions deal with the wave of public scepticism surrounding the affairs of government.

Even if Bill C-43 brings about some improvements in the somewhat incestuous relationship existing between elected officials and lobbyists, they fall short of the Liberals' commitments as stated in their own red book, the first one, the campaign one.

According to the ethics counsellor appointed by the Prime Minister, even if Bill C-43 had been in force at the time, it would not have helped Canadians to learn more about the troubling events surrounding the attempted privatization of Pearson airport.

The Bloc Québécois presented interesting proposals giving more teeth to the bill in order to make the process more transparent and to restore public confidence in the management of the affairs of government. The issue of monitoring lobbyists should not be the sole responsibility of a political party, a Prime minister, or a government, because it belongs to an essential

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democratic institution, the House of Commons, which is made up of representatives duly elected by the people.

(1535)

That is why the Bloc Québécois is proposing that the ethics counsellor be appointed for seven years by Parliament rather than by the party in power. This ethics counsellor, whose appointment is permanent, should be accountable to Parliament and should also have the authority to conduct public inquiries and report on his activities, findings, conclusions and reasons for his conclusions to the House of Commons.

In short, the ethics counsellor should be more than a toothless watchdog serving his political masters and therefore vulnerable to pressure. The Bloc Québécois also asked that all classes of lobbyists be merged into a single one. We also asked that all lobbyists be subject to the same information disclosure rules.

This recommendation shows the constructive, non-partisan spirit that guided the Bloc Québécois in its consideration of Bill C-43. In fact, this recommendation can be found in the June 1993 Holtmann report, which is the basis for the Liberal commitments regarding the use of lobbyists and the disclosure of their activities. That is why we, in the Bloc Québécois, do not understand the Liberals' refusal to implement this recommendation, which is included in their red book.

The strict disclosure provisions proposed in the Holtmann report would allow the population to find out quickly about a lobbyist's status. Since lobbyists try to influence public policy to further private interests, their activities and identities should be disclosed to the public.

I would now like to address the issue of lobbyists' contracts. This bill exempts in-house corporate lobbyists from reporting information on their contracts, although consultant lobbyists are required to report this information. Again, legislators should learn from the aborted attempt to privatize Pearson airport. If the bill is adopted without changes, businesses may be tempted to hire only in-house corporate lobbyists for megaprojects such as the privatization of Pearson airport.

Greater transparency in that regard would certainly be to their advantage, as it would put an end to biases against them as well as sometimes questionable speculations about their income. I would like to say, however, that the purpose of a lobbyists registration act is not to regulate the profession, although Parliament has the right, and even the duty, to supervise the functioning of the public administration that lobbyists try to influence.

The close ties connecting a large number of lobbyists to public officials, politicians and their political staff in the Pearson airport affair demonstrated the magnitude of the problem. Yet, the press was not allowed to disclose the troubling

facts surrounding the Pearson airport deal to the general public until the privatization process was over. This sorry affair, which had repercussions on taxpayers, could have been avoided had legislation been in place to prevent the kind of uncontrolled skids that have sullied this privatization attempt.

It is therefore reasonable that those who seek to influence the actions of an administration should also be subject to public scrutiny. Let us be clear on one thing: in a democracy, it is normal for organizations, businesses and lobbies to solicit support from the elected representatives of the people. This is totally legitimate. What is unacceptable, however, is that individuals and businesses who can afford to do so get tax deductions for their lobbying expenses. This has the effect of disadvantaging even more those organizations which cannot afford to counteract the pressure brought to bear by businesses that can afford to hire lobbyists.

That is why we recommend that tax deductions for lobbying fees be abolished. Also missing in Bill C-43 is a provision forbidding lobbyists from circumventing the act. Here again, that provision was included in the Holtmann report which the Liberals appreciated so much when it was tabled.

(1540)

The government should, if its commitments are sincere, include a clause to prevent avoidance of the law. Secret rules between lobbyists and public office holders are another problem. They contribute to the mistrust of Canadians toward elected representatives. That is why we ask the government to give the status of statutory instrument to the code of conduct of public office holders.

This debate is an opportunity for the Liberal government to demonstrate to the public that it really wants more openness in the dealings of lobbyists with the federal government. The recommendations of the Bloc are not meant to promote the image of a specific political party. They would be a great service rendered to all politicians in this House and to other public office holders.

This whole issue is too important to be left to partisan debate. It is the price we have to pay to restore public trust in our democratic institutions. Another great means to restore that trust would be to pass legislation on political party fundraising. That would contribute to renewed confidence in the operation of the House of Commons.

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, I congratulate the hon. member for understanding so well the issues involved in this very important legislation, Bill C-43.

During the election campaign, the Liberals came up with their famous red book. We heard a lot about it, since that document

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included all the election promises which the Liberals were supposedly going to implement if elected.

The Liberals are now in office. In their red book, they pledged to implement the recommendations of the Holtmann report. That report was drafted by a parliamentary committee which specifically looked at the issue of lobbying. The recommendations made in the Holtmann report went very far as regards different tiers of lobbyists, as well as disclosure.

A number of witnesses appeared before the current committee, the Zed committee, which tabled a report which is another red book. Red books keep coming out, but they are not all the same. This one contradicts the election promises made, since it does not go as far as the Holtmann report recommended.

The government seems to be trying to create some confusion in this regard and I would like the hon. member to tell me one thing. The Liberal government is claiming to go farther than the Holtmann report, for example with the appointment of an ethics counsellor. Is that not terrific, Mr. Speaker? However, if you take a closer look, you realize that the ethics counsellor is really just a puppet controlled by the Prime Minister. Indeed, that person is appointed by the Prime Minister and will first report to the Prime Minister, behind closed doors. We, members of the official opposition, will know little about the counsellor's work, in terms of the analysis, research, inquiry and investigation conducted.

The member referred to two very important issues, namely the whole episode involving the Minister of Canadian Heritage and his secret visit to the United States on behalf of friends of the government, as well as the Pearson saga, which also benefited friends of the government. Whether the government is Liberal or Conservative, the result is invariably the same: the rich benefit at the expense of the poor.

My question is this: If the ethics counsellor were appointed by Parliament and accountable to it, to us elected members, would it help reach the objective of Bill C-43, which is to promote transparency? I wonder if the hon. member could elaborate.

(1545)

The Deputy Speaker: Before giving the floor to the hon. member for Lévis, I should explain that, generally speaking, the Chair seeks to recognize a member from another party to let him or her ask a question, rather than giving the floor to another member from the same party.

Mr. Dubé: Mr. Speaker, we cannot refer to the absence of hon. members in this House, but you are right to point out that, since there are no Liberal members to ask me questions, a question was put to me by our own critic. This is a little unusual, since we are having a debate today. To have a debate, it usually takes two opposing sides to present the pros and cons of a bill. This is the

way it has always been since Greek Antiquity, since the beginning of democracy. True democracy began with debates.

Today, I was able to speak to this bill a little earlier than expected because no member of the Liberal Party wished to speak. And now, after my speech, I have one hon. member from our own side of the House asking me questions. This is a bit surprising.

I would like to take this opportunity to congratulate the hon. member for Berthier—Montcalm for the really remarkable job he has done on this issue.

Some hon. members: Hear, hear.

Mr. Dubé: He wrote the dissenting opinion himself and his document was very carefully thought out. I think what he did was very important—and I am not saying that just to flatter him—but, thanks to his work, we can condemn the Liberal government for taking too much time, in my opinion, to fulfil a promise it made.

Let me come back to the specific question that was put to me: should the ethics counsellor be accountable to the House? I think it would not set a precedent since, as you and I know, Mr. Speaker, the auditor general reports to the House on financial matters relating to the operation of the government. Why should it be different when we deal with ethics, a more technical aspect of the operation of the machinery of government? If there is one thing that can help us restore trust, as proposed in the document, it is the kind of proposal made by the hon. member for Berthier—Montcalm, which would help to improve government operations and especially restore trust.

You may wonder why a sovereigntist who expects to take part in a referendum on Quebec's sovereignty would make recommendations which could apply for the next seven years. This just shows you the non-partisan way the Bloc Québécois is speaking to this bill. We even said to Canada, our future neighbours—because we do like English Canadians—that we all ought to do a really good job in this instance, so that we can pass on to our future neighbours a House of Commons and a machinery of government that are truly open and honest.

Some hon. members: Hear, hear.

[*English*]

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, I appreciate the opportunity to speak on this bill today.

I listened carefully to the hon. member from the Bloc. When he started talking about the non-partisan way that the Bloc was speaking to the bill, I thought I might have to leave the room for fear that lightning would strike through the ceiling at any time. However we are far enough apart that perhaps it would not have affected me.

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I spoke to some amendments to this bill a short time ago and outlined some of the things I felt the bill lacked. The Liberal red book made a promise on which all Liberals ran in the election. That promise basically said that a Liberal government wanted most desperately to return integrity to our political institution and that such integrity had to be restored.

(1550)

That is a heck of a statement and it played well with many Canadians. Canadians had lost much confidence and trust in the way government did business. Canada was in a very sorry state. I know I felt apathy from the electors in my election campaign. The most common comment I heard was: "Listen, I hear what you are saying, but politicians are all the same. Once you get there it is a different world. The deals are made behind closed doors. Going there with a noble cause like Don Quixote is not going to do any good because there is no integrity left in that place in Ottawa".

At the same time the Liberals were saying: "We are going there and if we form the government, we are going to restore integrity".

When Bill C-43, an act to control the activities of lobbyists and people that are influenced by lobbyists first became available my first reaction was that the Liberals were to do something. They were to put some visibility into how lobbyists operate within the confines of ministerial and government offices with all bureaucrats alike.

When I picked up the bill and started reading I had great expectations. I thought that finally the Liberals would fulfil a promise of the red book. I almost said blue book because we have made that same promise. When we become the government next time and address the subject of lobbyists, we will do something far better than Bill C-43.

I looked for things like the establishment of an ethics counsellor. This was a tremendous step. Then I started reading about how the ethics counsellor was to be established and was very surprised to see that the counsellor who was to look into the activities of all members of Parliament—Liberal, Bloc, Reform Party and Independents—was to be chosen and appointed not by the members of Parliament, as one would expect for an independent person, but by the Prime Minister.

I said to myself: "This really doesn't sound right. My understanding of an ethics counsellor, who looks after the dealings of Parliament, the people that work in government, should be someone who would come before the entire House of Commons, present his or her credentials and have the approval of Parliament as a whole". This is not the case.

We have an ethics counsellor who is appointed by the Prime Minister. I do not know but perhaps he is a Liberal. The Prime Minister said it is hard to find anyone in the country who is not a Liberal any more because so many people voted for the Liberal

Party. Therefore one has to assume this independent ethics counsellor could possibly be a Liberal.

I also looked for comfort in the ethics counsellor. Once I found that he would not be independent I looked for some comfort. I thought: "Even though he was chosen by the Prime Minister, perhaps he may have to report to Parliament". I read the bill looking for these key phrases and I found that he does not have to report to Parliament. He reports directly back to the very person who appointed him in the first place. I thought: "This doesn't sound like an independent ethics counsellor". I was really let down from my great expectations of at least restoring some integrity and honesty to the government and to the way things are done in the House.

One of my colleagues put together an amendment that would bring the ethics counsellor into a true position of independence. The amendment said basically that the ethics counsellor would be approved by Parliament as a whole. The ethics counsellor would create a code of ethics under which lobbyists and government people alike would have to operate. The ethics counsellor would also have to report to Parliament. I thought this was a good amendment.

(1555)

My hon. colleague spent a lot of time working on this amendment. I was very surprised to see it defeated by the Liberal government, the same government that in the red book said it wanted to return some integrity to government. If its promises could be believed why would it reject an amendment that really created a truly independent ethics counsellor?

I read on a little further and I realized that it was almost like when my wife sets out to make bread. If she uses all the other ingredients but forgets to put some yeast in the dough, we do not have much of a loaf of bread by the time it is cooked. It is very flat. That is what has happened to this bill. It has no yeast in it. It does not have the essential ingredients that will send a clear message to the people of Canada and to the members of other parties that the Liberal government is serious about returning integrity and honesty to government.

When I spoke last week I said, and I may have surprised some of my colleagues, that I do not have too much of a problem personally with the job lobbyists do around here. I know what the game is all about. They are basically marketing people who come to Ottawa on behalf of companies or special interest groups to try to sell their client's point of view to government. It is a job. If they do it well they are very successful. I do not have any problem with someone making a living in the marketing business, lobbyist or otherwise.

I really do have a problem with people in government who are in positions of trust, in positions of power, in positions of influence and how they react to lobbyists. In my opinion it is not so much the lobbyists that the ethics counsellor should be

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concerned with. He or she should be concerned with the people in government.

Without the structure in place, without the independence that the ethics counsellor could freely operate under, basically that person's hands are tied. There is no way that person is going to have independence when it is a personal appointment by the Prime Minister, where the position is not approved by the House of Commons as a whole and where the ethics counsellor would not have to report back to Parliament.

Some instances have come up during this Parliament, some most recently where an independent ethics counsellor could answer questions that are on the minds of the Canadian people. I would like to talk about two of the most recent ones which just came to light the other day about the grant to the port of Belledune.

About two weeks ago the Minister of Transport said to the press very plainly that there would be not one red cent of government grant money going to the port of Belledune as long as he was the Minister of Transport. He said: "I wouldn't even give a dime in grant money for the port of Saint John". That was two weeks ago.

A couple of days ago we found that in fact the Minister of Transport from his own department is granting about \$4.5 million to this port project and another \$1.5 million is apparently coming from some other department. In that two-week period something happened to facilitate this complete turnaround in the mind of the Minister of Transport. What was that? I suggest someone possibly lobbied the Minister of Transport. When a minister of his stature does a complete turn around in two weeks, I am sure there are a lot of people in the maritimes wondering what happened; he said one thing and then two weeks later said another thing, totally opposite.

(1600)

That question in the minds of Canadians and in the minds of a lot of members could be answered if we had a true ethics counsellor who represented all members of Parliament. He would be independent to look at that.

As a private member I could go to the ethics counsellor and present a written inquiry: "I am concerned about this. Why did the Minister of Transport say two weeks ago he would give no grant money and then two weeks later he said he would, to the tune of \$6 million?"

This is a small amount compared with some others. We can talk about the highways project involving the minister of public works. It appears there was some backroom dealing and now the minister of public works is being questioned about possibly influencing the diversion of some funds allotted to one project

over another area of the province. These are questions people of New Brunswick and Nova Scotia have. They are asking: "What happened here? The minister of public works said one thing and now he does another thing".

If we had an independent ethics counsellor then private members from all parties in the House would have the freedom to receive inquiries from everywhere in Canada about what government bureaucracy is doing, what ministers are doing, what any other representative of the government is doing with tax dollars, why they are making these decisions. We do not have that freedom now. If integrity, honesty and visibility are ever to be restored to the House then we must have it.

Some parts of the bill I thought were reasonably positive; the part which increases the disclosure requirements for lobbyists, especially to tier two in-house lobbyist. As I have said before, I do not have as much of a problem with lobbyists as some of my colleagues have. I have more problem with the government, but that is a positive.

The bill talks about lobbyists whose clients are coalitions and will have disclose the membership of the coalition. Finally the Canadian people should have the opportunity to see what special interest groups are lobbying the government for special favours or more money.

The bill will add government funding and the subject matter of lobbying proposal to disclosure requirements. That is a good part of the bill. It extends the statute of limitations for investigations from six months to two years. Those are all good things.

All of the good parts of the bill are negated because there is no independence in any type of inquiry that could result from an incident. I listed the positives and I used a very short part of the page to list the negatives. Surprisingly enough it was quite a bit longer. I am sure my colleagues came up with the same results.

I want to talk about some of the negatives. This bill classifies lobbyists not on what they do but whom they work for. Lobbyists should be defined by their activities, not their employers. Who employs them is really of no consequence. The focus should be on what they are doing on the Hill.

In our opinion all professional lobbyists should be treated the same. The red book promises recommendations from the 1992 unanimous Holtmann report would be implemented by the Liberal government. Removal of the tiers was an explicit Holtmann report recommendation. This has not been done.

(1605)

A lobbyist is defined as someone who lobbies as a significant part of their duties. John Turner, who may only lobby two or three times a year, can make the case that this is not a significant part of his duties, but what he does may have a significant

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impact on government. He may be able to have a significant impact on decision making.

We have many cases in which questions have arisen in the House about the activities of government which simply cannot be answered because we do not have a mechanism by which to have an independent inquiry into those questions. Recently we have talked about the direct to home satellite episode. We have talked, as we did today in the House, about the Seagram episode. We have talked about the Pearson episode and now we are having a public inquiry into it. That is good, but a public inquiry may have been averted if we had a position in the House where an independent inquiry could have been made by someone designated by all members of the House.

Probably one of the more questionable policies the government has undertaken is the infamous credit card infrastructure program. We spent day after day as Reformers telling the Canadian people about some of the incredible projects in the infrastructure program. My colleague from Calgary talked about the expensive box seats at the Calgary Saddledome. Could one suspect there was some lobbying done in that instance? What kind of conversations went on behind closed doors? We could even talk about the situation in the Prime Minister's riding of the now infamous canoe hall of fame.

The list goes on and on. One could stand here for a full 20 minutes to bring up circumstances or happenings which have raised questions in the minds of the Canadian people as to how the government does business, why these decisions were made, exactly who were the lobbyists who did the influencing and how much influence they had on government officials who were placed in a position of trust.

There are three words which sum up what Canadian people are looking for in the House not being addressed by this bill: accountability, legitimacy and autonomy: accountability of MPs, ministers and people in positions of trust in government, accountability for their decisions and how they use taxpayers' money, and how they make decisions which influence the society in which we live and the morality of the country; legitimacy in the operation of Parliament. People want to see their members representing them in a responsible and legitimate fashion. With respect to autonomy, I speak of the autonomy of an ethics counsellor. It is imperative to the position. Unfortunately in Bill C-43 these three words and what they mean are missing.

Government members stood on many soapboxes during the campaign and promised the people they were speaking to that a Liberal government would bring honesty, integrity and accountability back to Parliament. If they truly believe Bill C-43 is a step in that direction, they have sadly missed the mark.

I am very disappointed our very commonsensical amendments to the bill were not accepted by the Liberal Party. They

were defeated. We will continue to speak about accountability, honesty and integrity in the House until the government gets the message. I hope it does some day.

(1610)

Reformers like to believe we have brought honesty to Parliament. I cannot support Bill C-43 because the essential ingredients to make it a good bill are simply not there.

[*Translation*]

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, I share the view expressed by the member of the third party in this House that, to restore the integrity of our democratic institutions, the government has to stop making empty promises that mislead the public. I think that, as the member mentioned, the commitments made by the Liberal Party in its red book and what it is doing now as a government indicate clearly that, once again, we have a government that is constantly misleading the public with regard to certain commitments it made in the past and to the legislation it is introducing to supposedly honour these commitments.

It is not often that I have a chance to say this, but I agree with some of the things that the member said concerning the legislation itself. I understand that he was surprised to see some things in this bill that appeared to be good at first glance. If there is one thing that this government is to be given credit for, it is its ability to hide almost everything it does behind a smoke screen. It gives the impression that it is doing something, which is fairly important for a government. We have to recognize that it is one of this government's strengths. However, once we get through the smoke screen, we realize immediately that there is absolutely nothing behind it, and that is just awful.

The member mentioned this a few moments ago when he said that he was surprised to find in this bill some elements which seemed good at first glance but which, after a closer look, turned out to be just terrible. One example he gave, and rightly so, is the ethics counsellor. Yes, Mr. Speaker, it is a good thing to have an ethics counsellor. Yes, it is important. Yes, it is important to have investigations. That is what we see in Bill C-43. Yes, it is important to have some kind of report on these investigations. That is what the government is saying. But when we look closely at what is in the bill, we can see that the ethics counsellor is appointed by the Prime Minister, that his investigations are secret and that he will be only required to prepare a report including his findings, his conclusions and the reasons for his conclusions. That is all the proof we are going to have that he has done his job.

If that is not a smoke screen, then I do not know what it is. The Liberals say one thing and do the opposite. They want to be transparent, but there is no transparency in Bill C-43. They want to give credibility to their government, but Bill C-43 will certainly not do the trick. When will they listen to the opposition's demands? This is serious. The official opposition and the

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third party moved more than 60 amendments to achieve the desired transparency. Sixty times, the government said no to transparency and no to integrity when we were just trying to help it stick to the promises it made during the election campaign.

I will conclude by asking a question of the hon. member, because I think that he has a very good understanding of the problems with Bill C-43. I now want to get back to the ethics counsellor. Let us suppose that that counsellor is appointed by Parliament and that his or her inquiry report on a specific case, for example the Pearson contract, if it were still an issue, contained not only conclusions, but also the rationale leading to these conclusions. Does the hon. member think that that would give us the transparency that Bill C-43 is supposed to bring to the system?

(1615)

[English]

Mr. Harris: Mr. Speaker, I appreciate the hon. member's concurrence with my remarks.

In order to obtain the integrity of this House and the transparency and the visibility the Canadian people are looking for one has to have a truly independent ethics counsellor.

Perhaps I can give this example. It is almost like two baseball teams playing a game of baseball. If the umpire is chosen by both teams to be independent then it is a fine game. However, if the umpire is chosen by only one team then how can the other team have any confidence that it will be a fair game?

That is what the Canadian people are saying. How do they have any confidence in what is happening in government when all the rules are determined by the Liberal government and the opposition party and the Reform Party do not have input into some very fundamental elements of fairness and integrity in the House?

The Liberals may say they are the government, they have a majority, a majority of the people voted for them. That is fine, but I would like to remind the Liberal Party that there were several million other people in Canada who did not vote for them, and they are looking very closely at what this government is doing. If the Liberal government wants to try to swing their vote the next time, they are looking for the government to give them some message and some reason to vote for them again.

If the Liberal government carries on the way it has been, not fulfilling its promises, even a good majority of its supporters, those who voted for it the last time, will become disillusioned with the fact that the Liberal government has no more intention

of delivering visibility in the way it operates than the previous Tory government had.

I hope to remind the Liberal government of what happened to the previous Tory government when it did all its business behind closed doors. That should be a good lesson for this government.

[Translation]

Mr. Jean-Paul Marchand (Québec-Est, BQ): Mr. Speaker, I am pleased that my turn has come to speak to Bill C-43. For those who just arrived and those who, maybe, have just tuned in, I would like to say that Bill C-43 is a bill which the government has tabled to regulate lobbyists on Parliament Hill.

Lobbyists are individuals or associations who represent private interests. There are all kinds of lobbyists. Some represent legitimate associations, such as the Canadian Association of Firefighters, farmers, etc. But there are also more worrisome lobbyists who try to influence the government for the benefit of private interests. Sometimes, these interests do not serve the general public interest, and often represent unjust causes.

This is what the Canadian public is concerned about. We have known for a very long time, maybe a decade or more, that the general public wants lobbying activities to be regulated to make them more transparent, to bring out in the open what exactly it is that lobbyists do. The public is concerned because it knows that the work of lobbyists often leads to abuses of authority. We saw this very recently in a series of troubling cases.

For example, there is the case of the Pearson airport contract. It was mentioned during debate. This was a contract prepared by Conservative and Liberal lobbyists which amounted to hundreds of millions of dollars. We still do not have all the facts on this matter. However, the Conservative Senate decided, today, to appoint a commission of inquiry into this use of lobbying.

(1620)

There was also a second case, one which clearly shows how lobbying can vary considerably, the case of bovine somatotropin or BST. This substance is a hormone produced by Monsanto, a pharmaceutical company which wants to introduce BST in Canada to increase milk production. Well, the Monsanto lobbyists managed to influence Health Canada, they even bribed Health Canada officials, so much so that, even though the industry disagrees and the population disagrees, Canada will soon have milk produced through the use of BST. This is the result of a disturbing kind of lobbying.

There was also the case of the Minister of Canadian Heritage who tried to exert influence on an agency under his responsibility. He interceded directly on behalf of one of his constituents.

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Really, Bill C-43 on lobbying raises questions of fairness, justice and transparency. It has been said over and over again, we want a bill that would really regulate lobbying because we know there were cases of abuse of power and that colossal sums of money can be taken out of the system for the benefit of some special interests.

This is what Canadians are concerned about. As you know, we have a weakened bill here. At first, what was proposed with Bill C-43 was legislation that had teeth, that members of the opposition could have approved.

The government could have presented a bill offering more transparency in such cases. What happened is that lobbyists themselves intervened in the development of this bill to water it down and weaken it to the point that the bill we are dealing with today is no better than the previous act. It is indeed all smoke and mirrors. As far as control and openness with regard to lobbyists is concerned the situation has not really changed, as evidenced by the government's refusal to put into Bill C-43 the provisions we recommended with regard to the ethics counsellor.

Currently, there is an ethics counsellor appointed by the Prime Minister and that he can consult if he wants. But as we know very well, in the instances I just mentioned, despite abuse of power and disturbing cases of lobbying, the Prime Minister did not consult his ethics counsellor. We know it because he admitted it himself.

So, we now have an ethics counsellor, but the House of Commons cannot turn to him, because the Prime Minister has him in his pocket, so to speak.

We would like to see in the bill a clause providing that the ethics counsellor be appointed by the House and report directly to the House. In that way, the ethics counsellor would be independent enough to intervene in the issues and settle them and would be empowered to investigate even if it means bringing proceedings against lobbyists or people abusing their power.

I think that in this case, the essential condition for a strong piece of legislation that has teeth and that will be respected, is to have an ethics counsellor appointed by the House and reporting directly to the House, and operating sufficiently at arm's length, like the auditor general, to settle issues.

(1625)

We make that request because there are issues we would like the ethics counsellor to be able to decide. An example would be the whole question of conflicts of interest which has been under discussion for several weeks concerning direct-to-home television broadcasting. This is a case of lobbying that is particularly interesting and even quite disturbing.

You are familiar with that case, but, for the sake of those who are not, let me outline the particulars of the incident we have been dealing with for a couple of weeks. A wholly Canadian

company called Expressvu Inc. managed to get the direct television broadcasting contract. Direct broadcasting means programs are transmitted directly by satellite and not through cable companies. Expressvu complied with the rules of the CRTC and its bid got CRTC approval. The whole process had begun several months earlier.

Just when the decision was about to be made in favour of Expressvu, a new company called Power DirecTv came into the picture at the last minute and managed to have the CRTC decision overturned so as to get at least part of that market. We all know that Power DirecTv belongs to the son-in-law of the Prime Minister of Canada.

That is what I call patronage. It is hard to imagine that, in such a case, a private company could act so quickly to set up a network of influences in order to have a CRTC decision overturned by the federal cabinet. That takes some doing. It takes some clout to get the consensus needed in the federal cabinet to overturn a proper decision by the CRTC. This is the first and only time in the history of the CRTC that such a thing has happened. It is really incredible. All this just to further the interests of a fully private corporation chaired by the Prime Minister's son-in-law.

It is really incredible. It takes some clout to do that. That is some kind of lobbying. One might even say that the Liberal government is lobbying for Power Corporation. It is a known fact that Power Corporation has certain ties in Canada. Its network of influences was active throughout the federal government and even put pressure on the very top, the cabinet, in order to have the CRTC decision overturned, a first in the history of the CRTC, all in the interest of a private company which wields a great deal of clout.

(1630)

In fact, as I said before, one wonders whether the Liberal government was perhaps lobbying for Power Corporation, because the process to promote Power DirecTv included appointing a panel of three former deputy ministers, all friends of Power Corporation and of Mr. Goldenberg, an adviser to the Prime Minister. We know that Michael Pitfield, the senator and former Clerk of the Privy Council, is also a vice-president of Power Corporation. Many of those involved are very, very close to the Prime Minister. They are almost part of a family. In fact, they are family.

So all this raises a number of questions. How did they manage to reverse a decision so quickly, to influence cabinet? Meanwhile, and this is what I find so amazing, they managed to give the impression that the Prime Minister himself was not involved in this decision. That takes some doing.

They managed to give that impression, despite the fact that he was surrounded by friends, neighbours, a son-in-law, former colleagues, and so forth, and they managed to reverse the CRTC's decision. They brazenly claimed that the Prime Minister himself was not involved in this decision, but that is inconceivable. We understand how this could happen when we

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realize that Mr. Desmarais, the head of Power Corporation, is a very powerful man in this country. So powerful that he is able to use cabinet to further his own interests and, on top of that, he manages to control the media. That is what he did. He controlled the media. He controlled public opinion in Canada. That is quite a feat.

Normally, if Mr. Desmarais had not been the kind of man he is, if this had been a normal case, once this conspiracy, this massive lobbying on the part of the government in favour of Power Corporation was revealed, the headlines of newspapers across the country would have screamed "Nepotism, Nepotism". The Prime Minister is giving preferential treatment to his son-in-law's company. That is obvious.

The long and the short of it is that, Mr. Desmarais owns the newspaper *La Presse* in Montreal. He is very close to Conrad Black, who controls nearly all newspapers in Quebec. They both have a major interest in Southam News across Canada, which controls *L'Actualité* and *Maclean's*. Now that is power.

This man and his organization, Power Corporation, this is more than a lobby, this goes beyond lobbying. It is a superlobby. Not only did it reverse a CRTC decision, but it also swayed Cabinet in favour of one of Power Corporation's subsidiaries and used the press to influence public opinion.

Why has this case been dropped? After, all it is extremely disquieting. In my opinion, this is reminiscent of the family compact era, which in the 19th century was so damaging for the interests of the state. A few families who controlled money, power and trade were intimately linked with the politicians in power. It caused, as we know, rebellions in both Upper and Lower Canada.

(1635)

I do not mean to say by this that the issue will spark a rebellion because, obviously, we have come a long way since then. We are a very democratic country, but in essence, we have remained a family compact. It is the family compact revisited. This incident with Power DirecTv is a case in point that the family compact is coming back.

And now, I come back to this doubt, to this suspicion that Power Corporation manipulated public opinion in order to distance the Prime Minister from a decision which has turned out so favourably for a company held by his son-in-law. Who in this country could doubt that the Prime Minister was unaware of this ploy? Legitimately and reasonably we have to assume he was involved even though in the House he has said he did not comment in Cabinet on this matter.

However, that Saturday night, at the home of Paul Desmarais, his daughter's father-in-law, he could have easily discussed it.

Do you not agree with me, Mr. Speaker? He could easily have talked it over with his senior adviser, Mr. Goldenberg. Just as he could have spoken to Michael Pitfield or his buddies, there are so many of them. Can we for a moment think that the Prime Minister was not familiar with this matter? Impossible.

I contend that it is definitely a question of honour for the Prime Minister to obtain a decision in favour of Power DirecTv. It is a question of honour, of power and of fine politicking. This is politics at its highest and finest level. We know that all politicians want power. Supreme power is having the ability to do whatever one wants and to be totally above suspicion.

It is a matter of degree of corruption, in fact, because this is a case of corruption. We must not fool ourselves. It is a sign of extraordinary power when you can reach such a level of corruption and be totally above suspicion. For the Prime Minister it is a question of honour. The Prime Minister cannot not know about this matter. He was surely aware of everything that was happening.

He used all his power so that it would pass, because he could not say to his daughter: "My dear, your husband cannot have a favourable decision. We cannot overturn the decision of the CRTC". He could not say such a thing to his daughter or to his son-in-law. The honourable thing would have been for him to say: "My son-in-law, you will have it. Not only will you have it, but no one will suspect that I tipped the balance in your favour". And this is what he did.

How could he live with himself as Prime Minister, honourable and powerful as he is, if he had failed to grant this favour to his son-in-law? I close by saying that this is lobbying at its finest. This one more reason, one of many, why we need clear and very strong legislation and why we should certainly improve Bill C-43.

(1640)

[English]

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, I enjoyed the presentation of my colleague from the Bloc. I was particularly intrigued with the examples he used of actual blatant lobbying or presumed lobbying, but we do not for sure.

I have to underline what he said in the sense that the process being produced as a result of Bill C-43 falls completely short of having the ability to assure Canadians there is nothing wrong when nothing is wrong. In other words, if there is something wrong here we should have an ethics counsellor who would have total freedom to investigate and so declare it. If there is nothing wrong he should have total freedom and independence so he would be believable. Both these elements are missing in the bill.

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It is so important when we talk about Bill C-43 that we also talk about the openness and accountability provided in it and the potential missed by the things not disclosed.

One of the elements that is a source of great annoyance and suspicion to Canadians is lobbyists very often are trading on previous attachments and previous connections.

I would like the member to comment on that aspect of it, whether lobbyists if they are to be required to register should also be required to indicate their previous political work, their political connections, and whether they should be required to indicate things like substantial donations to political parties. That would increase the openness and I suppose it would do a great deal to introduce a self-policing effect to the whole process.

[*Translation*]

Mr. Marchand: Mr. Speaker, I thank my hon. colleague for his question. The answer is obvious. Of course, we would like to introduce every possible amendment to give more teeth to Bill C-43, which has lost quite a few since it was introduced. We want this bill to be stronger, and every bit of information regarding lobbyists should be disclosed, including their donations to political parties and their political affiliation. All the information should be provided to ensure greater transparency. I justify this disclosure requirement simply because when lobbyists are subject to no controls, no restrictions, obviously this leads to all sorts of abuses.

It is sure, for instance, that if we cannot have an independent ethics counsellor, a counsellor appointed by the House rather than by the Prime Minister, this really puts the value of this bill and the lobbying on Parliament Hill into question. It proves that the general public is right to be seriously concerned about lobbying. Again, the worst of it all is that it affects us personally as politicians because it casts doubt on us. Introducing a bill like Bill C-43 regarding lobbyists brings our political integrity into question because, as politicians, we know that there is corruption and abuse of power in those circles. The fact is that we are in a position to act and pass a bill that would have teeth, but we are not taking advantage of this possibility.

This brings us into disrepute. The public is perfectly justified in questioning the integrity of politicians because, no matter what people say about politicians, I know that there are certain things that we cannot do, like perform miracles. But in this House we have the possibility and power to make a good bill out of a bill like this one. We could make sure that the ethics counsellor is appointed by the House of Commons, thereby ensuring greater transparency in a matter of great concern to the general public.

(1645)

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): What I find appalling in this is that we have been discussing this

matter for two days, accusing the government of all sorts of things, including a lack of openness, and saying that this bill does not achieve the objective set by the government. We have said that government members are renegeing on their own election promises. We have said all kinds of things in this House but the Liberals listening to us are not saying anything. Silence means consent. They are not saying anything because we are right. This bill is an empty shell and does not do anything to ensure openness.

I will read some of the clauses so that you can understand why the average citizen thinks this bill is a crock.

With respect to the code of conduct, the bill provides that: "The Governor in Council may designate any person as the Ethics Counsellor for the purposes of this Act". The term "governor in council" means the Prime Minister and his team. This piece of legislation will therefore be administered by a friend of the Prime Minister.

According to another clause, the code of conduct—to be developed by a friend of the Prime Minister who will be appointed to the post of ethics counsellor by the Prime Minister—is not a statutory instrument. The government goes to the trouble of indicating in the bill that the code is not a statutory instrument and should not be implemented as such.

Another clause states that: "The investigation shall be conducted in private". This confirms, once again, that we are right in saying that they were not honest in drafting this bill.

According to another clause, "After conducting an investigation, the Ethics Counsellor shall prepare a report of the investigation, including the findings, conclusions and reasons for his conclusions, and submit it to the Registrar General of Canada". Again, this investigation will be conducted secretly and the Prime Minister will receive a nice report, while we will have to make do with the reasons for the conclusions they will condescend to share with us.

I understand why they feel uncomfortable and do not wish to rise in this House to defend this bill. I will use parliamentary language to avoid being censured. I understand why they do not wish to rise. What I do not understand is why, before this bill was tabled in this House, they did not warn their caucus that they were renegeing on their election promises, that the bill did not go far enough. They could have argued that we need transparency because nobody wants to be a member of Parliament anymore. Nobody trusts us any more.

I was a lawyer before I became a member of Parliament. People used to tell me that lawyers had a bad reputation but when I informed them that I wanted to go into politics, they told me, "Are you crazy? It is even worse than being a lawyer".

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This bill gives us an opportunity to increase openness, to improve the reputation of members of Parliament. What did they come up with? A mess. Instead of restoring confidence, they are abusing the trust of Canadian taxpayers, and that is unacceptable.

The Deputy Speaker: Your time has expired. I imagine that the hon. member does not wish to comment.

[*English*]

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 Kamloops—Taxation; the hon. member for Thunder Bay—Atikokan—International Trade.

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, I am pleased to be able to speak to Bill C-43. I thank my colleagues for the intercession. It was amazing and perhaps amusing. I can see that the bill generates a little emotion.

(1650)

Before addressing the specifics of the bill and more specifically the issue of ethics counsellor, I would like to do a little lobbying of my own. This is completely off topic but I know members will understand.

In the years I have sat here there has been nothing more glorious than the stained glass windows of the Chamber in the afternoon sun. I am lobbying on behalf of whoever wants to look at the windows or whoever created them. They are absolutely marvellous, gorgeous. They do not have a whole lot to do with the bill, but they give us a sense of awe.

Those of us elected by the Canadian people have been given a terrific amount of trust. People have entrusted us with virtually everything in terms of laws and legislation that have to do with federal lawmaking. We should be humble and full of awe that somebody chose us. We were the winners of the 1993 election. Those of us on the government benches and those of us on the opposition benches have an incredible responsibility to the people who elected us to try to do the best job we could.

Someone just before me got very emotional about this matter. For the reasons I will continue to lay out, it is important that whatever we do in this place be seen as important, as fair and as upfront to those in the Canadian public who pay the bills for this place such as the bill for the stained glass windows.

As I look at Bill C-43 I wonder from time to time about things I have heard from the government benches and about things I have seen in the red book about honesty and integrity in government. Canadians are seeking real political change. It is not just a matter of for whom to vote in an election, what they

should do or who should be put on the government benches. They have sent some loud and clear signals. Certainly in the Charlottetown accord debate in 1992 they asked loudly: "What part of no don't you understand?" They said the accord was dead, deader than dead. They wanted politicians to pay attention and listen to what they had to say.

In 1993 they sent some pretty clear signals as well. The governing party was obliterated because people wanted to be able to trust their politicians. They wanted to make them more responsive and more accountable in the entire political system. We cannot continue to sit in Parliament and say it does not matter, that some folk on the outside watch the parliamentary channel but basically do not know what goes on here.

A former Tory colleague said at a public meeting on the Charlottetown accord in Grand Centre, Alberta: "You people just do not understand". As soon as political people, government members or opposition members, say that the people do not understand, we see a father knows best attitude in the country. That is the first sign to beware.

If we think we have all the answers, we think we are giving the people what they want. However it is not what they want if we are not responsive or accountable. Surely the same fate awaits anyone in the House who makes the assumptions the last government did. In fact they are toast. It is a simple as that.

In all probability most of us, as well as all other Canadians, talked about all the things we were to do. As campaigners and as people running for office we said: "We are going to clean up the system. We are going to do politics differently and we are going to do politics better". That is a quote of someone who is no longer here. She promised to do politics in a different way. She did and will be forever remembered.

We in the 35th Parliament have an opportunity to make some changes to the system. We want to make it more open, responsive and accountable. We have put forward several motions and private members' bills designed to improve the political process and to open up democracy to which we should be paying attention.

Recently we have seen government members being thrown out on their ear from all responsibilities they have. This is not the kind of thing the Canadian public is working toward.

As we look at the bill under lobbying we see more of the same attitude. It is frustrating for me as someone on the opposition side. Many government backbenchers who sat in the last Parliament told the Tories what they were supposed to do, that the system was supposed to be transparent, totally visible. Yet the government is bringing in a bill which seems to be similar to the one of the previous government under Felix Holtmann who chaired a committee and came up with a report.

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(1655)

Let me tell members what it is stated in the red book: "The integrity of government is put into question when there is a perception that the public agenda is set by lobbyists exercising undue influence away from public view". That is absolutely true. I have to agree with that paragraph of the red book. Lobbyists are seen to be the people who are scurrying around Parliament Hill in people's offices wheeling and dealing and making special deals for themselves or the people whom they represent.

Is the public perception about undue influence, cosy relationships, conflict of interest and influence peddling part of the traditional political process? Is it justified? Unfortunately it is because that is the way it has been.

We have seen an incredible population explosion not just with my generation, the baby boomers, but with the lobbyists. They have mushroomed on Parliament Hill. All of us can look at our daybooks to see that a lot of time is filled up by lobbyists coming to visit. I am sure I do not have quite as many coming to see me in my office as perhaps the minister of heritage. Who knows whether they come to his office or whether he goes to theirs? That is immaterial at this point.

Those who recall the pork barrelling and fervent patronage appointments in the final year of Mr. Trudeau's government remember the words of a certain fellow, Mr. Turner, who said: "I had no option". There are all kinds of options open.

What about folks who have read *On the Take*? That is a book I spent some time reading while I was on sick leave. I am not sure if it helped me recuperate or if it made me feel worse. However people will be persuaded when they read these kinds of books. They will wonder how in the world they trusted a person. They put an *x* beside a name and pay his or her wages. We read of this kind of stuff all the time about somebody receiving so many million dollars and somebody else receiving more.

Those people who study and pay attention to the political process with respect to various government pressures on the decision of the CRTC that we have been witnessing are suspicious and will likely be persuaded as further information becomes available.

Public perceptions are justified. These perceptions are true. Something needs to be done, not just to tinker with something to come up with a new bill but really make some serious changes. Can we do anything to remedy the situation, to foster new and more positive perceptions about the integrity of those who govern, about the political process, and about the lobbying industry? Of course there is something we can do.

A thorough and sensible rewrite of the Lobbyists Registration Act could be part of the remedy. Will Bill C-43 do the job? I do not think it will because there are some gaping holes in it. I would like to refer to a couple of them.

The first hole concerns the ethics counsellor and the lobbyists' code of conduct. The most important component in the process to regulate and control the lobbying industry will be the ethics counsellor. The individual appointed must be highly respected. He or she must carry the confidence of the public that watches all that goes on and pays the bills, as well as the confidence of the House. The ethics counsellor must be powerful with respect to investigative and reporting powers. Most important, the ethics counsellor must have a high degree of independence or autonomy.

In theory that is the way it ought to be. I suspect everyone in the House would agree and everyone watching or reading about it in the newspapers would agree. I am sure they would say that makes sense. In reality that is not the freedom or the autonomy the person will actually receive.

During the last election the Liberals clearly recognized the need to reform the practice of lobbying in Canada. We have heard about it for a long time. Chapter 6 of the red book is the most sensible chapter in the book. We need to see the government act on it. Nothing in the chapter calls for more money, which is refreshing. It was a pleasure to read it because it did not call for a lot of extra cash. Liberals and more cash seem to be synonymous terms. All they are really asking for and all we are asking them to act on is responsive responsible government.

Moreover they recognized the significance of the ethics counsellor to the reform of the practice of lobbying. Let me quote a couple of phrases in chapter 6: "A Liberal government will appoint an independent ethics counsellor to advise both public officials and lobbyists". This is a great idea. It looks terrific. I am sure the Bloc would agree that it is a great idea. I am sure Liberal members, both cabinet and backbenchers, would say: "What a terrific idea. It is in the red book. We agree with it, yes, but what happened? There is just that one little word in there, independent".

(1700)

Mr. Speaker, you and I have seen what has gone on in the last months on TV or in the scrum outside the House. The ethics counsellor was brought in on a couple of things and was virtually muted. That is really unfortunate. It gives him kind of a bad name, poor soul.

I remember when he said: "I cannot really remember the Prime Minister asking me about that," and "I am not really sure I was given the absolute independence to make comments on that". If you are going to make someone independent, then do it. If you are going to give a teenager the right to be independent or to use your car or whatever, then you have to hand over the reins and let him run with it.

Someone gave me a poster which reads: There are two gifts we can give our children; one is roots and the other is wings. If we are going to tell our own children that we have given them the grounding, the roots, that we have established them and it may

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be scary but they are on their own when they head off to university, then that is what we have to do for them.

It is also what we have to do for the ethics counsellor. If we have committed to him that he is going to be an independent ethics counsellor, then we have to tell him that we are not tying him to a chain demanding that if he says something we do not like that we are going to yank the chain and bring him back. He must be given that independent authority.

Further on in the red book it says that the ethics counsellor will report directly to Parliament. That would be wonderful and is something that is long overdue. I suspect many Liberal backbenchers and the rat pack particularly were demanding for years that the ethics counsellor report to Parliament so that there would be some teeth to this autonomy.

What do they say now? The report will be to the Prime Minister, cabinet, whomever as long as it is a very small group and it does not come to all of Parliament or is not broadcast on the national news.

There are two essential factors in developing the position of the ethics counsellor. That person would be independent and would report directly to Parliament. Unfortunately this bill does not address those or make sure that those criteria are followed.

It leads me to the question: Why did the Liberals change their minds when they became government? Frankly, what was said in the red book was pretty good. What they did does not add up to what they said in the red book. Do we call this another broken promise? I guess so. There are probably no other options but to call it that.

If I am campaigning and I make a promise, I had better keep it otherwise it is called only one thing and that is a broken promise. Nobody in this country needs any more broken promises from politicians. That is the way it has to be. The only option left to us is that we give people the option of saying: "Yes, I trust you. Yes, I voted for you and yes, you are somebody who said what you were going to do and then did it". We would go a long way in making sure that this bill was going to have some teeth in it if we made those changes.

Why does the government not wish the ethics counsellor to report directly to Parliament? Are we that scary? I hardly think so. We have been given a mandate from the people to be able to scrutinize some of these things. Our being allowed to say that we want to look at something and the ethics counsellor is going to report directly to Parliament is what needs to happen. These things need to be given a full and free airing here on the floor of the House of Commons, not in the cabinet room.

What kind of backsliding is this for a party that talked about governing with integrity? What degree of independence will this ethics counsellor have when required to report to a cabinet minister and held accountable to the Prime Minister? Is this scary? I hardly think so, when he is appointed by the Prime Minister and then has to report to the Prime Minister.

Nothing could be better and nothing could be healthier than reporting to Parliament. If there is something the government needs to be attacked on—I do not like to use that word—but held accountable for, then do it. If there is a problem in a relationship, nothing is healthier than to sit down and talk about it. That is the best thing to do.

If the ethics counsellor were to report to all of Parliament and held accountable to it, then government members may say: "Whoa, we made a mistake". There is nothing wrong with saying: "We have made a mistake". Absolutely nothing. There is no shame in anyone standing up to say: "Hey, I screwed up here. I made a mistake. Please understand. Please forgive me".

(1705)

My testing ground was in front of a grade 8 classroom. It was the best thing that could have ever prepared me for Parliament. I learned that you better not say: "Here is the answer," and then just launch off on some course you know nothing about and cannot defend but will pretend that you know all about it to those kids. It simply does not work. All of us here should know that by now. If you do not know the answer, say so.

At town hall meetings I get asked all kinds of questions and frankly sometimes I do not have a clue about the answer. I say: "I am really sorry. I cannot tell you the answer but I can probably find it for you. Give me your name, address and phone number and I will get back to you with that information". It is better to do that rather than to look like the quintessential politician who just ravel on for 20 minutes not knowing what you are saying, what you mean and having a whole crowd know that you are simply filling in time. Frankly, you look like an idiot.

It would be best if we said: "Let the person have independence. Let the person report back to Parliament and let us not just fool our way through these kinds of things".

There is no shame in saying: "I made a mistake". If we do something wrong, people will respect us so much more if we just say: "Look, I messed up here. Please understand. Tell me the right answer or give me suggestions".

The government has said from time to time: "Please, you on the opposition benches, give us your suggestions". We do give suggestions but we are just mocked and scorned and made fun of.

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I think of my friend, the finance minister. I have a lot of respect for the finance minister. Maybe we do not agree on policy certainly. Surely to heaven if we have some of the best economic minds in the country, like the hon. member for Capilano—Howe Sound who is internationally renowned, why then can we not put forward a couple of proposals? We go into question period and somebody makes fun of them. It does not accomplish anything. People say: “Here they go again. It is just the political hoop-la of question period”.

Let us work together. Surely it does not need to be this partisan. Let us make sure that we can serve the ethics counsellor and he can serve us. There are all kinds of things he could be requested to look into on our behalf that would make things better for us and for the Canadian public. They would feel like they were getting their money’s worth in that kind of situation. Surely we can do better.

Let me summarize because I have gone on and on. This bill could have done much to improve the political process in this country to make it more open, responsive and accountable as I talked about earlier.

Unfortunately, perhaps there is some pious intention here as decreed in chapter 6 of the red book which the government simply could not live up to. There is no shame in that. Just say: “Hey, we said a lot in chapter 6. If we cannot live up to it, then that is the way it is. It is a broken promise but at least we admit it is a broken promise. We have not gone far enough to make sure that this ethics counsellor is really accountable, that he is independent and that he will report to Parliament”.

Let us make sure that there is no shame lost in a government that would admit that. We know that would refresh the Canadian public beyond the telling of it. I am sure they would applaud as they watched this debate if some substantive changes were made to this bill to make sure that we are not just going along with the political process in the old style.

We are moving toward the next century. Surely we could move our whole political process and the politicians involved in it into a new style of politics as well. Some of us on both sides of the House desperately want to be part of that new political style.

We are encouraging the government to say on this bill: “Come on board. Let us get toward the 21st century. Let us make substantive changes here so that we will be new style politicians”.

Mr. Mac Harb (Parliamentary Secretary to Minister for International Trade, Lib.): Mr. Speaker, at first I thought the member would stand to congratulate the government on its initiative after waiting a number of years for legislation that deals with the whole question of lobbyists. I was somewhat disappointed to see her turning in circles, repeating herself

about 365 times to come back to the beginning and say that she is not happy. I do not know what will make the hon. member happy.

(1710)

I will share this with the member in case she is not aware of what the committee has done so far. There were a number of amendments, a number of good suggestions that were brought forward by members of the committee and they were adopted by the committee.

The bill, along with all of the other good things in it, will now capture grassroots lobbying. In other words, any registered lobbyist who is involved in grassroots lobbying such as letter writing campaigns must disclose this as a communication technique.

Also, the committee felt very strongly that lobbyists should disclose when they are working on a contingency fee basis. This is not in fact prohibited by contracting policy. As well, from now on informational lobbying will be made easily available to Canadians. Industry Canada will put a registry online across Canada through a 1-800 number and on Internet.

I want also to bring to the attention of my colleague that the committee recognized that organization lobbyists and their goals are different. Most, if not all of them, will be subject to semi-annual update. Also, any organization that lobbies government will have to reveal the sources and the amount of any government funding it receives.

I do not know what the beef is in the hon. member’s whole question. Since the government came into power the Prime Minister has appointed an ethics counsellor.

Mr. Stinson: Has appointed.

Mr. Harb: The ethics counsellor will now develop a code of conduct for lobbyists. The committee has ensured that lobbyists will have a legal obligation to comply with the code.

Mr. Penson: To whom does he report?

Mr. Harb: If only our Reform colleagues would have the decency to listen to a voice of reason, but they do not want to listen with how they are going on.

I will finish on this. In keeping with the spirit of increased powers for members of Parliament, the lobbyists’ code of conduct will have to be reviewed by a parliamentary committee before it comes into effect. I want to ask the member—

The Deputy Speaker: The hon. member for Beaver River.

Miss Grey: Mr. Speaker, when he says that I have a beef, the question of course is: Where is the beef? Is this their only one Big Mac in this House? Come on.

I spoke about the ethics counsellor and then I was asked by Big Mac himself about grassroots lobbying, about disclosure, about information lobbying, about semi-annual updates. I am

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talking about the half of the bill that talks about the ethics counsellor; he is talking about the part of the bill that deals specifically with lobbyists. That is fine.

There have been some good moves in the right direction. However, all of this is nothing but fluff if we do not have an ethics counsellor who can monitor this kind of stuff, who can monitor it, who will be independent and who will report to Parliament, not to the Prime Minister.

This is not good. He can talk about all the lobbying stuff in the world and we might talk just briefly in my remarks about tier one and tier two lobbyists. I thought that was kind of sweet because we talk about two-tiered things in health care around here and in that context it is absolutely horrifying. Yet, here we have something where we have two tiers of lobbyists.

Mr. Harper (Simcoe Centre): Three tiers.

Miss Grey: Three tiers. Well there are two with parts a and b. Part one is that there would be consultant lobbyists; that is tier one. Then, tier two, a and b, is that there would be in-house lobbyists, which sounds kind of cosy. We have the in-house lobbyists, which consists of the corporate in-house lobbyists and then we have the in-house lobbyist organizations.

An hon. member: Two tiered pensions too.

Miss Grey: It is sort of like two tiered pensions. It is sort of like two tiered health care. It is sort of like the government should be shedding two tears right now about this kind of stuff.

Let us talk about lobbyists, but let us also talk about the ethics counsellor who is not independent. He reports to the Prime Minister which is hardly anything that has any teeth in it. He does not report to Parliament. He goes to some back office upstairs and says: "Well, Prime Minister, let me tell you about the lobbyists". But who cares and who listens? Let us have it here on the floor of the House of Commons.

Some of the amendments are perhaps noble, but the right amendments were not made. That is the unfortunate part of this bill.

(1715)

[*Translation*]

Mr. Jean-Paul Marchand (Québec-Est, BQ): Mr. Speaker, I truly appreciated the comments made by the hon. member for Beaver River. She is right on when she raises the issue of who the government is listening to regarding this legislation. The government is certainly not listening to its members: it is listening to lobbyists. The government listens to lobbyists even in the case of Bill C-43.

Earlier, the member for Ottawa Centre said that the hon. member for Beaver River was going around in circles. However, at one point, that same member was laughing when she accused

the government of tabling a bill with no substance. It is as though the government is making fun of people by not tabling substantive legislation.

Such substance is not found in the details mentioned by the government member earlier, but in the comments made by the western member when she said that what we need is an independent ethics counsellor. The fact that it is not the case confirms that this government does not really intend to strengthen the legislation and counteract the efforts of lobbyists.

I have a question for the hon. member. Does she not agree that lobbyists are the only ones to whom the government is really paying any attention?

[*English*]

Miss Grey: Mr. Speaker, I suspect they are doing some listening to the lobbyists. Perhaps they are listening to cabinet. Perhaps they are listening to the Prime Minister as well.

I believe there is a deeper issue, a more serious malaise. The whole lobbying industry has mushroomed in the last 20 or 30 years. Something has to be done about it and I do not see the bill as going far enough in the direction to make sure people are not getting away with things, that people are not getting special deals, that they are not convincing the minister of heritage, for instance, to go to Disneyland for lunch; making sure these indiscreet things are not happening. That is what is frustrating about this.

There are many parliamentary secretaries in the House, as well as backbenchers. No matter what they do, because they did not do exactly the right thing by giving those two criteria to the ethics counsellor, this thing will not work. It will not work because it is tinkering with the system. I am sure the lobbyists watching this debate are already lobbying for changes around and tunnels and paths through the whole workings of government, getting themselves into ministers' offices and through the bureaucracy so there can be more money made and stronger ties with cabinet ministers' offices.

Lobbyists by definition are those who lobby government, naturally. They will look at this legislation. I am sure they have studied it already. They will be at the point at which they know exactly what they are after.

Mr. Milliken: Have you ever been lobbied?

Miss Grey: The hon. member for Kingston and the Islands asks if I have every been lobbied. If he had been here for my speech he would have heard that of course we are all lobbied. People will continue to be lobbied all the time. Let us have an ethics counsellor with some teeth to get to the lobbyists who are not doing the right thing. There are no teeth. This is a toothless ethics counsellor. That is most unfortunate and yet that is exactly what will happen. If lobbyists see somebody who has

absolutely no teeth they will gum it all the way to the Prime Minister.

There are things which are seriously wrong but my time is up. I would love to go on as I love this debate but I will sit down now.

[*Translation*]

Mr. Osvaldo Nunez (Bourassa, BQ): Mr. Speaker, I rise today to speak about Bill C-43, an act to amend the Lobbyists Registration Act and to make related amendments to other Acts, which the Minister of Industry tabled on June 16, 1994. The law preceding it took effect in 1989. First of all we must keep in mind that the population has a poor opinion of the government's decision making process.

(1720)

People have lost a lot of their trust in the government. We must, therefore, restore the public's trust and convince the population that the government's decisions are fair and are made on the basis of merit.

Lobbyists, influence peddlars, as some like to call them, have always held a great, and at times even disproportionate, amount of power. In March 1994, there were 944 of them on Parliament Hill. They sometimes work in the shadows and in secrecy; sometimes they are at the centre of influence-peddling; they do not necessarily work in the public interest. The work carried out on Parliament Hill must be made transparent so that the population will understand, for example, what brings the government to make a deal with a person or an organization or what motivated a regulation, a bill, etc.

This bill, although a step in the right direction, is very disappointing for many reasons. Unfortunately, the Liberals rejected all of the amendments that the Bloc Quebecois proposed in committee and in the House to improve it.

The population of today's democratic societies is demanding more and more transparency in the legislative process and in the government's decisions.

Under Bill C-43, lobbyists will have to disclose the specific subject-matter of their activities, the name of the government department or institution they will be lobbying, the communication techniques that will be used and, in certain cases, information about the true beneficiary of the lobbying. They will also have to disclose the names of the legislative proposal, bill, resolution, policy, regulation, subsidy, contribution or any other financial advantage that they are targeting.

The second important element of this bill is that consultant lobbyists, also known as professional lobbyists, will be required to report this information for each new undertaking, each mandate.

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Third, the bill allows lobbyists to file their returns electronically, sets the limitation period for enforcement proceedings at two years and provides for a parliamentary review of the Act in four years.

Finally, the bill provides for the designation of an ethics counsellor who establishes a lobbyists' code of conduct and investigates alleged breaches of it.

Over the years, parliamentarians have seen their role as representatives of the people diminish. Lobbyists, however, have become a powerful force. They manage to obtain direct access to government decision-makers. Today, the main decision-makers in government are senior officials, deputy ministers, ministers and, of course, the Prime Minister.

The United States passed the first law on lobbying several years ago. It was necessary to curb some of the excesses of this profession. The emphasis was on control and disclosure, secret lobbying and pressure behind the scenes. Before immigrating to Canada 21 years ago, I had read and heard about the powerful lobbies acting on behalf of large U.S. corporations.

The Parliament of Canada has reviewed the activities of this profession several times, more specifically in the Cooper Committee's report in 1986 and the Holtmann Committee's report in 1993.

Today, we have paid lobbyists, professional lobbyists and organizations.

(1725)

The bill provides for only two types: consultant lobbyists and in-house lobbyists who work for an organization or a corporation. Consultant lobbyists are independent and contract their services to clients. They will have to file detailed returns on the nature of their clients' interests.

The federal government spends \$160 billion annually. That is a lot of money. We must ensure that public funds are not used to promote the interests of certain individuals who have a close relationship with, or privileged access to, the government, or to promote the interests of individuals or companies that contributed to the campaign fund of the party in power.

The Sub-committee of the Standing Committee on Industry examined this bill and heard many witnesses. I very carefully read the majority and minority reports, and I fully agree with the dissenting report submitted by the Bloc Quebecois.

The business of government must be as transparent as possible, so that public policy reflects the common good of the people and not the interests of powerful lobbies.

[*English*]

Canadians and Quebecers agree on the need to put an end to the confidence crisis in the population regarding their insti-

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tutions. However, after one and a half years in power the Liberal government has not been able to increase its transparency.

In September 1994 the media showed the lobbyists multiplying their meetings with officials before the tabling of Bill C-43 in a last attempt to curb its influence on their activities. Some lobbyists have even threatened to pursue the government if the new law forced them to disclose their political alliances.

In the case of intense lobbying regarding Bill C-43 the lack of transparency had prevented the population and parliamentarians to know the scope and the nature of lobbyists' actions. It was a strange situation; the lobbyists succeeded in influencing the very bill which was to limit their own influence. Considering these facts, the need for transparency has never been more evident.

[*Translation*]

This having been said, I acknowledge that this bill contains a number of improvements to the system regulating lobbyists. However, we have to recognize that the commitments in the Liberal Party's red book are considerably watered down in this legislative text, which could not prevent troubling events such as those surrounding the privatization of the Pearson International Airport in Toronto.

The government finally agreed yesterday with considerable reticence to having a Senate committee investigate this dubious transaction. However, I doubt that this committee controlled by the Conservatives and the Liberals will clarify the situation entirely, since both parties were involved in this matter. It is interesting to note that Fred Doucet, a former executive assistant to Prime Minister Brian Mulroney, received \$2 million as a lobbyist in this transaction.

On May 16, 1994, I had occasion, during a debate on Bill C-22, to denounce the privatization of terminals 1 and 2 of this very profitable airport by the Conservative government, just two weeks prior to the 1993 federal election. It was a scandalous contract with all the appearances of the political patronage and manipulation that characterizes the end of a government's term of office. Even Mr. Nixon, whom Mr. Chrétien appointed to investigate the matter, said that the public was entitled to know all the details of the agreement.

Mr. Speaker, I request unanimous consent to continue my speech.

The Deputy Speaker: Is there unanimous consent to allow the member five more minutes?

Some hon. members: Agreed.

Mr. Nunez: I thank all my hon. colleagues. The Bloc Quebecois had called for a royal commission of inquiry into one of the greatest scandals of Canadian public life; the Liberal government refused.

Bill C-43 shows the government's considerable lack of courage to regulate the activities of lobbyists. We should not be shy or timid in this issue because what is at stake is the integrity of our democratic institutions and people's trust in their leaders. There should be no compromise. Last June, the Prime Minister said that measures promoting transparency, including Bill C-43, would give the federal government unprecedented transparency. Unfortunately, this is not the case.

I would like to salute the labour movement for its excellent contribution to this debate. The Canadian Labour Congress, on behalf of its affiliated unions and the FTQ, representing 2.1 million members, presented a good brief on this issue to the sub-committee on industry. It was signed by Robert White, president, Dick Martin, secretary-treasurer, and Nancy Riche and Jean-Claude Parrot, executive vice-presidents. They maintain that banning lobbying, even if it was possible, is not the solution. A way must be found to ensure that the government's decisions are never "bought" and that they never appear to be the result of lobbying.

Unions themselves lobby in favour of their membership. But unlike professional lobbyists, the labour movement has never hidden what it expects from the government. As a matter of fact, instead of hiding its views, it tries to make them as well known as possible. This has nothing to do with individuals or corporations trying to use their connections to open doors for others for a fee.

The CLC does not dispute the provisions in Bill C-43 which require labour organizations to register as organizations, not as individuals. It is willing to submit a detailed annual report providing information on its lobbying activities: legislative proposals, bills, resolutions, regulations, policies, programs, grants, contributions and other fiscal privileges.

One example is unemployment insurance. The labour movement is critically interested in this question, especially at a time when the government is trying to dismantle the system which is supposed to protect workers when they lose their jobs.

Bill C-43 deals mostly with the individual or the organization which lobbies the government, but the behaviour of government officials is also very important. We should widen the scope of the Criminal Code provisions to prohibit the offer of money, gifts or other advantages to a senior official or any employee, with the intent of influencing his or her decision.

The time limits stated in the conflict of interest and post-employment code for public office holders should be longer.

The rules applicable to lobbying should be effective and well known. For that we have to ensure that the people have access to information, without geographical or financial barriers. Therefore, all the data should be available in all public libraries.

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To conclude, I believe that we have to restrict the activities of lobbyists in order to bring about a greater openness in the decision making process of the government, and in order to avoid that the wealthiest enjoy better access to decision makers through lobbyists.

The Deputy Speaker: If he wishes, the hon. member will be able to speak for ten minutes next time.

Mr. Milliken: In view of the excellent co-operation, I wonder whether it would not be possible to dispose of this bill now. I think that the debate is over.

The Deputy Speaker: There is still a ten minute question and comment period. Is there unanimous consent to continue with this bill and to proceed with the division on this question? Is the debate over?

Mr. Bellehumeur: No.

[*English*]

The Deputy Speaker: It being 5.30 p.m., the House will now proceed to the consideration of Private Members' Business.

PRIVATE MEMBERS' BUSINESS

[*Translation*]

FUNDING FOR CULTURAL ORGANIZATIONS

Mr. Louis Plamondon (Richelieu, BQ) moved:

That, in the opinion of this House, the government should consider funding cultural organizations on a multi-year basis in order to promote their stability.

He said: Mr. Speaker, Motion M-213 which I tabled and which was voted on deals with the funding of government organizations, particularly Telefilm Canada, the National Film Board and the Canadian Broadcasting Corporation. We know the dilemma of these organizations, which do not know what their budget will be from year to year. For a long time, they have been asking funding on a multi-year basis.

It is almost ridiculous to have to beg the government for this, especially because, when it was in the opposition, it had requested it, and, during the election campaign, it undertook to follow through with this in its red book. It had even defended the very existence of these organizations. Is it a known fact that the government drafts its budget for one year and that associations draft theirs for two or three years; it is therefore understandable that these organizations would want to enjoy the same rights and to have the opportunity to draft their budgets based on multi-year funding.

Therefore, this motion asks the government to thoroughly reflect on this today and to undertake to acquiesce to these organizations' request, that is, multi-year funding with a guarantee of no cuts.

Let me say that the motion tabled today was based on misgivings. Drafted last January, even before the cuts in the last federal budget were announced, the motion was based on the suspicion that the finance minister intended to deeply cut the budgets of national cultural organizations and mainly, as I said earlier, the CBC, Telefilm Canada and the National Film Board.

On February 27, a dark day for Canadians, we learned that the budgets of the CBC, Telefilm Canada and the National Film Board would be cut by 4, 4 and 5 per cent respectively in the next fiscal year.

In the case of the CBC, this means, according to various interpretations we received during the last months, a cut of \$44 million in 1995-96. According to information given by Tony Manera, its former chairman, the CBC will lose \$350 million during the next three years. This is no longer a weight loss diet, this is a shock treatment.

When he was appointed, Mr. Manera was promised a fixed budget for the coming years, after the dramatic cuts the CBC had gone through under the Conservatives.

(1740)

We can see that things have a habit of never changing. Liberal policy is determined by the same senior officials or based on the same principles that private interests must be served before the national interests of Canadians. It is exactly the same policy. Yesterday, I sat on the finance committee where I asked experts if, not having known that there had been a change of government, they would have guessed, simply by comparing budget speeches concerning Bill C-76, that a new government was in office. These experts answered no, adding that the policies are exactly the same as those of the Conservatives.

In the end, there is no real policy change. The only difference is that the whiners that were sitting on this side are now across the way, behaving like a lot of sheep, as their predecessors did. The best example is the member for Prescott—Russell.

Mr. Boudria: And Glengarry.

Mr. Plamondon: And Glengarry. I also remind my colleagues opposite that it is precisely on this issue of the lack of funds for the CBC that Mr. Manera resigned. An hour before the budget was tabled, Mr. Manera was given by the deputy minister of finance a report explaining the extent of the catastrophe. But to conclude that Mr. Manera's resignation was tied to these cuts was too big a step for the Minister of Canadian Heritage, the only one to be blind to the fact.

In fact, I would have a piece of advice for the heritage minister. Judging from the way he answered our questions, which he is apparently no longer allowed to answer—during question period today for instance, his colleague the Minister of Industry kept answering in his place—and from the stares he has been getting from all his colleagues recently every time he gives a clumsy answer, I sincerely hope that he did not get rid of his

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driver's licence because he will be needing it before long, when he is a backbencher again.

As the CBC and other cultural agencies undergo drastic cuts, the minister continues to deny the cuts and keeps on parroting official figures. He reminds me of a bankrupt businessman who persists in denying any financial difficulty, when the trustee is already on the premises preparing an inventory of his assets. If I had a piece of advice to give the heads of the CBC, it would be to choose their friends more carefully, given that the minister claimed to be a friend of the CBC.

I would like to remind my hon. colleagues, and the heritage minister in particular, of the advantage, for our national institutions, of the multi-year financing these agencies have been crying out for many years. This kind of financing over two or three years would allow such agencies to better plan their production and distribution activities on a medium term basis. It would put an end to this chronic uncertainty which undermines the work of full time creators and freelancers as well as those responsible for controlling costs.

In addition, multi-year financing would promote the development of the imaginative and sound solutions required for these agencies to be well managed. More importantly, it would give creators a better insight into how the federal government feels about them. Instead of seeing creators as dreamers who are incapable of managing a budget and therefore have to be subsidized in a piecemeal fashion, multi-year financing would reflect the respect the federal government has for them and for their contribution to society.

Perhaps the minister no longer has any use for these institutions in this time of great progress in the communications industry, as he tells the House automatically when fielding questions from the opposition. But if there was ever a time when high standards and a strong educational content were required and had to be maintained, it is now. We do not need long studies to tell us that. All we have to do is look at the Internet to understand how important it is that new technologies be monitored and subject to standards, which are often lacking in the private sector.

On these networks, you can learn, for example, how to make bombs and other scientific experiments, which means that this knowledge is now made available to one and all.

(1745)

In closing, I would like to remind the minister and his colleagues of their 1993 election promises, although I could go on and on for hours without convincing this government that it should pay attention to our artists' cries for financial help and to the justified requests by national organization executives for multi-year funding. In response to a Canadian Conference of the Arts questionnaire, the Liberals had vowed to develop a national cultural policy in consultation with the provinces during the

first few months of their mandate to enable them to face the challenges of the 21st century. The Liberal Party of Canada made this commitment in writing to the Canadian Conference of the Arts and promised to include it in their famous red book, which has now become a blue book.

These commitments were clearly spelled out in the red book, but have now been completely forgotten. The Liberals also promised at the time to provide stable multi-year financing for our cultural institutions, both in the red book and in the letter and document sent to the Canadian Conference of the Arts.

In the cultural sector as in other areas, we see how the government can say one thing and do another. During the election campaign, it promised artists a better future, although it never really intended to keep its word. That is typical of both the Liberal Party of Canada and the Liberal Party in Quebec. That was demonstrated in 1982 when the government reneged on its referendum campaign commitment to carry out comprehensive constitutional reforms. Promises were also broken with respect to political party financing and unemployment insurance. After taking office, the Liberals, who used to tear their shirts in opposition, went ahead with UI reforms. I say reforms but I should really use the word cuts. These cuts were much deeper than those for which they criticized former Minister Valcourt. The Liberals also cut health care and social programs.

This is not the Liberal Party, but a party which has two different tunes: one which was used during the election campaign to get elected, and one which is used now that the Liberals are in office. The latter is very conservative; it is void of any long term objectives; it is based on a band-aid approach and it occasionally tries to alter the facts, whether in the context of an international fishery dispute or a trip abroad by the Prime Minister. But it never had a global vision for arts and culture, social programs, Canada's foreign policy, or deficit control. No global policy.

The government uses a piecemeal approach. It uses the Liberals' approach, who—after 10, 12 or 15 years in office—left the country with the worst deficit among G-7 members, with Italy. By the time they were ousted in 1984, the Liberals had managed to raise the deficit from 13 to 38 billion dollars. We are now feeling the effects of that deficit and this is why we must make cuts. But even now, the government is not using the right approach. It does not try to ensure the survival of vital organizations like the ones I mentioned and which I would call national cultural organizations.

I hope that these comments and the motion will be supported by government members, who have the opportunity, in the case of a motion like this one, to vote freely. They are not bound by the famous red book which their party shelved after only 12 or 18 months in office. Liberal members have an opportunity to express their views. They have an opportunity to support Canadian creators. They have an opportunity to show cultural

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organizations that they are prepared to take a look at their valid claims. The time has come to do so.

During the hour allotted for this debate, I want to give Liberal members an opportunity to tell us to what extent they are prepared to co-operate with opposition members, to fulfil their election promises as well as the commitments they made to these groups when they were in opposition. They can do so by ensuring multi-year funding to these organizations.

(1750)

I anxiously await their response, particularly with regard to their commitments and respect for creators and for Canadian cultural organizations.

[*English*]

Mr. Stan Dromisky (Thunder Bay—Atikokan, Lib.): Mr. Speaker, I am sure my colleague, the member for Richelieu, will appreciate what I have to offer. I am hoping he will pay attention because I think he will be delighted with the message I will present to him and to his colleagues.

He has recognized the dilemma that has long faced Canada's guardians of our cultural identity, how to carry out long term projects successfully when funding is awarded on an annual basis.

Government understands this dilemma. In the interests of finding better ways to do business, the government made its commitments in the red book, which the member for Richelieu has mentioned, by promising multi-year funding to cultural organizations.

This is in accord with the government's overall plan to make Canada more fiscally responsible and economically sound. The government's commitment to cultural organizations is also a reflection of the desire that all Canadians have to see that good business practices become the norm throughout government.

The program review we referred to announced in the 1994 budget was undertaken to ensure the government's diminished resources are directed to the highest priority requirements and to those areas where the federal government is best placed to deliver services.

This review was a comprehensive and rigorous examination of all federal programs and activities, including those of a cultural nature. Its central objective was to identify the federal government's core roles and responsibilities and provide modern, affordable government.

The Minister of Finance announced in the 1995 budget that based on the program review there would be budgetary reductions to ensure the government meets its commitment to reduce

the deficit to 3 per cent of the gross domestic product in 1996-97.

Cultural agencies in the Canadian heritage portfolio were part of this exercise. Agencies like the Canada Council, the four national museums and the National Archives, to name a few, are now working to implement these reductions and set their courses for the future.

Across Canada there is a wide diversity of cultural organizations operating at all levels and covering the full range of activities that make our Canadian culture something to be proud of. There are in great number museums, theatres, symphony orchestras, art galleries and dance companies all showing the face of Canada to us and to others. They are all worried about their survival. Why? The tradition of funding on an annual basis has greatly impeded their ability to carry out interesting, innovative and creative projects over the long term. It is good business sense to plan ahead but a virtual impossibility if there is no notion of the kind of income that will be forthcoming.

The current reductions have taken their toll on everyone but the cultural organizations like areas of government and other sectors of the country are doing their best to contribute to the success of the government's fiscal strategy.

Under these circumstances it makes sense to give cultural agencies and organizations as much assistance as possible by enabling them to plan their futures with a greater degree of confidence and with the added stability that comes with multi-year funding.

In the February 1995 budget it was announced that the government intends to implement a new expenditure management system. Its objectives are to take responsible spending decisions to deliver the programs and services Canadians need and can afford and to meet the required fiscal targets. Moreover, this system will foster a more open, responsive and accountable budget process. This is what all Canadian taxpayers are expecting from us, greater accountability for the money we spend.

(1755)

In the face of fixed or declining budgets and the need to adjust to changing circumstances through reallocation, we need a more flexible system to manage our expenditures. With three-year business plans federal cultural organizations can propose a more strategic multi-year perspective to their management. Cultural organizations can prepare departmental outlook documents that will be available to the House standing committees. These documents will explain any significant shifts in an organization's priorities and initiatives over a three-year period while remaining consistent with government wide objectives and fiscal targets established in the previous budget. Committee

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members using these forecasts will be in a better position to review and report on future expenditure priorities.

Multi-year forecasts will be based on resources allocated in the federal budget and will set out the strategies to be pursued to adapt to the fiscal and policy environment. The forecast will explain significant resource shifts in terms of priorities and associated initiatives of the organization over a three-year period. It will describe new directions, evolving priorities and objectives for the period.

There is no question in my mind or anyone's mind that our scarce resources can be stretched a lot further if we choose the method of working over the long term. This is a better use of our cultural dollars. We would be foolish to reject it.

Our cultural organizations, whatever proportion of the population they serve, are too important to our national identity to be allowed to sink into oblivion. Our cultural organizations are the caretakers of the rich treasures of our past and of our creative efforts; the very stuff that keeps minds, hearts and souls together. Our cultural organizations teach us about ourselves and let others learn about Canada and Canadians.

The motion being debated today, one that affirms the importance of our cultural organizations, is vital for all Canadians. By recognizing the value of our cultural organizations, by keeping them living and viable institutions we show our belief in ourselves.

Multi-year planning is essential if our precious cultural organizations are to continue to be a vibrant part of Canadian society. We must help them to gain the stability they need to continue to function well as the best reflection of Canada's cultural identity.

Mr. Hugh Hanrahan (Edmonton—Strathcona, Ref.): Mr. Speaker, I rise today to discuss the Bloc motion that, in the opinion of the House, the government should consider funding cultural organizations on a multi-year basis in order to promote their stability.

However, it should be noted from the outset that before we start considering multi-year funding we should be examining the appropriateness of our present commitment to cultural funding.

This opportunity also permits me to set the record straight with respect to the Reform Party's position on Canadian cultural industries and artists. There seems to be a perception that we are unconcerned or even disinterested in Canadian culture. That really is a simplistic criticism of our policy.

Our policy is clear and concise. We are simply suggesting and encouraging less government involvement in the funding and promotion of the cultural sector. This has been our message

firmly and consistently since the early days of this Parliament. What we want to see is less government involvement.

(1800)

We promote the idea that the cultural community be given the tools necessary to flourish in an open, competitive, and changing marketplace. That includes less government intervention, less taxation, and less regulatory control, which will ultimately permit competition, not strangulation. Our approach recognizes that a Canadian cultural policy must be sustainable in a world of rapid technological change, one which fosters an environment in which individuals are free to choose. We need to ensure that the industry can make it on its own. This can and should be done through less regulation, less taxation.

We were elected with a mandate from our constituents to bring to this public forum their commitments and concerns, and we will not be intimidated by special interest groups. We do not support the concept of stable multi-year funding to organizations, which should be receiving the funding through the private sector and not through the federal government.

Albertans are demonstrating that they are willing to support the arts without massive federal assistance. So perhaps it is time that this government start to re-evaluate the way in which it is dealing with the cultural sector. This attitude change in Alberta has been perpetuated by the fact that shrinking budgets in all areas of the economy demand that we seek new innovative and creative ways of accessing funds, including the cultural sector.

Big Rock Breweries from Alberta is leading the way as a private sector supporter for the arts. Last year Big Rock provided over \$1,000 to over 40 different arts groups. It views its cultural support as a wise business practice and not as a charitable donation. Thanks to the support of Big Rock, groups like the Alberta Theatre Project and the Muttard Public Art Gallery are thriving. Albertans indeed are leading the way in private sector support for the cultural sector. I applaud Big Rock for showing just what the private sector can do if left alone by various levels of government.

I think it is also important to illustrate at this time a few examples of why it is essential to bring back accountability to these cultural organizations. These examples will illustrate that not only does the Liberal Party not have a cultural policy, but the government's funding of these groups is indeed in need of reform.

For example, the artist Stephen Ellwood, an American who came to Canada because we give more money to artists than does the U.S., threw \$300 in nickels, or 6,000 nickels in total, off a building and others were discarded in the street. This was to make a politically artistic statement. All this money is at the expense of the Canadian taxpayer, thanks to the Canada Council. If that is not government spending run amok, then I do not know what is.

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Do not get me wrong; I truly believe in the freedom of expression. However, I do not believe Canadian taxpayers should be left on the hook for every political and artistic problem we encounter.

The Canada Council needs to be overhauled in its granting practices to ensure greater accountability as to how funds are distributed. It is time we looked at the current structure of the Canada Council to ask how it can continue to exist as we know it today.

Thanks to the Canada Council, the Liberal government is not even addressing the promises made in this year's budget regarding government accountability and reducing government spending. So I would like to thank Mr. Ellwood on behalf of all Canadians for pointing out the hypocrisy of this Liberal budget.

Another example of poor cultural policy was when the CRTC removed the American country music television network from Canadian airwaves. Canadian country artists used to be seen in 32 million homes around the world. But in retaliation for this decision, CMT now refuses to play Canadian artists' videos, restricting their airplay to Canadian homes only.

(1805)

Promoting Canadian culture by closing our borders is like trying to mix oil and water. Canadian artists themselves denounced this decision, yet it was allowed to continue.

How does the government expect to promote Canadian cultural exports and allow for more consumer choice? It is unclear. Until this type of question can be answered, we should not be securing any multi-year funding to any cultural organization. This government seems to be moving toward a policy of protectionism in the cultural industry rather than one of a free market.

In typical Liberal fashion we are now seeing a flip-flop regarding our cultural policy. One day the government is restricting choice and competition in the country music industry. The next day it is opening up the doors for its Liberal friends in Power Corporation and their American buddies to set up satellite networks across the country.

Through the direct to home satellite debate the government has attempted to deflect criticism by portraying the Reform Party as anti-competition. Nothing could be further from the truth. The government has also said that we should not criticize the process. Wrong again. This can be clearly seen in the direct to home process. The only thing that has been clear in all of it is that Canadians are paying the price for the government's lack of a coherent cultural policy that favours true competition.

If the government truly wants competition, why will it not live up to its commitment to release a comprehensive cultural policy? I think the answer is clear: it does not have one.

I am also quite concerned that this debate is grinding down into a Quebec and English Canada issue. That is not the issue today. The issue we are looking at is entrenching multiculturalism funding and the fact that we as a nation cannot afford it. We are looking at a nationally enforced bilingualism, and we cannot afford it. We also cannot afford the funding of special interest groups.

This government's cultural policy is so misdirected that the Secretary of State for Multiculturalism in a recent interview stated eloquently that we have no national culture. I would like to take this opportunity to respond to that statement.

Most Canadians believe, as Reformers do, that we must uphold the rights of citizens and private groups to preserve their cultural heritage using their own resources but are opposed to any taxpayer funded multicultural programs. The Reform concept of culture is that as Canadians we believe we have something others do not. Collectively we see ourselves as a tolerant, peaceful and independent people.

Canadian culture is not stagnant. Rather, it is in a constant state of metamorphosis. The difficulty is that we continue to debate what our self-concept is. We need to stop struggling with our self-image and accept who we are.

Visually, our culture is an array of images, finely integrated and ever changing. Visual symbols such as the maple leaf, the uniform of the Royal Canadian Mounted Police, and hockey connect us to one another at the deepest level of our consciousness. This is our Canadian culture. It has nothing to do with money or cultural groups, but has everything to do with us as Canadians.

We should not forget that Canadian culture has been around since our nation's conception and will certainly outlast this Parliament and even the next Parliament. It will do so simply because it is in our hearts and in our minds. It is what makes us Canadians.

Ms. Bonnie Brown (Oakville—Milton, Lib.): Mr. Speaker, I am pleased to speak today in response to private member's Motion M-213 put forward by the hon. member for Richelieu, which proposes changing the funding practice with respect to cultural organizations to a multi-year schedule.

The need for multi-year planning is necessary for two very important reasons. First, it reflects a desire on the part of all Canadians to see the implementation of good business practices throughout government. Second, it ensures that our cultural organizations will remain vigorous and accountable.

(1810)

Canada has many cultural organizations, covering the full range of all the activities that make our Canadian culture a vivid

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and living experience. We have museums, theatres, symphony orchestras, art galleries, and dance companies, all there as a reflection of Canada's heart and soul and all striving to keep their heads above perilous waters.

Why? Because they have traditionally been funded on an annual basis, greatly impeding their ability to carry out plans for the long term. It is good business sense to plan ahead, but a virtual impossibility if there is no notion of the kind of income that will be forthcoming.

Government understands this dilemma. The government made its commitment to better business practices in the red book by promising multi-year funding to cultural organizations. This is part of the government's plan to help make Canada more fiscally responsible and economically sound.

The 1994 budget announced that a program review would be undertaken to "ensure that the government's diminished resources are directed to the highest priority requirements and to those areas where the federal government is best placed to deliver services".

The program review was a comprehensive and rigorous examination of all federal programs and activities, including those of a cultural nature. Its central objective was to identify the federal government's core roles and responsibilities and to provide modern, affordable government.

In the 1995 budget the government announced reductions based on the program review exercise, reductions to ensure that it meets its commitment to reduce the deficit to 3 per cent of gross domestic product in 1996-97. Cultural agencies in the Canadian heritage portfolio were part of this exercise. Agencies like the Canadian Museum of Civilization, the National Library, and the National Arts Centre, to name only a few, are now working to implement these reductions and set their courses for the future.

The current reductions have been a tough bullet to bite, but the cultural agencies, like other areas of government, are doing their best to contribute to the success of the government's fiscal strategy. Under these circumstances, it only makes sense to give cultural agencies as much assistance as possible through this difficult period by enabling them to plan their futures with a greater degree of confidence.

In the 1995 budget it was announced that the government intends to implement a new expenditure management system. Its objectives are to take responsible spending decisions to deliver the programs and services Canadians need and can afford and to meet the required fiscal targets. Moreover, this system will foster a more open, responsive, and accountable budget process.

This is the criterion that Canadians are demanding we apply: greater accountability for the money we spend. In the face of fixed or declining budgets and the need to adjust to changing

circumstances through reallocation, we need a more flexible system of expenditure management.

Cultural organizations, through the preparation of three-year business plans, can take a more strategic, multi-year perspective to their management. Cultural organizations can prepare outlook documents that will be available to the House standing committee. With such documents in hand, committee members will be better informed and better able to review and report on future expenditure priorities.

These multi-year outlooks will be based on resources allocated in the February budget and will set out the strategies to be pursued to adapt to the fiscal and policy environment. The outlook will explain significant resource shifts in terms of the priorities and associated initiatives of the organization over a three-year period. It will describe new directions, evolving priorities, and objectives for the period. It is good to reiterate that this outlook document will be developed by the cultural agency itself.

There is no question that working for the long term is a more feasible method of making the best use of scarce resources. If this is a better way to stretch our cultural dollars, then we should go ahead with it.

(1815)

Our cultural organizations, whatever proportion of the population they serve, are too important to let die for lack of foresight. Our cultural organizations are a precious entity within the Canadian identity. They are the caretakers of our rich past, the caretakers of our creative efforts, the food that nourishes the mind and the heart and the soul.

Our cultural organizations allow us to see ourselves and let others see us and know us as Canadians. The motion we are discussing today speaks to our belief in the necessity of cultural organizations. It is an important one for all Canadians. By affirming the value of our cultural organizations, by keeping them living and viable institutions, we are affirming our belief in ourselves.

In my view we have no option but to encourage multi-year planning for our cultural organizations. We must ensure they can maintain their stability in an uncertain world and have the opportunity to become the best possible reflection of Canada's cultural identity.

[Translation]

The Deputy Speaker: To close the debate, I give the floor to the hon. member for Richelieu.

Mr. Louis Plamondon (Richelieu, BQ): Mr. Speaker, you can certainly understand my amazement at those comments by two members of the governing party, the Liberal Party. I have no difficulty with the position of the Reform Party, because it is true to its platform, to its vision—which I do not share at

all—on the involvement of government in the survival of the cultural organizations mentioned in my motion.

But the contradictions in the rhetoric of the two Liberal members are stunning. They deliver a quasi-philosophical lecture on art, culture and the need for art in our society. They say that these national organizations are essential because they are our very soul, the mirror of our society, the expression of our way of thinking, and the path to our future. In fact, our artists will help us assert our identity.

They serve us some rhetoric and they say that yes, multi-year funding would be better. Of course financing over two or three years would be better. They even say that it was promised in the electoral platform. That is the Liberal Party perspective. However, what are they doing in fact? They are destroying those agencies. They slash their budgets.

The former CBC president did not resign on a whim. He was solemnly promised that there would be no cuts and then they announced cuts of \$44 million on one side and \$350 million on the other. Now the Canadian Broadcasting Corporation is unable to fulfil its important mission, particularly in French Canada.

Now we are told in a wishful kind of way: "Oh! God, would it not be nice to have multiyear funding. It would be better to plan in order to insure the survival of these nobles agencies". But look at what your minister is doing, your government is doing, look at the campaign promises, look at your track record after one year in office. These agencies have been massacred; it is worse than what the previous government did, which you denounced when you were in the opposition.

It is hard to believe one's ears. The government is abandoning these cultural agencies on an economic level, through its February 27 budget, and through the policies, set puppet-like, by the Canadian heritage minister who later on said that he is a friend of the CBC. With friends like that, the CBC does not need enemies. We are told that the government will continue to respect these agencies. We are told that it would be in their best interest to have three year budgets. For years now, they have had only three or five year budgets.

(1820)

Every time they have to deal with a government that demolishes their policies or makes cuts out of the blue. Now, has this government forgotten to cut in the right places? For instance, it has not cut the tax havens of those who finance its party. How many billions find their way to the Bahamas every year, to banks where they do not even declare the interests they accrue. Yet, a single piece of legislation would be enough to control all that money that is being drained out of the country and all those people who pay no income tax.

Why not deal with that instead of going after our cultural organizations? There was also mention of family trusts. We examined organizations like the other place, which costs taxpayers \$50 million a year. What purpose does it serve? Is it a large dormitory, a day care centre? What is it exactly? Could we not make some cuts in there? The government is considering

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giving a half a million dollar party to announce the appointment of a new governor general. Why? Should we not instead leave this money to the organizations that make up the identity of our two founding nations and to the creators who are, in fact, the real soul of a nation?

No, it is not the answer I get to a motion as direct as this one, a motion that every organization was demanding, a motion that, in my mind, goes without saying. Whether an organization is economically, socially or community oriented or whether it is a public institution, it needs to know where it is heading and how much money will be available. That is just what we are asking the government. We want them to tell us that, for the next three years, we can rely on a fixed budget, a budget that will not change according to the mood of the finance minister, or according to the mood of the Canadian heritage minister or, with regard to copyright, for example, according to the mood of the industry minister.

We are asking for some planning with normal and formal commitments, which will then be adhered to. But the reply is: "Yes, this is fine in theory, but the fact is, we have to cut". I will conclude by saying that this motion, that I thought could get unanimous approval from all the members and from all the people who believe in planning, is getting approval only in theory. But in fact, as far as the money granted these organizations is concerned, the government is doing exactly the opposite of what it committed itself to doing in its red book and in its policy statements.

[*English*]

The Deputy Speaker: May we call it 6.30 p.m.?

Some hon. members: Agreed.

[*Translation*]

The Deputy Speaker: Pursuant to Standing Order 96(1), the order is dropped from the Order Paper.

ADJOURNMENT PROCEEDINGS

[*English*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

TAXATION

Mr. Nelson Riis (Kamloops, NDP): Mr. Speaker, a few weeks ago I raised with the Minister of Finance the question of an inheritance tax.

I refer to that now very well quoted StatsCan report that examined the basic causes of the accumulated debt of the country and found that 44 per cent of the debt was the result of the compounding effect of a record high interest rate or monetary policy. Fifty per cent of the debt was the result of forgone revenue due to a series of tax concessions. One could call a number of these tax loopholes.

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A member of the government, when he wrote to the Department of National Revenue recently, asked whether someone entertaining clients as a business person, whether their hotel expenses, a massage at a fitness club, a dinner at a posh restaurant, the cost of an escort service, night club shows, floor shows, dinners including \$200 bottles of wine and a cruise on the river, would be included as a legitimate tax deduction.

The report back from the revenue department said yes, they would be, including the escort service. It was suggested the way the escort service was described ought to be changed, that they were essentially tour guides, body guards or interpreters. To describe them to be for sexual purposes would not be considered acceptable by Revenue Canada but they could be considered under these other categories.

The point I was making was if so much of our debt is as a result of the number of tax loopholes, why do we not close the loophole of the inheritance aspect?

I pointed out to the Minister of Finance that virtually every OECD country, with the exception of two, has an inheritance tax for those people who inherit large amounts of money. I am not talking about a home or a family farm or a family business. I am talking about someone who receives an inheritance, let us say, in excess of \$1 million. Virtually every country in the world would ask that a tax be paid on that vast inheritance. We could consider a ceiling of \$1 million.

The Minister of Finance spoke around the issue. In this desperate time when we are seeking to find ways and means of eliminating the deficit and the debt, when every other country in the world virtually has a tax on the inheritance of large amounts of money, why would we not?

It is fair to say that the primary benefactors of this tax loophole are the very wealthy, people who inherit \$20 million or \$50 million through their families at the time of death. We do not have that tax.

I asked the Minister of Finance to explain why we would not have such a tax at a time when we are cutting back on every social program imaginable, every environmental program imaginable, on health care, on post-secondary education, on vocational training and so on. I have yet to receive an answer.

Perhaps when I sit down the person responding on behalf of the government will clarify why Canada is rather unique in this aspect and has chosen not to tax those individuals that inherit vast amounts of money.

Mr. Mac Harb (Parliamentary Secretary to Minister for International Trade, Lib.): Mr. Speaker, the introduction of an inheritance tax would be a very complex way of raising a relatively small amount of additional tax revenue. In fact, based

on OECD experience, an inheritance tax would contribute less than 1 per cent of federal tax revenues.

This revenue potential is small compared to the high administrative and compliance costs that it would entail since another tax collection operation would have to be established. This would require measures to obtain and verify information on wealth transfers at death, as well as complex rules to capture tax planning in order to avoid paying taxes.

Moreover, Canada already has a tax system which derives considerable revenue from wealth holders through the taxation of capital gains at death, property taxes and certain taxes on transfers of property. Revenues from property taxes in Canada are higher than the combined revenues from property and wealth taxes in all other OECD countries with the exception of the United States.

Rather than introducing a new tax that would be very complex and add a significant tax compliance burden, the budget introduced a number of tax measures which affect high income Canadians. An example of such a change on the personal income tax side is the elimination of tax advantages that flow from the establishment of family trusts.

INTERNATIONAL TRADE

Mr. Stan Dromisky (Thunder Bay—Atikokan, Lib.): Mr. Speaker, just recently I raised a concern I have regarding the United States embargo on the island and the people of Cuba.

Tonight I would like to deal quickly with the Torricelli, the Helms and the Burton bills and amendments which are affecting drastically the trade relationships between Cuba and other parts of the world. The United States of America through these bills is having a direct impact on a great number of institutions and trading practices involving a great number of countries.

We know that the United States is one of the great countries of the world, a country that I and many people envy for its spirit and for its energy. We know that it has corralled and harnessed this energy and spirit and the resources to become one of the greatest nations in the history of mankind.

These bills are also among the greatest that have been created by the human mind, practically 99 per cent pure; so pure they could be used for classical examples in sociology classes, social political classes, political science classes, psychology classes, communication classes and so on. All over the world, 99 per cent pure propaganda.

It is mind boggling when we read what these bills contain. These bills pose restrictions and controls not just on individuals but on corporations, financial institutions, even the United Nations. Through these bills the American government is so intent on controlling its people to prevent them from trading

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with Cuba and also those in other countries who might be trading partners with the United States.

That means we will suffer terribly because of our relationship in our trading practices with Cuba. As a result that will affect our manufactured products of sugar and so on that we trade with the United States.

The United States is interfering through these bills with the suspension of Cuba's membership in international organizations plus using many more tactics. Since 1962 there has been an embargo imposed on this island. However, even though these people have been rationed on every single purchase since those years, the spirit of revolution has prevailed and the people are survivors.

If they were dissatisfied to the point where a revolution would take place to overthrow Castro, it would have taken place many years ago. The bill tells us the acts of the Castro government are a threat to international peace. I do not know what that would be called. However, it is a threat to international relationships. It jeopardizes all relationships and all the bills we have formulated and passed over the many decades. It is country that classifies itself as our best friend.

I went to Cuba. It is amazing what those people have done under unbearable conditions and how resourceful they are. It is probably the best educated population in the world, no doubt about it. They have sent 20,000 doctors all over the world, chiefly to third world countries. No other country can match that. That is a threat to peace?

Cuba has the finest genetic research centre. It has probably the finest cardiac centre in the world. Is that a threat to peace? When the Chernobyl incident took place the Cuban government took in over 35,000 victims at no cost to them. It built a huge resort to keep children and families in dozens of beautiful homes at no cost to the victims. That is a threat to peace?

What did Canada do for these victims? What did the United States do? What did other countries of the world do for these people? Nothing.

As I said, the spirit of revolution prevails—

The Deputy Speaker: I am sorry, but the hon. member's time has expired.

[*Translation*]

Mr. Mac Harb (Parliamentary Secretary to Minister of International Trade, Lib.): Mr. Speaker, as currently drafted these bills would clearly adversely affect Canadian trade and economic interests if they were passed into law.

Not only do their provisions violate U.S. obligations under NAFTA and the World Trade Organization, but they are also inconsistent with generally recognized principles of international law. The proposed import prohibitions on sugar and sugar containing products are a particular concern. If enacted, they could affect Canadian exports to the tune of \$500 million a year.

The Government of Canada is strongly opposed to the measures in these bills and we are vigorously conveying Canadian concerns to both the administration and Congress. The Minister for International Trade has repeatedly raised our concerns with the U.S. trade representative, Mr. Kantor.

The Minister of Foreign Affairs has also made it clear that, while Canada and the United States may share similar long term goals of democracy and economic reform in Cuba, Canada has no intention of agreeing with U.S. attempts to impose its Cuban embargo through secondary boycotts on third countries.

Ambassador Chrétien has written to members of Congress urging them to oppose the bill. Other governments also share our concerns and we are maintaining close contact with them in order to co-ordinate responsive efforts.

Earlier this week, the U.S. administration's response to Congress on this bill was released. We were pleased to see that the administration has taken into account Canada's concerns. In particular, the U.S. administration opposes the provisions in the bill that would impose an import prohibition on sugar and sugar-containing products.

Finally, we expect the administration will put strong pressure on the U.S. Congress to ensure that the legislation is modified.

[*English*]

The Deputy Speaker: A motion to adjourn the House is now deemed to have been adopted. Accordingly the House stands adjourned until tomorrow at 10 a.m.

(The House adjourned at 6.36 p.m.)

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