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Monday, June 19, 1995

Speaker: The Honourable Gilbert Parent

HOUSE OF COMMONS

Monday, June 19, 1995

The House met at 11 a.m.

Prayers

PRIVATE MEMBERS' BUSINESS

[*English*]

PEACEKEEPING ACT

The House resumed from June 13 consideration of the motion that Bill C–295, an act to provide for the control of Canadian peacekeeping activities by Parliament and to amend the National Defence Act in consequence thereof, as amended, be read the second time and referred to a committee.

Mr. Ted McWhinney (Vancouver Quadra, Lib.): Mr. Speaker, I am resuming remarks interrupted by other House business on another day and we now return to the motion of the hon. member for Fraser Valley East.

To recapitulate what I said earlier on this bill, one respects the intention and the purpose behind it. In the interim I have had the privilege of sitting as a substitute member on the all party committee on national defence. The experience reinforces the comment I made earlier. This is one of the very strong committees of the House. I was very impressed with the degree of knowledge of the members and the degree of co–operation across both sides of the table from all parties. In other words, there is a great deal of awareness in the committee of the gravity of the problem and the search for proper remedies.

That brings me back to the main point that the failure in Bosnia is a failure in foreign policy and not in the military sphere of the operation. The failure goes back to a basic criticism many contemporary historians have made that this is one of the low periods in foreign policy in the world community.

If we look at the confidence, the reaction to the events of the emerging cold war in the late forties and fifties, the very creative period in American foreign policy, in European foreign policy with Adenauer, Schuman and De Gasperi creating the European community, we are now in one of those periods in which foreign ministers simply seem unable to cope with the problems.

Returning to Bosnia, the failure was in lacking a vision of what to do with Yugoslavia once it broke up, as inevitably it was to break up. Everyone predicted this when Tito should die and Tito's regime should pass into history. We find there are alternative plans. Greater Serbia has been spoken of but there is a greater Bulgaria concept, a greater Greece concept, conflicting ambitions of Balkan powers restrained by the facts of life of the cold war and bipolarity but broke out with the breakdown of the cold war system of world public order and the new pluralism which dangerously at times comes close to anarchy.

In this area Canada has played a constructive and useful role. We were not in at the beginning on the decisions on Yugoslavia and post–communist Yugoslavia. We were not part of the contact group. To be frank, I see no point in our trying to join the contact group now. We would in effect be trying to correct errors made by European foreign ministers who should have known better.

We have to search for solutions using other arenas like CSCE, NATO, forum available to make our point. In terms of military operations, the Canadian forces have behaved with intelligence, good judgment and restraint. We have recognized that United Nations peacekeeping as devised by Prime Minister Pearson absolutely prohibits a political role. What is now talked about in contemporary international relations activities as crossing the Mogadishu line is something Canadian military men above all have always observed with proper self–restraint. We have to face the reality that our peacekeeping forces have not been developed with a view to imposing political solutions by military means. There is nothing in the training of our staff colleges that lends itself to this.

I have had the privilege of lecturing to our national defence college and the military college at various stages in my pre–parliamentary life. They are very well trained but they cannot cover the whole world. If we are to send them to Somalia to impose a political solution or to former Yugoslavia to impose a political solution the training is not there. We have behaved properly and correctly.

Counting this we have had three debates in the House on the future of peacekeeping. What emerges on the future of peacekeeping is a large interparty consensus which crosses the House that we wish to maintain the classical conception of peacekeeping. That is something we developed and which we do very well. If it is a matter of moving into peacemaking, imposing political

solutions, we have to recognize the limits of our special competence.

(1110)

In countries that have connections with the former British empire, the Commonwealth and la francophonie there are special ties of culture and experience that give us perhaps the ability to make political judgments if that is what is called for. Elsewhere, it is entering unchartered seas. Therefore, the clear conclusion emerging from our debates is that we maintain peacekeeping as our function for the United Nations, that we do not get into peacemaking and that we do not cross the Mogadishu line.

In relation to the bill presented by the hon. member for Fraser Valley East, I respect the intention here but I wonder about the attempt to legislate what sensibly can be left to executive administrative judgment. In article 5(2) the Canadian forces shall not participate in any action designed to force the governor of state to leave office or to install a government other than by facilitating a democratic process in accordance with the laws of the state or a resolution of the United Nations general assembly or the United Nations security council.

We are bound by international law. Because it is one of the currently contested points before the International Court and elsewhere, it is arguable whether a United Nations general assembly or security council resolution can go beyond international law. Where it does go beyond that it is arguable it is unconstitutional in United Nations terms.

I wonder why one should try to legislate this. We are bound by common sense. The one thing emerging from the debates in the House and which any foreign minister would take note of is that Canadians do not want us to get into political ventures in the Balkans or areas where we have no special historical ties and no background of historical experience to aid our judgment. In other words, we have done very well with General MacKenzie and the people we have had there. The all party consensus is there and the defence committee reflects this. There is no need to legislate this. Good sense prevails.

This bill is taking us into an American style constitutional solution but it is unnecessary in our context. Even in the case of the United States, all the legislation in the world and the American constitution have not prevented the president of the United States making those errors of political judgment and getting involved in political military ventures overseas that go beyond the letter and, some would argue, the spirit of the constitution.

These debates on peacekeeping have been an educational experience. In many respects there have been inspiring contributions by members. The consensus is very clear that no foreign minister will take us on a creeping course into foreign military involvement. All reports of the summit meeting suggested we have exercised prudent self–restraint. Within the limits of our powers we have spoken to other foreign ministers, presidents and heads of states and have said as far as we are concerned we are peacekeepers, we cannot ourselves get involved in political–military ventures.

That is the spirit of the House. I do not think it is necessary to legislate it. However, I commend the member for Fraser Valley East for giving us yet another occasion to reaffirm a striking consensus.

[*Translation*]

Mr. Jean–Marc Jacob (Charlesbourg, BQ): Mr. Speaker, on several occasions already we have had a chance to speak in the House on subjects concerning the peace missions. As did the member from the Liberal Party and my colleague from Foreign Affairs, we thanked the member for Fraser Valley East for having given us, by means of this bill, an opportunity to discuss the peace missions.

(1115)

During the review of Canada's defence policy, the question of peacekeeping missions came up in the discussions of the national defence committee, of which I am a member.

When you look at Bill C–295, as the previous speaker remarked, you realize that there is an all–party consensus on the principle of peacekeeping missions and the humanitarian way. I would like to add that the people of Quebec and of Canada accept the fact that Canada participates in peacekeeping missions.

However, I am far from sure that this bill will remedy the shortcomings that have been noted during recent peacekeeping missions, whether in Rwanda or more recently still in the former Yugoslavia.

In my opinion, the bill—and we support it in principle, as I said—contains certain restrictions that are not spelled out as the Bloc Quebecois has requested on a number of occasions. As well, in the report on the review of Canada's defence policy, the member for Shefford and I asked on behalf of the Bloc Quebecois that criteria for peacekeeping missions be defined. Nowhere, either in the bill or in a statement by the government, is there set out what Canada thinks should be the basis for a clear definition of criteria governing participation by our military personnel in other or possible future peacekeeping missions. And yet Canada is supposed to be a leader in peacekeeping missions.

The government or some of its spokesmen have expressed reservations about the bill, saying that the fact that a peacekeeping mission agreement would have to be discussed in the House would slow down the effectiveness and speed of a decision and that this could be prejudicial to certain categories of mission.

Looking at the current mission, I think that argument does not hold a great deal of water, because ever since the conflict in the former Yugoslavia started, the Canadian government has been havering and wavering and sometimes even flip–flopping. When the Minister of Foreign Affairs told the UN last summer that Canada would be encouraging the UN to set up a permanent contingent and that Canada would participate, the Department of National Defence retorted that Canadian military personnel could not serve under an operational command that was not Canadian, and the whole issue is still up in the air.

In my opinion, with respect to peacekeeping in general and the current conflict in the former Yugoslavia in particular, the views of the citizens who pay for the humanitarian mission with their taxes are not given much attention.

Almost 1,800 of the peacekeepers in Bosnia come from CFB Valcartier, which is in my riding, and I can tell you that the people there are extremely interested in any discussion in this House of peacekeeping missions and also in statements from the Minister of Foreign Affairs, the Prime Minister, or the Minister of National Defence. Some of them would like to know how it happened that in April 1992 Canada recognized Bosnia–Hercegovina as a sovereign state and called attention to Serb aggression, when throughout the conflict there seems to have been a certain slackness on the UN's part, recognized on all sides.

I have already reminded this House once that General Dallaire said that more than 200 UN resolutions had never been implemented and that with the amount of dithering going on it seemed possible the Serbs would end up laughing at the UN and the international organization.

(1120)

The Minister of Defence was also reported recently to have said he was beginning to believe that the Serbs were playing cat and mouse.

I would like to add, because the bill does address the peace missions, that when soldiers return from missions, we hear some strange things. We also hear them from European parliamentarians who say that, since the UN has taken a great deal of time to act and change course—Indeed, several persons have requested either a change in the Security Council or a change in the way its resolutions are actually implemented; some persons are trying to say that at present the peace missions are no longer peace missions but no more than buffers between warring parties. They are even going so far as to say that UN peacekeepers, sometimes against their will, or because of the laxity of the UN, will practically be maintaining the conflict or making it drag on.

Mr. Speaker, you are not unaware—you have certainly heard—that when humanitarian convoys travel in the former Yugoslavia, Bosnia, or the self–proclaimed pseudo–Serb republic inside Bosnian territory, they are stopped at the checkpoints and, often enough, equipment, trucks and even food supplies are seized; Serbian soldiers or sometimes Bosnian soldiers then use the goods—ostensibly requisitioned for checkpoint purposes—to line their own pockets by selling them.

I think that the bill on the peace missions is certainly of value, and we agree with it in principle. I would go farther in that direction and say that it is high time the government made a decision once and for all, some aspects of which would certainly be referred to the Standing Committee on Foreign Affairs or the Defence Committee. It is high time to specify some basic criteria, before sending off our peacekeepers as part of peace missions without previously defining how far they are to go, how long they are to endure being slapped on one cheek and turning the other, and how long they are to be given equipment; I say ''given'' ironically, because very often that equipment is seized. Unfortunately—or perhaps fortunately—those things are known.

When soldiers return from missions, they mention the damning facts I have mentioned to you. At that point, the public, which, through its taxes, does send our peacekeepers on humanitarian missions, finds it hard to accept that Canada, the leader in peace missions, does not take the lead at the UN once and for all and make a really valid proposal for change that, I am sure, would be accepted by the parties in this House.

There is far too much hesitation and procrastination. I believe we have reached a point where we must—without necessarily pounding the table and becoming belligerent, something Canada has never been—at least manage to define a clear policy. For some eight or 10 months, since the first debates in this House on the peace missions, the Bloc Quebecois has in fact requested that specific criteria be established regarding the role our peacekeepers are called upon to carry out and also regarding a definition of our participation—military or humanitarian—that can be targeted, not only within a budget, but also within the limits of what is acceptable.

After all, we must not delude ourselves and begin to react energetically when we see hostages taken by the Serbs. People saw that on television screens all over the world. I think that chaining up a soldier as a human shield alone runs counter to every principle of the Geneva Convention governing countries at war. Unfortunately, both Canada and the other UN member countries took that incident lightly and hardly reacted to acts that can only be described as barbaric.

(1125)

In conclusion, I believe that this bill is essentially a good idea, but it needs elaboration, and I would suggest to the government that it initiate a discussion process, both at Foreign Affairs and in the defence committee, with very precise criteria.

[*English*]

Mr. Harry Verran (South West Nova, Lib.): Mr. Speaker, the bill we are addressing today, Bill C–295, proposes to shift control of the Canadian peacekeeping activities from the crown to Parliament as a whole and to amend the National Defence Act to reflect this wider decision making responsibility. Rather than offering an improvement to the system now in place, such legislation may well substitute rigidity for flexibility and inaction for responsiveness.

The bill before us was created out of concern for the Canadian forces' personnel serving on peacekeeping missions and the desire to ensure the government follows a sound decision making process; of that I am certain. However having examined the bill I am equally certain that it confuses more than it clarifies and that it will impede decision making rather than assist it.

In short, the bill will worsen rather than improve the system now in place. It will add time to matters that demand urgent responses and it will dilute responsibility for decisions that demand clear, unequivocal leadership. For these reasons I must oppose Bill C–295.

Bill C–295 would restrict the prerogative, speed and discretion of the crown to decide Canada's contribution to UN or regional peace operations. Peacekeeping like other military operations is carried out under the authority of the Minister of National Defence. Section 4 of the National Defence Act identifies the minister as the representative of the crown responsible for the management and direction of Canadian forces and for all matters relating to national defence.

However, the proposed bill would remove the responsibility and direction not only of the minister but of all the government respecting military operations. As a result, the bill would slow down the government's response to UN requests for assistance in peace operations and compromise its ability to respond to changes in the peacekeeping mandate in a timely manner.

It has been said that lost time is never found again. That certainly is the consensus of many former Canadian UN commanders who have identified as a major problem the length of time it takes for the international community to respond to a crisis.

Major–General Roméo Dallaire has spoken publicly of the importance of speed in responding to emergencies. He has estimated that tens of thousands of lives would have been saved in Rwanda if his urgent request for troops had been met with action.

I do not think Bill C–295 would improve the situation for a commander who found himself in a position similar to that of Major–General Dallaire. With another layer added to the decision making process it would require even longer for Canada to become involved and provide help. If a situation is deemed an emergency it should be treated like one.

Bill C–295 would also compromise a structure in place to manage international Canadian forces' operations. Every potential operation is evaluated against guidelines that include the broad political and foreign policy context, the overall mission requirements as well as our own military capability. These guidelines have been refined for more than 40 years of practical experience. They also reflect in a prudent but pragmatic manner the new thinking that has emerged since the end of the cold war. This new thinking was articulated in a 1994 defence white paper which contains a list of key principles that underlie the design of all peace missions.

I should like to remind the House the Minister of National Defence consulted widely before formulating this policy. The overriding principle determining each peacekeeping mission is that it addresses genuine threats to international peace and security, such as the worsening situation in the former Yugoslavia, where there are emerging human catastrophes such as we have seen in Somalia and Rwanda.

(1130)

I have explained why and how Bill C–295 would slow down Canada's ability to respond and contribute to international peacekeeping. Now I would like to talk about how the bill confuses the issues that underlie our current system. The confusion represents many more impediments in what must be a rapid and flexible decision making process.

First, Bill C–295 as it is currently written contains restrictions that would prevent the government from carrying out its obligations under the UN charter. Chapter VII of the charter provides for action by the security council with respect to threats to peace, breaches of the peace and acts of aggression. Under various articles of the charter UN member states are required to carry out the security council decisions aimed at maintaining international peace and security.

Although as worded the bill appears to cover the UN chapter VII operations, most of its provisions contradict chapter VII requirments. I question whether Canada would have contributed to the gulf war if Bill C–295 were in effect a few years ago.

What troubles me more however is the provision of Bill C–295 that gives up Canadian sovereign command of Canada forces elements. I believe strongly that this would lead to an unworkable command and control relationship. The intent of the bill seems to be taking us back in time to the first and second world wars when Canadian troops came under allied rather than national command. This indeed appears to be a regressive step and one that I doubt the bill's proponents meant it to take.

Canadian forces personnel serving on peace operations today are always commanded by a Canadian. Canadian units and personnel can only be placed under the operational control and not the operational command of the UN or other multinational commanders for specific tasks. Under operational control, changes to the tasks assigned to Canadian peacekeepers or to their area of operations must receive Canadian national approval. Under operational command, Canadian troops could be reassigned and moved without such approval.

Under current legislation a non–Canadian commander who only has operational control cannot separately assign components of a Canadian unit. A company of infantry soldiers, for example, cannot be removed from its battalion to serve with another unit unless the deployment is approved by Canada. Once again, under the non–Canadian operational command this could happen.

Currently commanders of Canadian contingents are directly responsible to the Chief of the Defence Staff for the success of their operations. However under Bill C–295 Canadian commanding officers would be placed under UN or other international command. To my mind this would mean less national control, not more.

To sum up, I cannot support a bill that appears to provide for greater control by the government over peacekeeping operations when in fact it reduces government control, compromises national authority over troops abroad and confuses several key components and concepts. Moreover, at a time when flexibility of response is critical to meeting the demands of rapid change, the bill proposes significant restrictions on the government's ability to manoeuvre.

The government has demonstrated its commitment to consultation. We have listened to the views of parliamentarians and ordinary Canadians alike in formulating defence policy and we will continue to do so in the future.

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Mr. Speaker, I would like to speak in support of Bill C–295 presented by my colleague from Fraser Valley East.

The bill has several important features that commend it. The first is that it is a peacekeeping bill. I believe it is important that all Canadians, including their representatives in the House, understand the difference between peacekeeping and peacemaking. This is little understood.

(1135)

The situation in the former Yugoslavia gives us a good example. If I understand it properly, there is a real peacekeeping operation going on in Croatia. This is so because the warring factions there agreed that they wanted peace and agreed to the UN going in to keep it, which the United Nations did under chapter VI, the peacekeeping chapter of the UN charter.

In Bosnia, on the other hand, we do not have a peacekeeping operation there because there was no prior agreement among the Serbs, the Muslims and the Croats to have peace. Therefore, as is very evident, there is no peace to keep. What is going on there is humanitarian assistance under chapter VI of the UN charter. What is needed in Bosnia–Hercegovina is an agreement between the warring factions that there be peace, or we need a declaration with follow up actions by the United Nations that peacemaking is required under chapter VII of the charter. We need one or the other to happen there and we have neither.

Canada's help to Rwanda, if we take another example, was one of humanitarian aid: the provision of medical assistance, food, water and communications under chapter VI, which is the peacekeeping chapter.

Let us look at our activity in Somalia. This came under both chapters VII and VI of the UN charter. From January to June of 1993 members may remember seeing pictures of Somalian warlords roaring around the country in vehicles that had machine guns mounted on them. What was required there was a military operation to bring the bandits under control. Canada during that first six months was in Somalia as a peacemaker under chapter VII of the UN charter. Once the situation was under control and some agreement had been reached with the warlords, Canada moved into operating under chapter VI, which is the peacekeeping chapter of the UN charter.

Aside from understanding the difference between peacekeeping and peacemaking, the important point to be made is that it has got to be clear in everyone's mind before we get involved in any military operation what kind of an operation it is. Is it clearly peacekeeping or is it not? This lack of clarity has led us to the situation we now have in Bosnia.

It is also important to know what the terms of reference are or what the mandate is before we get involved. Canada has a good example and a bad example of each in our experience in Indochina, in Vietnam. Canada, as part of the International Commission for Supervision and Control, spent nearly 20 years in Indochina along with India and Poland. The problem was that we were ineffective there because the rules governing the ICSC did not allow Canada to tell the world what was going on. We could not unilaterally bring the world's attention to the violations of peace agreements.

After nearly 20 frustrating years we finally learned our lesson in 1973. In that year we responded to the U.S. desire to extricate itself from Vietnam and get its prisoners of war out of North Vietnam. Canada agreed to be one of the four nations that formed the International Commission for Control and Supervision. There was a juxtaposition of the initials ICCS as opposed to the former ICSC.

(1140)

We went into that commission with what we called an open mouth policy which allowed Canada to make public all violations to the peace, which were for the most part by the Viet Cong. I have described this operation before in this House and do so again because it illustrates a certain amount of savvy on Canada's part. We went into Vietnam, did our job, got the American prisoners of war out and then left the commission within six months without getting bogged down as we did in the previous ICSC or as we did in Cyprus for 29 years.

What Bill C–295 does is bring Canadian peacekeeping missions before Parliament. It is important that we do this. The debate and review that would take place would diminish the chances of our going into a military operation with inadequate terms of reference and without knowing what we are getting into and for how long.

Bill C–295 would not tie the hands of cabinet or the Department of National Defence in reacting swiftly where military intervention was required. It would simply ensure that things were properly considered and that the Canadian people were involved in the decision making process through their parliamentary representatives here assembled.

Several weeks ago I was in Hungary and I discovered in that rather new democracy that they are very interested in civilian control over the military. What I found is that their Parliament has more control today over their troops than Canada has over its own. Even one Hungarian soldier may not cross the frontiers of that country without parliamentary approval. That is not so in good old democratic Canada.

Canadians take pride in the fact that we have been leaders in the international community in peacekeeping operations and particularly in the United Nations sponsored ones. We take pride in the professionalism and compassion shown by our troops. This applies to Somalia as much as it does anywhere else. We have heard the negative stories out of Somalia and there is no excusing those transgressions but there has been precious little publicity given to the good works of the men of the airborne regiment in that unfortunate land.

Our men in uniform are a cross section of the population of Canada. They act humanely and compassionately. We have heard far too little about the help our troops gave to the Somalians from restoring order to medical assistance, food, shelter, schooling and so on. I really do wish the news media would bring out this aspect of the airborne regiment's performance. Perhaps the Somalia commission of inquiry under Justice Létourneau, which continues hearings today, will be instrumental in telling the story about what went right as well as what went wrong.

In any event, our experience over the years, good and bad, in peacekeeping and peacemaking in Croatia, Bosnia, Rwanda, Somalia, the gulf war, the Sinai, the Golan Heights, Suez, Kashmir, the Congo, Vietnam, Korea and other operations should give us pause as Canadians to think about what we have done in the past and what we will do in the future.

We should not take such pride in our past participation that we join in all such operations without due consideration. I suspect that there was an element of that in our entry into the former Yugoslavia. Bill C–295 would enhance our decision making process and I heartily commend it.

Mr. John Richardson (Perth—Wellington—Waterloo, Lib.): Mr. Speaker, I am pleased to have the opportunity to speak at third reading of Bill C–295, an act to provide for the control of Canadian peacekeeping activities by Parliament and to amend the National Defence Act in consequence thereof.

Like other members on the government side of the House, I find Bill C–295 to be a flawed, contradictory piece of legislation that would do irreparable damage to Canada's reputation as a skilled peacekeeper. If this bill were to become law our ability to participate effectively in future peacekeeping missions would be put at serious risk. The very lives of our peacekeepers would be put in grave danger.

(1145)

Before I look at some of the specific details of Bill C–295 I think it is important to understand the nature of Canada's current involvement in peacekeeping activities and the way in which we manage our participation in these operations. Only then will the shortcomings of this legislation be fully appreciated.

Canada has a long and proud tradition of helping the global community to defend peace, freedom and democracy. We remain committed to creating an association with our friends and allies and a stable international environment.

[*Translation*]

We realize that our security and our prosperity depend on a more stable world order. Because Canada is a responsible member of the international community and one of the world's major trading nations, we know that conflicts must be contained and their expansion prevented. We also want to help reduce or eliminate suffering in cases where outside assistance can make a contribution.

[*English*]

Canada has long viewed peacekeeping as an extremely useful tool in international efforts to manage and resolve conflict. We have excelled at peacekeeping and we like to boast, with some authority I would say, that our experience and skills are unmatched. Our contribution to peacekeeping reflects our belief that a stable international order is essential to Canada's long term peace and security. It is for this reason that we provide well

trained and suitably equipped military personnel for peacekeeping and related operations.

[*Translation*]

However, although Canada reviews attentively all requests for it to participate in peacekeeping missions, our participation is not automatic. Our participation is second to none, certainly, but it does not follow that we will be part of every mission. There have been UN peacekeeping missions in which Canada has not participated.

[*English*]

Nevertheless the international community turns to Canada almost as a matter of course whenever a new mission is getting off the ground. The world not only understands that peacekeeping is an integral part of our own foreign policy but it also knows that our flexible, multipurpose combat capable forces can do the job.

We have a long tradition of peacekeeping expertise based on professionalism, training and the resources of our personnel. We have a wealth of experience in preparing, deploying, sustaining and repatriating great peacekeeping forces of various sizes. More recently we have been the vanguard of new concepts. Our corporate memory in peacekeeping makes us a natural choice for a wide variety of missions. It has taken years to build this marvellous reputation. We do not want to see it disappear now. This bill I fear would do just that.

Let me look at some of the specific problems of Bill C–295. First, I do not believe the authors of Bill C–295 fully understand the nature of modern peacekeeping. For example the definition of peacekeeping offered is too imprecise and does not specify the types of operations covered. Peacekeeping as we know from our experience in the former Yugoslavia has become a generic term covering a broad range of activities, from traditional Pearsonian peacekeeping and preventive deployment to peace enforcement and peace building. These distinctions are glossed over in the legislation.

[*Translation*]

Nor is it explained anywhere in the bill why this applies only to the Canadian forces. Civilians are often used in UN peacekeeping missions—elections personnel, for example, and police officers. But there is no mention of civilians anywhere.

[*English*]

Bill C–295 confuses other fundamental concepts. It would amend the National Defence Act so all members of the Canadian forces assigned to a peacekeeping mission would be on active service for all purposes. This proposal is unnecessary. Pursuant to Order in Council P.C. 1989–583 dated April 6, 1989, all regular force members anywhere beyond Canada and all reserve force members beyond Canada are currently on active service. Moreover, all members of the regular force have been on active service continually since 1950.

In other words, there is no legal requirement for individual orders in council placing members on active service for specific peacekeeping missions. Our practice of issuing orders in council is simply a parliamentary convention, although I might add that it reflects the government's commitment to involve Parliament more frequently in defence matters.

With respect to termination of Canadian contributions, let me move on to some of the provisions in the bill which deal specifically with peacekeeping operations.

[*Translation*]

For example, clause 8 of the bill requires that when the objectives of a mission are reached, all Canadian forces shall be withdrawn. At first sight, this is a very sensible idea. But in reality it will be difficult to determine at what point objectives have been reached, or how much expenditure it will take to reach them. And yet those are the very conditions that the bill would like to see defined in advance.

If a Canadian contingent were withdrawn from a mission too quickly, our participation could prove pointless, and worse still the whole mission could be compromised.

[*English*]

Moreover, the bill states that Canada should set its own peacekeeping objectives. However it is not clear how international and national aims might be reconciled. As it stands if we do not like an operation's objectives we do not contribute. However once we join we understand the operation is multilateral. We take pride in our role as a team player in international missions and we do not want to compromise it now.

The muddled thinking that dominates much of Bill C–295 carries over into the section dealing with rules of engagement. Let me first provide a little context. Rules of engagement are always issued to armed Canadian forces personnel participating in international operations. Our personnel often operate under UN rules of engagement, although these are frequently drafted in conjunction with the Canadian forces staff at national defence headquarters as well as the Canadian contingent commander.

Mr. Strahl: Mr. Speaker, I rise on a point of order. This is the end of the debate on this bill. I would just like to thank all members for contributing to that debate. The bill was drafted in response to the recommendations of the joint Senate–Commons defence committee in its recommendation that Parliament be consulted before future peacekeeping missions.

I thank hon. members for their debate and ask that they support this bill.

The Deputy Speaker: It being 11.52 a.m., it is my duty to interrupt the proceedings to put forthwith every question necessary to dispose of the second stage reading of the bill before the House.

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

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Deputy Speaker: Pursuant to the order made Friday, June 16, 1995, the recorded division stands deferred until later this day at 11.30 p.m.

GOVERNMENT ORDERS

[*English*]

CANADIAN DAIRY COMMISSION ACT

The House proceeded to the consideration of Bill C–86, an act to amend the Canadian Dairy Commission Act, as reported (with amendments) from the committee.

SPEAKER'S RULING

The Deputy Speaker: There is one motion in amendment standing on the Notice Paper for the report stage of this bill. Motion No. 1 will be debated and voted on.

[*Translation*]

We are a little ahead of schedule, and apparently the member moving the amendment is on his way to the House. We can suspend for a few minutes, or we can wait for him. The choice is yours, colleagues.

[*English*]

Mr. Gagliano: Mr. Speaker, if the member will be arriving shortly we will then suspend for a few minutes, but if we have no news of the member then we should put the question.

The Deputy Speaker: I am told he is on his way. We are a couple of minutes early. He might not have expected we would be doing this.

Does anyone else wish to comment? Could one of the members of the Reform Party indicate how long the member is gong to be?

Mr. Solberg: Mr. Speaker, we are just checking on that now. If the House would indulge us and give us a minute or two, I will definitely get back right away and let you know what is going on. We expect him here any moment now.

SUSPENSION OF SITTING

The Deputy Speaker: Colleagues, shall we suspend for two or three minutes? If the member is not here in two or three minutes we will come back. Agreed?

Some hon. members: Agreed.

(The sitting of the House was suspended at 11.57 a.m.)

SITTING RESUMED

The House resumed at 12 p.m.

MOTIONS IN AMENDMENT

Mr. Leon E. Benoit (Vegreville, Ref.) moved:

Motion No. 1

That Bill C–86 be amended by adding after line 43, on page 2, the following new Clause:

''2.1 the Act is amended by adding, after subsection 9(1), the following:

''(1.1) the Commission may exercise the powers described in paragraphs (1)(*f*) to (i) only with the agreement of

(*a*) the province where the power is to be exercised, or

(*b*) the Board that has jurisdiction over milk or cream in the province where the power is to be exercised.''''

He said: Mr. Speaker, I am pleased to rise to present an amendment to Bill C–86, which will change the Canadian Dairy Commission Act. I recognize and acknowledge up front that changes are necessary to the act which will allow it to operate within the trade agreements now in place, particularly the NAFTA and the GATT.

While acknowledging that the changes are needed, I have some concerns about Bill C–86. The main concern is that the Canadian Dairy Commission will be allowed to exercise powers which have traditionally belonged to the provinces. Concerns have been expressed by dairy farmers and others in several provinces about the movement into provincial jurisdiction.

While I have concerns about what is in Bill C–86, my larger concern is with the discussions which have taken place since its introduction. What I have heard in the discussions is that the bill will accommodate supply management. It will allow supply management to continue pretty much as it is with some changes. We have heard from the agriculture minister, the parliamentary

secretary to the agriculture minister and dairy groups that because the legislation will accommodate supply management no changes are required. That concerns me. Certainly a lot of dairy farmers who I have spoken to know that changes are coming in supply management. These changes will come not because of legislation passed in Canada but as a result of pressure, particularly from the United States, through the trade agreements NAFTA and GATT.

(1205)

The discussion surrounding Bill C–86 is that it will fix the problem and allow supply management to continue. Supply management has been working well and this will allow it to continue to work well. As a result of that kind of discussion, many dairy farmers are not aware that change is inevitable. It is important for farmers to acknowledge that, to allow for a reasonable transition period and to move from the present supply management system which will be accommodated under this legislation to a system which will assist them to respond to more competition, particularly through more imports from the United States.

In the discussions the parliamentary secretary to the minister, the minister and even the leaders of some farm groups have said this will help solve an immediate problem but the long term concern is still there because change will come. Many farmers did not get that message. It will mean that the dairy supply managed industry will not have the transition time needed to move from the present system to a system with more competition.

That is my single largest concern surrounding the legislation. The amendment I propose is essential before the bill passes because it will prevent the federal government, once again through its agencies, from interfering in areas of provincial jurisdiction.

I have specific concerns with the bill. I will address those later. My main concern is for the dairy farmers. I am extremely concerned they will not be prepared for the coming changes.

Over the past months I have made trips to different parts of Ontario and I made a point of talking to dairy farmers. This is an area where I feel Reform must do more work. Certainly I need more knowledge in the area. I make a point of talking to dairy farmers about what is going on in their industry. I find from discussing the industry with dairy farmers that different groups of dairy farmers look at the change in different ways.

For example, dairy farmers who are quite close to retirement and maybe plan on farming for five or ten years are asking why the system cannot remain exactly as it is. They do not even want to talk about change. They want us to do everything we can to get the maximum price now and pretend that change is not going to happen. I understand their thinking. Change is intimidating to most people.

These dairy farmers who will only be in business for maybe another five years would do well to keep the system exactly as it is. I understand their concern and acknowledge their view.

Another group of dairy farmers have borrowed a large amount of money to finance quota. They are concerned as we move into a more competitive system. Many are willing to acknowledge it will happen, that change is coming. They do not know whether it will be in five years, ten years, two years or three years. These farmers are concerned because if their quota loses value, which it certainly will when there is more competition allowed into the system, in some cases they will become insolvent. They will not have the equity to back loans. In other cases their retirement, even though it is down the road, is being eroded. This is a concern to them.

(1210)

Then there are the young farmers coming into the system. Many of them feel they would do well not having to pay for quota at all. That means the competition is not as big a threat to them.

The amendment I have proposed will fix up one of the problems in the bill. It will allow provinces to keep jurisdiction which is rightfully theirs. It does not fix the problems with the change in the industry.

Mammoth changes are coming to the industry. That must be acknowledged. Let us discuss them openly as we discuss this amendment and this bill as it passes through the House.

Mr. Lyle Vanclief (Parliamentary Secretary to Minister of Agriculture and Agri–food, Lib.): Mr. Speaker, I would like to take a few minutes to comment on the motion that is before the House.

First, I am very disappointed in the lack of knowledge or understanding that the member who has just spoken has concerning the bill that is before us today. He needs a few more trips to some place in Canada where there is supply management and he needs to talk to more producers and more stakeholders in the industry to get a better understanding of it.

I am also disappointed he does not seem to recognize and have faith in the dairy industry that which the rest of us have to adapt to the changes that the dairy industry does know are happening. It is addressing them.

It is very clear that in all sectors of the dairy industry, including the primary producer and the processors, are prepared and are rolling with the punches as the industry evolves not only here in Canada but throughout the world.

The bill before the House does absolutely nothing to change the role and the participation at the present time. Reaching consensus on any major Canadian industry initiative, whether it is in the dairy industry or wherever, is always difficult.

Reaching unanimity is even more difficult but that is what has happened with this bill.

The representatives of 26,000 dairy farmers and some 300 processors and marketers have clearly voiced their strong support for the bill. I remind the House that the value of this industry to Canada is $8 billion a year.

The members of the national Canadian milk supply management committee, provincial governments and the milk marketing boards and agencies throughout Canada have agreed to all aspects of the bill. I find it very contradictory for the member to stand in this place, representing a party which continually says that the industry should be able to adapt the way the industry wants, and give a contradictory message. That is exactly what this bill does today. It is an industry decision.

None of the parties involved, and this shows the distance of the member from the issue we are discussing, agrees with this motion. The parties have been to the standing committee. None of the parties involved in this have asked for this.

The administration of pricing and the pooling of milk and of returns by the Canadian Dairy Commission on behalf of the producers requires legislation dovetailing certain provincial and federal powers. There is absolutely no infringement on provincial authority involved in this legislation.

Most provinces currently have legislation allowing milk pricing and pooling within their boundaries. Bill C–86 has absolutely no effect on current provincial powers.

To duplicate the equity which the current levy system provides to the new national pooling system, similar powers must be provided for milk sold across provincial borders and that is interprovincial movement of milk and for export.

There are four points in the bill. The first is the bill provides the power to establish and operate a pool or pools. The second is the power to establish the price of the milk or cream to be included in the pool.

(1215)

The third is the power to collect the returns from the milk or cream to be pooled. The fourth is the power to establish and operate a special program that will enable processors and further processors to obtain milk or milk components at special prices.

Only the last of the powers is subject to formal agreement between the Canadian Dairy Commission and the provincial milk marketing boards. While the other three powers will be delegated to the provincial authorities under the new pricing and pooling system they are and should remain strictly within federal jurisdiction.

The legislative changes replicate the same federal–provincial power sharing now in effect through the levy system and the special assistance program for processors and further processors. The bill will allow maintenance of the dairy sector's current successful, effective and equitable framework for the orderly marketing of milk and dairy products in Canada.

In closing I emphasize to the member and to other members in the House that the motion would not represent a change from what exists at the present time. It certainly would not be what the industry asked for. I remind the member to touch base closer with the industry so that he can assist us in doing exactly what he keeps asking us to do: provide the industry with what it wants.

More formal agreements between the federal and provincial governments would only be further restrictions on the dairy industry which is not our wish. Our wish is to do what is wanted by the Canadian milk supply management committee which represents the total industry. That is what the bill does.

[*Translation*]

Mr. Jean–Guy Chrétien (Frontenac, BQ): Mr. Speaker, it is with pleasure that I rise this afternoon to discuss Bill C–86 and more specifically the amendment proposed by my colleague, the hon. member for Vegreville.

First I would like to make a statement that contradicts my colleague's assertions about supply management. When you want to fill a glass with water, it's easy, you turn on the tap. If you want the glass to be filled right to the brim, you take care to turn off the tap just at the right moment for the glass to be filled up; if you only want half a glass, you turn off the tap when the water reaches halfway.

In the early 1970s, farmers, provincial governments and processors got together and introduced what is now generally referred to as supply management. Regulated supply management in the dairy industry is profitable for all levels. First of all it is profitable for the farmers, who are the base of the dairy pyramid.

Previously, our producers found it much more advantageous to produce milk in May, June and July, when their herds were at pasture. In those three months they could make a better profit on their milk while in the winter it was less profitable, more costly, to produce milk. The result was that consumers and processors ran short of the raw material, milk, that was needed for a full year, so that there were periods when there were no fresh dairy products the way we always have now.

Today dairy producers are assured steady income throughout the year, and not just for one defined portion of the year. Consumers can get fresh butter and cheese every day, thanks to competent management of dairy production. And processors can run their plants all year round and not just for a few months.

I have to say to my colleague from Vegreville, who has visited dairy producers in southern Ontario who want to keep the existing arrangement, that this is not in compliance with the agreements we have signed with our international partners.

(1220)

We are not in compliance with our GATT commitments and we have to modernize, we have to position ourselves by the start of August to respect the agreements signed by the Canadian government with the 140 other GATT members.

The amendment moved by the hon. member for Vegreville does not, given the present system, constitute a change that gives more powers to provinces, as its wording might suggest at first glance. Given the system as we know it, this amendment would simply limit the effectiveness of the consultation process that exists at the present time through the Canadian Milk Supply Management Committee.

Currently industrial milk is managed by the Canadian Milk Supply Management Committee. The committee is made up of the chairmen of all the provincial milk marketing boards. The Canadian Dairy Commission just chairs the committee. The committee operates on a consensus basis and in case of dispute on any point that requires unanimity, the budget for example, a preliminary management committee will be struck.

If consensus is still not possible after three meetings of this committee, the majority decides. As in any good family—you know this, Mr. Speaker, you are the father of a family—there comes a time when someone has to wear the trousers and make the decisions. If after three meetings unanimity is not possible, the majority decides. In no case does the Canadian Dairy Commission have a right of veto.

Moreover, it is important to point out that the Canadian Milk Supply Management Committee has never, in living memory, failed to reach agreement. That means that the Canadian Dairy Commission cannot impose its views on representatives of the provincial boards. So why include in the bill that their agreement is necessary?

There are some other anomalies in the wording of this amendment. It refers to amending a clause affecting the Canadian Dairy Commission. That commission has jurisdiction over industrial milk only, while the provinces are responsible for fluid milk.

The proposed amendment means that the Canadian Dairy Commission can exercise certain powers only with the agreement of the provinces in which the power is to be exercised, but the provinces have no say with regard to industrial milk. Most importantly, when the amendment refers to agreement by the province, it does not seem to take into account the fact that the provinces do not sit on the Canadian Milk Supply Management Committee.

Provincial representation is provided through the provincial marketing boards. Thus paragraph (a) of the amendment adds nothing to Bill C–86, because it refers to a level of government that, under the present system, has no direct jurisdiction. Since the agreement needed under paragraph (a) of the amendment will be that of the marketing boards, we now question whether paragraph (b) of the amendment is relevant.

In my opinion, there is even a problem of interpretation with the bill itself and with the principle underlying the amendment; since the Canadian Milk Supply Management Committee operates by consensus, why include in the bill that the commission can exercise the powers mentioned therein only with the agreement of the boards?

(1225)

Even if the provinces had jurisdiction in the area to which the amendment refers, the amendment's reference to either the provinces or the boards would not succeed in achieving a majority whereas, at present, as I was saying, the committee operates on consensus.

For these reasons, we of the Bloc Quebecois would ask our colleagues to oppose this amendment proposed to us this morning by the hon. member from Vegreville, who represents the Reform Party on the agriculture committee.

Overall, maintaining the system as it now operates beyond August 1 would be illegal. The government, in consultation with the provinces, reached agreements with the vast majority of them, with the result that today six provinces out of nine participate in milk marketing. Six provinces agreed to sign the memorandum of agreement. Those six provinces, including two important ones, Quebec and Ontario, produce 82 per cent of all the milk in Canada.

At present three provinces have signed partial agreements, but on very specific points, still hesitating to jump in with the six other provinces. They are the three western provinces: Alberta, Saskatchewan and British Columbia, which together produce 18 per cent of Canada's milk, an average of 6 per cent each, if we do a very simple calculation.

I am delighted that in 13 or 14 months at the outside, milk producers in all parts of Canada will be paid a single price for their milk. There will be no more discrimination between industrial milk and fluid milk.

You know, Mr. Speaker, right now there is still a discrepancy of more than 10 per cent between prices for these two types of milk. The odd thing is that it is often the same cow that produces the milk. One day she produces fluid milk, the next day industrial milk; one day that cow is 10 per cent more profitable, the next day she is being milked at a 10 per cent loss. You have the same standards for cleanliness, the same care, the same cooler, or ball tank, of milk. You have the same cows, the same

dairy producer, of course—and there is a 10 per cent difference. That is unaccceptable.

If we go back 30 or 40 years, it was logical and even acceptable that there be a 10 per cent discrepancy because fluid milk producers had to be much more careful, they had to produce 12 months every year, and they were subject to supply management: if they produced too much milk, they could not sell it.

In closing, then, I ask my colleagues in the Bloc Quebecois to oppose the Reform Party's amendment. In fact, I have just learned that the party in power does not agreee to this amendment either.

Thank you, Mr. Speaker, for your careful attention to my remarks.

(1230)

[*English*]

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, I rise today to address Bill C–86, the act to amend the Dairy Commission Act.

This bill is significant because it provides for the replacement of the existing system of levies with a system of pooling market returns from the different classes of milk. The government claims the move to a pooling system will maintain equity among producers and will be consistent with Canada's international trade agreements, NAFTA and GATT.

Changes are needed to allow supply management to continue while meeting the requirement of our agreements. For this reason my colleagues and I can support the stated purpose of the legislation.

We have talked to dairy farmers and others in the industry and they have said they feel the legislation is necessary to allow supply management to continue under GATT and NAFTA. For this reason we can at least support the intent of the legislation.

We do have some major concern with clause 2, which affects clause 9 of the Dairy Commission Act. This bill extends the powers of the Canadian Dairy Commission and could possibly diminish the authority given to the provinces under the original act. Therefore to guard against this possible erosion, my colleague from Vegreville has proposed an amendment which will affect clause 9 of the Dairy Commission Act.

There is a problem in supply management in maintaining the status quo. With respect to supply management, change is inevitable. We have already seen change and nothing stands still in the face of time and advancement. Dairy farmers will be forced to compete more and more with American farmers and the odds are change will come sooner than the Liberal government is prepared to admit.

I am not saying this is what I want, but this is what reality tells us. The rules are changing and dairy farmers will need transition time in order to adapt to more open trade in the future. This bill will allow the supply managed system to continue for some time but there are nagging doubts as to the longevity of the current system if we do not consider changes.

Members of the Canadian Dairy Commission claim this bill properly reflects the changes affecting dairy farmers, but what the bill actually does is maintain the status quo for now. Given that a change to supply management is inevitable, there will be a problem over the long run.

The message the government has been presenting along with the legislation concerns us. I want to speak briefly about a concern with Bill C–86 from the discussions we have had with the minister of agriculture, the parliamentary secretary to the minister, some farm groups and some dairy farmers we have had the opportunity to meet with.

The legislation will allow supply management in the dairy industry to continue in a form quite similar to the present system. This does not mean supply management will continue in this form forever. Several trade issues may lead to more direct competition from the U.S. by allowing more access to dairy products from the Americans.

Before I begin discussing trade issues which could have a substantial impact on our present supply management system, I will make one thing very clear to the House. I am not talking about these issues because I want to see the demise of supply management or because Reform wants to see the demise of supply management. We are discussing these issues because they could have a dramatic impact on the dairy industry, and this discussion will provide an important service to the dairy farmers and others in the industry. Just because change will be difficult and is not wanted does not mean it should not be discussed.

Reformers have had enough courage to talk about probable change while the minister and the parliamentary secretary and even leaders of the dairy organizations publicly pretend the present system will exist indefinitely. This sends a dangerous message to dairy farmers that they can be protected against further competition, particularly from the American dairy farmers. This was the message the previous Conservative government gave to dairy farmers. It said article XI of GATT will not be touched under the new arrangements it was negotiating, and several Liberals echoed that. The NDP said it would not let anybody stand in the way of article XI. None of them could carry out that promise because it was not feasible.

I want to talk about why some change is inevitable and why it may be sooner than later. NAFTA began as an agreement between Canada and the United States. The deal is already being expanded now to include Chile and other countries. The world is forming into international trade blocks and we cannot be

certain that our supply managed industries will be totally isolated from new arrangements being negotiated.

What must the government do? It must acknowledge there is a high probability of more access for American dairy products, therefore a move to more competition. The government must help ease diary farmers' legitimate fears that Americans will not compete fairly unless they are forced to through tough action by the Canadian government

(1235)

We need a government that stands up for our producers and will not be bowled over by the Americans. We need to make the commitment to our dairy farmers that our government will stand with them.

We must start working toward levelling the playing field between Canada and the U.S. before more competition occurs. Now is the time to set the rules for the new economy. We should not go into this blindfolded and not prepared to deal with the inevitable consequences of relaxed trading agreements with our trading partners.

We must recognize there are different concerns about change to the supply management system among different groups of dairy farmers. They are not homogeneous. Each group must be listened to and asked for recommendations on how to deal with problems which will result from the move to competition for more imported products.

My colleague from Vegreville has put forward an amendment to the bill before us today in report stage. We have spoken to dairy producers and many in the west have expressed concern with certain aspects of the bill. Clause 2 of Bill C–86 extends the powers of the Canadian Dairy Commission which could possibly limit authority of the provinces. That is a concern. The proposed amendments appear to give the CDC very wide new powers. They appear to include much wider powers than would be needed to address the reduction of export subsidies and the provision for national pooling of milk returns. Though delegated administrative functions, the amendments do not necessarily reflect the stated objectives of the CDC to delegate all these powers to provincial boards by way of agreement.

Therefore to prevent this from taking place the motion put forward would make the proposed new statutory powers of the CDC subject to agreement from the province or the board. I think that is very important. I hope hon. members can see the merits of this motion and that they will support it.

My colleagues and I are supporting the legislation despite the fact we feel it is not always sending the right message to supply managed farmers. However, we cannot argue with what the industry and the majority of farmers want.

When change does come we will have to take into account older dairy producers who are close to retirement who want to hold their quota and make sure things stay the same while they are still in the industry, and younger producers who may have borrowed money and bought quota at high prices. Their equity is tied up in their share of the quota. We need to consider consumers, those who consume the products dairy farmers so adequately supply.

Mr. Lyle Vanclief (Parliamentary Secretary to Minister of Agriculture and Agri–food, Lib.): Mr. Speaker, on a point of order.

We all know the importance of moving the bill through the House for the dairy industry and the unanimity out there. In the spirit of co–operation this side of the House showed a few minutes ago to get debate on the bill, I wonder if there would be unanimous consent to move right to third reading to move this along for the good of the Canadian dairy industry.

The Deputy Speaker: Is there unanimous consent to move to third reading?

Mr. Hermanson: Mr. Speaker, if there is unanimous agreement to accept the amendment as put forward by the hon. member for Vegreville, we would be agreeable to proceeding to third reading immediately.

The Deputy Speaker: In any event, we have to deal with one thing at a time. We can have another point of order when we get there.

The question is on Motion No. 1.

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

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

(1240)

The Deputy Speaker: At the request of the chief government whip the vote is deferred until 11.30 p.m.

CANADIAN WHEAT BOARD ACT

The House resumed from June 8 consideration of the motion that Bill C–92, an act to amend the Canadian Wheat Board Act, be read the second time and referred to a committee.

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, I take this time to talk about the Canadian Wheat Board and some of the changes proposed in Bill C–92.

The purpose of the bill is to amend the Canadian Wheat Board Act for several reasons. The first is to change the pooling points on which initial payments are based from Thunder Bay and Vancouver to points in Canada designated by governor in council regulation, and then to establish a deduction from the initial payment which reflects the relative transportation cost advantage for each producer; in other words, to make the new pooling system work using the old system. We cannot see how anything old and new can be mixed. It reminds me of a Bible verse about putting new wine in old skins and vice versa.

To put a new pooling system into place when we are still using the fundamentals of the old system simply will not work. The whole move was partly caused by Alberta's recent move to hold a plebiscite on dual marketing which will include asking farmers if they wish to open up the Canada–U.S. border for direct shipments to the U.S.

The bill, which is supposed to come into effect August 1, will change how eastern grain transportation costs are paid. This means eastern prairie farmers who ship through the St. Lawrence seaway will have to pay the full cost of transportation. In the past all prairie farmers shared the cost through the Canadian Wheat Board pool accounts. The changes will result in higher relative grain prices for producers in eastern Saskatchewan and Manitoba once deductions for transportation are made.

The immediate effect after August 1 will be higher initial prices of about $5 per tonne for wheat across the prairies and $6 per tonne for feed barley. It is expected the increased costs will depress eastern prairie wheat prices by about $5.80 per tonne in the first year. For the transition assistance, partial compensation will be provided from the $300 million Western Grain Transportation Act adjustment fund to offset higher costs as a result of the pooling changes and to facilitate the transition to a deregulated system after August 1. Although these changes sound good, under a new system we have to ask why we are using the fundamentals of the old system to ensure that happens.

One way to real, meaningful change to the Canadian Wheat Board is through a farmer elected board of directors to replace the present system of government appointed commissioners, basically another patronage trough and an advisory board with no real power.

(1245)

We have seen it happen over the years where people get government appointments to the Canadian Wheat Board. If the whole system is to be democratized and updated we need to pay attention to the requests of farmers, which are in fact becoming demands, to democratize the whole Canadian Wheat Board system and make sure that farmers elect their board of directors. I think of every situation across the country, every board of directors, every community group or whatever. Those people are elected yet somehow the Canadian Wheat Board is still in the old system of government appointed commissioners.

Farmers should be given the authority to decide what type of wheat board they want. After all they pay the bills. It is the very same as it is here in the House of Commons. If people are demanding something from government they will make sure they vote in and elect people who will effect the changes for them.

Farmers are paying the bills through the Canadian Wheat Board just as Canadian taxpayers are paying the bill for this place. We need to make sure that if we are to open up the Canadian Wheat Board, if we are to put new systems in place, it has to basically go all the way. We must make sure that we democratize it fully and that the wheat board directors are elected by the farmers who pay the bills for them.

Farmers should be given the chance to democratically examine their organization and all jurisdictional options. This would allow grain farmers to carefully consider and vote on a variety of market opportunities, for example introducing greater domestic and international domestic competition, allowing the purchase of wheat and barley on either a cash basis or a pooled price basis and allowing the board to operate as a seller from export terminal positions only.

If we are to see any changes in the Canadian Wheat Board these things will have to be updated regardless of who is in power and regardless of their views on the Canadian Wheat Board or on the dairy commission that we have just spoken about. We are getting close to the 21st century and we cannot continue with a system where government appointees who have been faithful political hacks are transferred to some of these boards.

These and other issues must be decided directly by farmers through referenda. My party has proposed national binding referenda in the House since I have been here in 1989 and we will continue to push that.

The Charlottetown accord was a perfect example of that through a national referendum in 1992. It was a really exciting day for everyone in Canada. Politics changed forever in the country as of that October evening when we had a choice of putting down yes or no. Of course the no side won. I was the only federal parliamentarian of a federal party in the House of Commons who was on the no side. It was not really a happy occasion for me in this place but fortunately the lives of most of

us do not just take place in the Chamber. We found incredible support in the rest of the country outside these hallowed halls from people who said they did not want a government dictating to them what would happen in the country. That was really exciting and opened the way for referenda.

As we move now toward democratizing the Canadian Wheat Board we need to continue to put pressure on the government as well as on various groups if we are to open up the system regarding the pools with which the bill deals. Maybe that is a good first step, but we need to open it totally after that and make sure people who are in the positions of power in the Canadian Wheat Board, in fact the directors, will be voted in and have some measure of confidence from the farmers who put them into place.

Referenda are exciting. Because we had one in 1992 does not mean that we have to put it off nationwide for another 40 years or 50 years. It is something that could be worked quite well into the Canadian system.

Reform believes that now is the time for a fundamental evaluation of the role of the Canadian Wheat Board and the grain handling transportation system in Canada. The Canadian Wheat Board will continue to be a contentious issue until the democratic rights of farmers are restored and they are given real choice.

We see the battle around the country about pro–choice. Farmers need to be given real choice so that they could elect the people who will sit on their boards. After all it is their organization, as I mentioned earlier. They are paying the bills for it. If they are paying the bills they should be the ones who decide how it is run in the future.

(1250)

Obviously the minister of agriculture has made some changes but I am wondering whether he has the political will to make all changes that are necessary to the Canadian Wheat Board. The changes will come anyway and the big question is: Will our producers be prepared for them? That is what we are concerned about more than anything else. It is not with what the government is saying, that it is putting legislation in place or it thinks this is best. Let us be sure the producers are the ones who will be freed up in this and thereby the consumers.

In the earlier discussion on the dairy commission a Liberal member said that all dairy farmers felt that way because the dairy commission said thus and so. We have to be a little nervous about that. I am not sure any particular organization speaks for every one of its members.

We have just lived through the contentious Bill C–68, the gun control bill, in the House last week in which various interest groups had a vested interest. For instance the Canadian Association of Chiefs of Police not only obtained a government grant, which seems rather ironic, but it was supporting the legislation and basically saying that every policeman in the country supported gun control.

I invited you, Mr. Speaker, to Beaver River last week to talk about pensions. I invite you again to come to listen to any producer. Being from Alberta you know they say whatever the organizations are, whether the Canadian Wheat Board or the Canadian Association of Chiefs of Police, they do not speak on their behalf, just as I am able quite freely to say that although the National Action Committee on the Status of Women claims to represent me as a Canadian woman it simply does not.

For us to take a blanket statement that my group speaks for me and we know what every producer thinks because some group said it means that we are making huge leaps in logic. We are pleased to see some changes in the pooling system. However, as I said about the old and the new, if we are to make changes and to make something new then let us make them completely new. Let us not just tinker with the system and try to keep the old in place and put patches of new cloth on the wineskin. It simply will not work. If we are to move in the direction of freeing it up for producers and ultimately consumers, let us go whole hog and make sure the Canadian Wheat Board is changed.

Having spoken of hogs I will sit down.

Mr. Charlie Penson (Peace River, Ref.): Mr. Speaker, it is a pleasure to follow my colleague from Beaver River. I would like to raise many of the same points but it is important that I have an opportunity to speak on Bill C–92, an act to amend the Canadian Wheat Board Act. The bill is very near and dear to my heart. It affects many of the people in my riding. The Peace River riding has a large and very dynamic agricultural community. We are watching with great interest what will happen today as the bill is amended.

By way of background, the bill amends the Canadian Wheat Board Act to change the pooling points on which the initial payments are based from Thunder Bay and Vancouver to points in Canada designated by regulation of the governor in council. The bill also amends the Canadian Wheat Board Act to establish a deduction from the initial payment that supposedly reflects the relative transportation cost advantages of each producer.

The way the system works now shipping charges are determined by the distance a farmer has to ship grain to its designated pooling point of Thunder Bay and Vancouver. In my riding of Peace River approximately 95 per cent of all the grain produced in that riding is shipped west to the Pacific coast although one of our designated pooling points has been Thunder Bay. This means farmers in Peace River and other farmers in the western prairies have subsidized part of the costs of farmers in the eastern prairies through the freight pooling system the Canadian Wheat Board has implemented.

My understanding of what is being proposed is a system of four catchment areas. Each area will have a different deduction for transportation to a new designated pooling point. There are few specifics in the bill so I can only speak to the larger concept of what is being proposed.

The changes will result in higher grain prices for farmers in Alberta and western Saskatchewan and lower relative grain prices for producers in eastern Saskatchewan and Manitoba once deductions for transportation are made.

(1255)

It is thought that the bill which becomes effective August 1 will raise wheat prices in the west by an average of about $5 per tonne and feed barley prices by about $6 per tonne. Similarly prices in the eastern prairies will drop. This is part of what we call a rationalization that needs to take place in the total transportation industry and grain industry so that farmers can be effective, efficient and able to compete on the world market where they must compete. We must get transportation prices in line and this is a step in the right direction. It goes part way to addressing some of the distortions caused by the blanket pooling system and replaces it with a bunch of mini–pools.

However I have a problem with the whole concept of straight pooling no matter how it is done. As a farmer I do not want anyone to subsidize my freight costs. I certainly do not want to subsidize anyone else's either. I propose that we pay the real cost of moving our grain from point *a*, in my case the Sexsmith area, to Vancouver or Prince Rupert and let the producer who lives somewhere else pay his or her real costs.

I am opposed to any type of freight pooling system. My preference would be to move to an open user pay system where farmers can decide where they want to ship their grain and where the market decides how much it would cost.

The changes proposed in the bill seem to maintain the control the Canadian Wheat Board has enjoyed in past decades. Just as a bit of history, the board was established first in 1917 for the war period and then again in 1935 to ensure the orderly sale of grain when western Canada faced economic and environmental disasters. In its original form the Canadian Wheat Board was a compromised tool for increasing returns and stabilizing incomes. Participation by farmers was voluntary. I stress very clearly that it was voluntary. It was not the way it is now where it is compulsory on all export grain.

In 1943 when supplying food to Canada's allies once again became an important national goal, the participation of farmers in the Canadian Wheat Board became compulsory. Unfortunately that did not end when the war ended, although that is the time it should have ended.

The board's chief mandate is to market wheat grown in western Canada in the best interest of western Canada's grain producers. Its designated areas include the three prairie provinces and a small part of British Columbia. The board is the sole marketing agency for export wheat and barley and the main supplier of the grains for human consumption in Canada.

Canadian feed grains for domestic consumption could be marketed either through the board or directly through grain companies. The sales of the Canadian Wheat Board fall between $3 billion and $6 billion annually. The board is administered by a chief commissioner, an assistant chief commissioner and three other commissioners. All costs of the board's operation are paid for by western grain producers. It is a user pay system and will lead to the concept that we should have control over the board.

An advisory committee was touted in the House last year elected from the producer group. It would advise the board on policy but would have no real power. It is just an advisory committee. However it has a very important function; it was democratically elected.

I have run through a bit of the background because I want to point out that the Canadian Wheat Board did not always exist in its present form. There was a time when farmer participation was optional. I also want to lead into some other changes that are necessary to bring the Canadian Wheat Board into the times.

The Reform Party has been saying for a long time that commissioners to the board should be democratically elected. Producers should have a real say on how the board operates and what kind of power it has. Only if commissioners have to run on certain platforms in certain designated areas can producers truly have a say in the board's operation.

The government is willing to allow an elected advisory committee, which is what has taken place for the last several years. Why not extend the same democratic process to where it really counts, to the people who run the Canadian Wheat Board themselves, the commissioners? I would like to see a dual system of marketing so that it would be the same for export grain as we currently enjoy on domestic grain in Canada. That would mean there would be a Canadian wheat board type of system where farmers who wanted to pool would be allowed to do so and those who did not would be allowed to sell on the open market.

I would like to give two examples of situations that are nonsensical but exist because the board is not accountable to the people it is supposed to be helping. These two examples are of farmers who have been trying to diversify. The very thing we want is for farmers to diversify however both of them have been frustrated by the rigid structure of the Canadian Wheat Board.

(1300)

First there is the story of Bob Numweiller, a Saskatchewan miller who lives close to the U.S. border. He wants to mill his own wheat, let me emphasize his own wheat, into flour and sell it from his farm. The board says he cannot do that. First he must sell his wheat to the Canadian Wheat Board. Then he can apply to buy it back but he must also pay the board's price and its administration fee even though he does not go through the Canadian Wheat Board. Then he has to wait a year or more to find out how much money he got for his wheat, his wheat, which he so–called sold to the board. It sounds like something which could have happened in Russia 20 years ago.

There is an absurd twist to the story. Now that the Canadian Wheat Board can no longer control imports because of the passage of Bill C–57 which brought us up to speed with the World Trade Organization, that farmer has discovered he can cross the United States border, buy American wheat and bring it back and mill it on his farm but he cannot mill his own wheat without going through this rigid structure. Something is obviously wrong.

Then there is the story of a farmer in my riding who is a friend of mine. He has gone on to diversify and has started to grow organic wheat. However the wheat board does not sell organically grown wheat. As such it has to be pooled with conventional grain where of course it loses all of its advantages and its distinctiveness.

The board deals in boat loads. There is not enough production at this time to fill a boat and it is too much hassle for the board to administer a container load, or so it seems. The question is: Is Mr. Schmidt allowed to do his own marketing? Only if he goes through the Canadian Wheat Board first. He has to do his own marketing but he has to apply to go through the board first.

Here are the steps he must take: First he has to go to his own local elevator to sell his grain on contract. The elevator writes out the sales ticket. Mr. Schmidt writes out a buy–back cheque for $36.94 a tonne. He also has to pay the elevator a $5 per tonne administration fee even though he does not use it. Now he owns his own grain. I have to emphasize that at this point he now owns his own grain. How absurd. He can sell it as he pleases. However he has to wait a year to get his original $36.94 per tonne back or he may not see it at all depending on how the pool did that year.

If he tries to bypass the Canadian Wheat Board he commits a criminal offence and must pay a penalty of $12,000 and spend two years in jail. What kind of a system do we have in this country? This gentleman has gone out and found his own market for a product which we are trying to encourage, organically grown grain, and the system which we use is inhibiting him and many other farmers who want to diversify.

Those are just two examples of why the Canadian Wheat Board needs an overhaul. I would start by ensuring that the commissioners are democratically elected by producers. After that the board would change its ways and meet the needs of the farmers of the 21st century in a hurry. Otherwise they would not be re–elected.

Today's new generation of commercial farmers want to substitute their management skills for the collective approaches which have dominated the system for the past few decades. They see new opportunities and hot new products such as organic grain. Using their own skills and their own comparative advantages they want to be free to grow new crops and market them themselves. That seems a reasonable approach to me and one which has to be worked out. Otherwise the Canadian Wheat Board will lose in the end.

My experience in my riding is that the farmers who are questioning the Canadian Wheat Board's approach to a single desk marketing agency are those of a younger age. Unless the board adapts they will be gone. These new farmers are not knocking on the government's door asking for new subsidies. All they are asking is for government to get out of their way to let them do business. I hope the government is listening.

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

Some hon. members: Question.

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

Some hon. members: Agreed.

An hon. member: On division.

(Motion agreed to, bill read the second time and referred to a committee.)

* * *

(1305)

CHEMICAL WEAPONS CONVENTION IMPLEMENTATION ACT

The House proceeded to the consideration of Bill C–87, an act to implement the convention on the prohibition of the development, production, stockpiling and use of chemical weapons and on their destruction, as reported (without amendment) from the committee.

Hon. Alfonso Gagliano (for the Minister of Foreign Affairs, Lib.) moved that the bill be concurred in.

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

Some hon. members: Agreed.

The Deputy Speaker: I did not hear anyone from the Reform Party or the Bloc. On division, or is it agreeable to go without division?

It is not a debatable motion. I am asking whether it should be on division or by unanimous consent.

Mr. Hermanson: Mr. Speaker, could I just have some clarification as to what we are on? There is some confusion here.

The Deputy Speaker: We are at concurrence in report stage of Bill C–87. Can we do this by unanimous consent?

Some hon. members: Agreed.

(Motion agreed to.)

Mr. Gagliano (for the Minister of Foreign Affairs, Lib.) moved that the bill be read the third time and passed.

Mr. Jesse Flis (Parliamentary Secretary to Minister of Foreign Affairs, Lib.): Mr. Speaker, I do not want to take too much time on the bill because I spoke on it before it went to committee.

This bill could probably set a model for future bills to be passed expeditiously. When the bill came to committee we asked the chemical producers and other witnesses to appear. Because the chemical producers and other interested parties monitored this problem during the convention they did not see any need to appear before the committee other than to endorse the legislation. Canada showed leadership in trying to convince other countries to accept this convention against the development, production, stockpiling and use of any chemical weapons or their precursors.

All three parties were very co–operative. We all saw that we are making the planet safer for future generations. We are very fortunate to have a member on this side of the House who actually witnessed the signing of the convention. He will be one of our speakers in this debate.

It is important to get the legislation through the House and the Senate before the summer because Canada would like to be one of the first 65 signatories to ratify this convention. With the kind of co–operation we have been getting from the official opposition, the Reform Party and independent members, I think we will have this legislation passed very quickly through this House and then hopefully passed just as quickly in the Senate.

(1310)

The reason this convention was so successful is that companies which are producing chemicals were involved. Canadian manufacturers were even used as a test ground to see if this is the kind of convention that will work. It is a convention that is doable. Canadians can be proud that here again when it comes to the security and environmental cleanup of our planet, Canada always shows the lead.

In closing I thank all parties and the private sector for helping us to get this legislation passed as quickly as possible.

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Mr. Speaker, I am pleased to again address Bill C–87 which, when proclaimed, will enable Canada to implement laws prohibiting the production and use of chemical weapons and providing for the regulation in Canada of certain chemicals which could readily be turned into chemical weapons.

This new law will fulfil Canada's obligation under the United Nations chemical weapons convention signed by Canada and over 130 other states in Paris in January 1993. Almost a quarter century of negotiations have taken place at the conferences on disarmament in Geneva to bring this initiative to fruition.

This is a major achievement and the first multilaterally negotiated treaty to abolish an entire category of what can only be called weapons of mass destruction. Not only will all chemical weapons and their production facilities be destroyed under international supervision, all government and industry activities falling under the convention's objectives will be liable to international monitoring and possibly inspection. This is a mammoth undertaking and the success of this important milestone in world affairs is dependent upon each participating state or country ratifying the convention and then abiding by their treaty obligations.

Canadian negotiators have done a tremendous job and can take great pride in the instrumental role government in co–operation with the private sector has played in the successful negotiation of the convention. An important multilateral process has taken place. Its success can fuel even greater co–operation among nations so that even larger strides can be made to make our world a safer place in which to live.

Because trade with nations which have not signed the agreement will be prohibited, our ratification of the treaty will ensure our chemical industry remains competitive. Additionally, speedy passage of this bill will make it possible for Canada to be among the first countries to ratify the treaty. It is fitting that Canada be among the first 65 nations to ratify the treaty. After all our nation has worked diligently to ensure its success.

The treaty will come into force 180 days after it has the validation of 65 of the 160 signatories to the agreement. Should some member nations require more than the 180 day period to meet the criteria, there are provisions to extend this period but it may not be extended beyond two years.

Because of the implications and complexity of this convention, every avenue has been sought to ensure that all obligations under the convention are fully met. It is important that we

recognize those who have dedicated their efforts to ensure that implementation will go smoothly for our industries.

With the co–operation of the Canadian Chemical Producers Association, the Canadian Pharmaceutical Manufacturers Association, Merck Frosst and government officials conducted a trial inspection of the Merck Frosst facility in Quebec to test the verification provisions. These results were presented by both associations to the annual industry consultations with negotiators in Geneva. This ongoing private sector co–operation was instrumental and invaluable in ironing out the wrinkles during the negotiations and in drafting the legislation.

(1315)

The Canadian Chemical Producers Association played an integral role by submitting one of the first papers on the issue of confidentiality to the conference on disarmament. This preliminary private sector involvement provided valuable constructive support and all participants are to be applauded for their contribution.

Additionally, officials from the Department of Foreign Affairs deserve commendation for their extensive preparatory work initiated to ensure the legislation will be effective while at the same time minimizing any negative impact on or interference with the affected industries.

By choice and representing the views of Canadians, Canada does not possess chemical weapons or chemical weapon production facilities. Therefore the overall impact will not be as difficult or significant for us as for those nations that do produce these instruments of war.

The greatest impact within Canada will arise from the provisions dealing with industry activities. The underlying thrust of the legislation is, as dictated by the chemical weapons convention, to completely prohibit any activity relating to the production of chemical weapons.

The most toxic, destructive and dangerous chemicals are listed in schedules 1 and 2. These chemicals will have the least impact on Canadian industry because production in Canada of chemicals on these lists is negligible. They have little or no commercial use. The more commonly used industrial chemicals noted in schedule III will have the greatest impact on our industry. Because of the commercial value of schedule 3 chemicals, industry production will proceed without inspection up to a limit of 30 metric tonnes.

As for Canadian industry, the initial and annual declarations will be mandatory for all plant sites that were in production the previous year and/or those plants expected to produce in the following year more than 30 metric tonnes of schedule 3 chemicals.

The initial declarations where necessary must be made within the 30–day period after the treaty comes into force. Chemical amounts exceeding 230 tonnes will be subject to verification and random onsite inspections to ensure compliance. They will require an initial declaration followed thereafter by mandatory annual declarations. Such declarations must include aggregate national data from the previous year on quantities produced, imported and exported of each schedule 3 chemical. Also each involved country must provide a quantitative itemization of each product exported and imported. This information will be declared no later than one month after the convention enters into force.

Reporting will commence in the calendar year following ratification of the treaty. Canada will be required to submit annual declarations within 90 days after the end of each calendar year. Also annual declarations on past activities are to be presented no later than three months after the end of the previous year.

Should production estimates exceed the projected threshold a new declaration must be submitted within a two month period. Should projected production be greater than the reported estimates such new activity must be reported at least five days before such production commences.

To allow some flexibility for industry declarations may not be necessary for any schedule 3 chemicals that are mixed in low concentration with other substances. The guidelines dictate that if these chemicals could be easily recovered from the mixture or if the total weight represents a risk factor reporting could be required.

Reports for production exceeding the 230 tonne threshold will include the purpose, the chemical name, common or trade name used, the structural formula and chemical abstracts service registry number if one has been assigned. The declaration of anticipated activity will be indicated in ranges starting for example between 20 and 200 metric tonnes and extending all the way to ranges above 100,000 tonnes.

Production levels for previous years will be similar in nature to the outline just mentioned. Verification within Canada will be carried out by onsite inspections. Using mechanisms such as specially designed computer software, the technical secretariat will randomly select plant sites for inspection. Such selection will be based on factors such as the identified chemical designation, as provided for in the legislation, plant site characteristics and the nature of activities carried out at the plant.

(1320)

Every effort will be made to ensure there is an equitable geographic distribution of inspection activities. As a note, provisions clearly stipulate that no more than two inspections per year will take place at any one plant although special provisions pursuant to article IX will permit more inspections.

The combined number of inspections in any one country shall not exceed three plus 5 per cent of the total number of plant sites declared by a state or the maximum number of 20 inspections, whichever of these two figures is lower.

The general aim will be to verify that activities are consistent with the information reported in the declarations and ensure that no chemicals indicated on other schedules are being produced or used. Inspection teams will be authorized to demand access to records, particularly in situations where it is determined this information is needed for verification.

Sampling and on site analysis will be conducted to check for the presence of undeclared chemicals. If on site analysis is not possible, analysis may be required at a designated laboratory. Plant areas to be inspected will include storage sites, delivery sites, reaction vessels, feed lines to the reaction vessel valves, flow meters or other equipment associated with the production. There will be an external inspection of reaction vessels and ancillary equipment as well as any lines leading to long term or short term facilities for the chemicals, areas for waste, effluent handling and disposition of chemicals not meeting specifications.

Inspections are not to take more than 24 hours but in some cases extensions may be sought and negotiated. At least 120 hours' notice of an inspection must be given prior to the arrival of the inspection team. Industries producing chemicals such as phosphorous, sulphur and fluorine, which can be readily adapted to produce chemical weapons, will have to report their activities but at least at this stage will not be subject to random inspections.

Inspection data will then be compiled and forwarded to the International Organization for the Prohibition of Chemical Weapons, OPCW. Our government must also control and report the import and export of these chemicals ensuring the confidentiality of the data collected.

For the most part the necessary structures are already established in Canada. The national authority will be set up within the Department of Foreign Affairs. Our current export and import permits and laws will facilitate the monitoring of the products.

Domestic enforcement is to be conducted under the Criminal Code. Industries must co–operate with inspectors or be subject to conviction if indicted and found deficient. The most serious infractions can make industry liable for up to five years in prison and a $500,000 fine. After five years an international conference will take place to evaluate the success or failure of measures implemented to monitor the agreement. If necessary new methods or requirements may be established at that time.

In establishing mechanisms to bring this convention into effect, every effort must be made to ensure the paper burden and costs do not become so prohibitive that smaller industries will be adversely affected or even forced out of business. Government must also continue to be sensitive to the financial implications of administrative costs. Extreme care must be taken to ensure the decision making will be streamlined and effective avoiding the creation of an excessive bureaucratic machine to track these chemicals. Already business in Canada has far too much bureaucracy and red tape to contend with.

The collection of data and conduct of inspection should be cost effective and any industry feedback must be heard and receive due consideration. Hopefully the co–operative relationship established between government and industry during the preliminary development stage will continue.

Although some of our veterans were subjected to it most Canadians are fortunate to have been spared the horrors of the use of chemical weapons such as were experienced with the use of mustard gas or nerve gases in wartime. Chemical warfare in the Iran–Iraq conflict brought vivid pictures of the terrible lethality of these weapons. The indiscriminate and massive loss of human life convinced the international community that every effort has to be taken to outlaw these terrible weapons of human destruction.

Our world has changed. The cold war is over but recent events in Japan bring home the necessity of continuing to work toward the elimination of these terrible weapons. That event proved it does not take a war to result in chemical weapons intruding into our lives.

(1325)

At the time when the nerve gas assault on Tokyo's subway system took place, leaving 12 dead and 5,000 sick, it was not illegal to make or possess sarin and other nerve gases. In the days and even weeks after the nerve gas attack, a series of frightening incidents affecting defenceless civilians continued. The cult's top scientist was fatally stabbed in front of reporters. Burning bags containing a form of cyanide were found in a public washroom in a huge train station. Mysterious noxious gases were released several times in train stations and other public places making hundreds of people ill.

Police raids on cult sites yielded tonnes of chemicals and equipment necessary for the manufacture of sarin. There is even further evidence that research was taking place on biological weapons. Because of the cult attacks, Japan recently enacted laws to prohibit these chemicals.

Moving to another region, there is now very conclusive evidence that chemical and biological weapons were present in the theatre of operations during the Persian Gulf war. In this instance the introduction of low levels of such chemicals may have resulted from bombings of either Iraqi chemical weapons facilities or caches of Iraqi weapons on the Saudi border.

The Canadian Peacekeeping Veterans Association in Victoria has been approached by field engineers who were involved in operation axe. One of their duties was to destroy objects that could not be specifically identified and some are now suffering from what appears to be exposure to highly toxic substances. Their reported symptoms include severe headaches, bleeding gums, rashes, joint pain, memory loss, dizziness and breathing difficulties.

Collectively these symptoms, first traced to their origins by the doctors examining American veterans, had become known as the gulf war syndrome. Not only is this of great concern to those directly affected, a molecular toxicologist at the University of Maryland, Dr. Ellen Silbergeld, told a congressional hearing last fall that scientists now know that those exposed to these toxic chemicals can pass the poison on to their children.

Dr. Francis Waickan, an environmental pediatrician, has compared birth defect statistics between gulf war babies and other children. His findings reveal that abnormalities among children of gulf veterans is probably tenfold that of the normal population.

There is additional evidence that some of these toxins are released from the body during night sweats experienced by these veterans thus transmitting the chemicals to their spouses. This explains why many veterans' spouses are reporting similar rashes, fatigue and other symptoms of this ailment.

Clearly the effects and tragedies connected with chemical warfare do not end at the time of their use. The ramifications persist even being passed on to the future generations and causing untold harm to the human race.

The passage of Bill C–87 is just the first step on the way to eliminating future tragedies such as these. The real test will come when we are able to measure the willingness of the major powers of this world, those having the greatest number of production facilities and the largest stockpiles, to indicate their commitment to accept and institute these measures.

It is my fervent hope that the obstacles facing the international community can be overcome and that we can look forward to a day when both biological and chemical weapons will be no more.

To reiterate, we now stand at a pivotal junction on the road to eliminating these cruel, indiscriminating and devastating weapons. Let every nation accept the challenge by agreeing to continue to further the implementation of co–operative approaches and multilateral efforts to promote world peace and security.

The Reform Party supports Canadian agreement to and execution of Bill C–87.

Hon. Warren Allmand (Notre–Dame–de–Grâce, Lib.): Mr. Speaker, I will split my time with the hon. member for Vancouver Quadra.

This bill provides for the ratification and implementation of the chemical weapons convention which I have supported for a very long time. In January 1993 I had the good fortune to be present at the signing of this treaty in Paris, where I chaired a parallel conference of parliamentarians. The purpose of the parallel conference was to mobilize parliamentary support for the ratification of this important treaty. As a result I am now part of an international task force working toward this goal.

(1330)

Unfortunately the ratification process has been very slow. Of the approximately 160 countries which signed the treaty since 1993, more than two years ago, only 27 at last count have thus far ratified and deposited its ratification. This is a very small number if we consider the great number of about 160 that have signed the treaty. I should point out that the treaty can only come into force six months after the ratification by 65 countries. We still have a long way to go.

The chemical weapons convention is the most comprehensive disarmament treaty ever developed. It is the end product of a quarter of a century of negotiations and culminates 100 years of international effort to eliminate chemical weapons from the world.

Many Canadians will still remember the horrifying experience of the chemical poison gas attacks of World War I which caused 1.3 million casualties and 100,000 fatalities. Many Canadians were killed in the gas attacks at Ypres in Belgium. Following World War I, great effort was made to ban these weapons. There was agreement in the 1925 Geneva protocol but this treaty only banned the use of chemical weapons in war and did not provide for inspection and verification.

This protocol, however, was never adequate. As members will know such weapons were used by Iraq 10 years ago and were threatened to be used during the gulf war. Fortunately they were not used. They have been described, because they can be delivered by missile, as the poor man's nuclear weapons. Without this treaty they would cause a serious threat to many countries in the world.

In comparison to the 1925 Geneva protocol, the chemical weapons convention, which is before us, bans the use, development, manufacture, distribution, transfer and stockpiling of chemical weapons. It also provides for the monitoring, inspection and enforcement of the treaty and provides for penalties when the treaty is broken. One provision provides for the destruction of current stockpiles.

Part of the enforcement machinery is the establishment of the Organization for the Prohibition of Chemical Weapons known as the OPCW in The Hague as well as the establishment of national

authorities in all countries to monitor the internal enforcement as well as the import and export controls of these chemical weapons.

There is also the provision of criminal penalties for those who violate the treaty as implemented by this law. Consequently some cost is involved, such as the cost of the national and international authorities to monitor and enforce. However we understand that this is essential if we are serious about banning these cruel and horrible weapons.

There is also the cost of destroying existing stockpiles. This could be a considerable amount for those countries which have such weapons. In particular, I refer to the United States and Russia. Under the treaty, if these countries sign and ratify, they will have up to 15 years to destroy those stockpiles. Unfortunately neither the United States nor Russia have ratified although both have signed the treaty.

In conclusion I want to congratulate the Canadian government for its work in developing the treaty and now for its ratification through this bill. It is hoped that with this ratification by Canada impetus will be given to other countries to ratify as well. As I said at the beginning, 65 countries have to ratify before the treaty can be put into force.

I also want to congratulate those Canadian companies that manufacture chemicals and are co–operating with the government in the implementation of this treaty. This is the most advanced, complete disarmament treaty ever developed and I am extremely pleased to stand in the House and support it.

(1335)

Mr. Ted McWhinney (Vancouver Quadra, Lib.): Mr. Speaker, it is a pleasure to rise in support of my colleague, the distinguished member for Notre–Dame–de–Grâce, in support of this bill.

It is a subject that has occupied the world community, as a general subject, since The Hague conventions of 1899 and 1907. In fact one of the most significant acts of international law making was the act referred to by my colleague, the member for Notre–Dame–de–Grâce, the Geneva protocol of 1925. The protocol prohibited the use in war of asphyxiating, poisonous or other gases and of bacteriological methods of warfare.

The Geneva protocol reflected the spirit of its time. You dealt in general prohibitions. You established the legal norms. There was not the same attention that, by bitter experience, we have given in recent years to the machinery for concrete implementation of general principles. This is one of the significant features of Bill C–87. It is not merely the prohibition of chemical weapons, it is prohibition of the development, production and stockpiling as well as use and it includes measures for destruction.

It follows on the experiences that we derived most recently from the INF treaty of 1987, the Reagan–Gorbachev treaty on the destruction of intermediate and shorter range nuclear weapons, that general principles without supporting implementing machinery and sanctions are like tinkling cymbals. They are noble but they do not bring us down to concrete reality. I welcome this measure.

I also welcome it as another step in the process of development on a pragmatic, empirical, problem oriented, step by step basis of general universal disarmament. The Sermon on the Mount in the large, general treaties is too often ignored. It is the poetry of international law. It is not the material substance of it.

If you follow through the period when the cold war was giving way to detente and eventually ended, it was by this step by step progression: the banning of nuclear tests above the ground and in the atmosphere in the Moscow test ban treaty on through the non–proliferation treaty, on through various treaties on banning of placement of weapons on the seabed, eventually culminating in the INF treaty of 1987. It is a process and this particular treaty is a very distinctive and very happy part of that whole process. Congratulations to all the officers who have been involved.

My colleague, the hon. member for Notre–Dame–de–Grâce referred to the issue of ratification. This is one of the problems with international treaties. There is an attrition rate. Perhaps 100 countries sign a treaty but then when the officials go back home perhaps half of those only will proceed to ratify or ratify in a timely fashion. If the treaty is non–self–implementing, even fewer countries will introduce legislation to adopt it. We have signed, we have ratified and we are implementing. Thus attrition is avoided.

In terms of the treaty becoming general international law, some would argue as to what sanctions, what controls should there be. If I may, I will cite the general opinion of doctrinal authorities, of legal text writers. It is part of general international law as it now stands that the use of chemical weapons is against international law. This is the view expressed, as based on the evolution of customary international law through a number of international acts.

I have referred to The Hague conventions. I have referred also to the Geneva protocol. The view was advanced by the late President of the World Court, President Nagendra Singh and myself in a joint work on general disarmament we published in 1989 that the use of chemical weapons in warfare is against international law. In the gap between the signing of the treaty and ratification in good faith and implementation by individual countries like Canada, and the treaty finally becoming general law because of the necessary minimum number of state ratifications, that principle of international law applies.

(1340)

Canada, in communicating its ratification of the treaty and implementation for other countries, might draw attention to the fact that it is not necessary to wait for the ratification by the minimum number of states joined by the treaty to have recognized the principle of the use of chemical weapons in warfare being banned.

The treaty itself goes well beyond that. It follows in the spirit of the INF treaty. It is part of this step by step progression toward a system of general international law and humanizing warfare—the oxymoron that is there—temperamenta belli is what it is called, reducing the agonies of war if it has to be conducted but moving toward a general system of interdiction of armaments.

The issue has been raised with this treaty, as with other treaties, of whether it is missing some of the major problems. One of the most serious problems today is the resumption of nuclear weapons tests. It may interest the House to know that in the same volume in which we suggested chemical warfare is already outlawed under international law, the same learned authors expressed the opinion that nuclear weapons tests, as such, are against international law today.

[*Translation*]

Mr. Philippe Paré (Louis–Hébert, BQ): Mr. Speaker, the bills tabled in this House, whether they are government bills or private members' bill, do not always have the same impact. Some legislation is merely technical, without any reference to principles or values.

From time to time, however, bills do affect us personally because they reflect our values and are for us an opportunity to contribute to the progress of human kind and strengthen our solidarity with the rest of the world.

Consequently, I welcome this opportunity today to speak to Bill C–87, an Act to implement the Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on their Destruction. The bill before the House today is a response to Canada's obligations to implement, at the national level, international commitments made by the Canadian government.

This convention, signed in Paris in January 1993 by more than 160 countries, was the result of 20 years of negotiations. In fact, I want to take this opportunity to note the leadership role played by Canada in the negotiations leading up to this convention.

Unfortunately, by January 1995, only five countries had ratified the convention, and today, only 28 countries have proceeded with ratification. At least 65 signatures are needed for the convention to come into force. The Bloc Quebecois is therefore pleased to support the Canadian government on the passage of legislation to implement the convention so that it can come into force as soon as possible.

To explain our position, I would like to provide a little background information on the use of chemical weapons in warfare throughout the ages and their capacity for massive destruction.

First of all, we must realize that the use of chemical weapons is not exclusive to the twentieth century. In antiquity, certain forms of chemical and biological weapons were already in use, although on a very limited scale. I am thinking for instance, of the custom of poisoning the wells of cities under siege or throwing plague corpses into the enemy camp.

However World War I marked the tragic advent of the science and technology of chemical warfare. On April 22, 1915, at Ypres in Belgium, the Germans used chlorine gas for the first time as a lethal weapon.

(1345)

The result was horrible: 15,000 soldiers out of commission, including 5,000 dead. Sadly notorious, this gas now bears the name of the town where the slaughter took place and is still widely used.

Once this new weapon had been developed, there was a rush to improve it and make it even more deadly. At the time, since the wind, which was the main vector of the gas, could suddenly shift and turn against the user, science went on to develop projectiles that provided a better guarantee of hitting enemy targets. Bombs and mortar shells were used to accomplish this deadly task. Developments in aviation further increased the threat to civilian populations and the military. Meanwhile, science also tried to overcome the protection afforded by the gas masks in use since 1915. From now on, toxic gases were to become an increasingly devastating weapon on a massive scale.

During the Second World War, chemical and biological technology became even more sophisticated. Worse still, as increasingly toxic products were discovered, it also became possible to manufacture them on an industrial scale. The gas chambers and the thousands of Chinese gassed by the Japanese are examples of the horrifying consequences of this new deadly technology. After 1945, not only was the development of chemical weapons unprecedented, their low cost and ease of manufacturing also made them readily available.

Effective and deadly, chemical weapons soon became the poor man's atom bomb. In recent years, the use of chemical weapons has been most widespread in developing countries. Industrialized countries had already decided that chemical weapons no longer had any use strategically or as a deterrent because they had the necessary detection and protection technology. In addition, the two most developed blocks struck a

balance of terror at the beginning of the 1950s with the stockpiling of nuclear weapons.

The tragedy is that the have–not countries which use chemical weapons do not have access to the same kind of protection as industrialized countries. Since poor countries are unable to acquire the hydrogen bomb, they are using chemical weapons as a means to deter and to threaten. The balance of terror below the tropic of Cancer depends on mustard gas, which is dubbed the poor man's atom bomb.

The most recent demonstration of this was the Gulf war, which was an immense laboratory to fine tune chemical weapons. People all over the world were able to see on television the innocent victims of chemical warfare. On March 16, 1988, within a few seconds, 5,000 people from the Kurdish town of Halabjah died after neurotoxins were dropped on it. Unfortunately, Saddam Hussein did not stop there. In June 1988, he bombed the Iranian Majnoun islands with mustard gas and phosgene, killing between 10,000 and 15,000 people. Some 40,000 Iranians are still suffering from the after–effects of the many chemical attacks made by Iraq. In addition, according to a report issued by the Senate of the United States, tens of thousands of allied soldiers who fought in the Gulf war were exposed to Iraqi chemical weapons and now are showing pathological symptoms, referred to as the Gulf war syndrome.

Do not forget that this terrifying arsenal was built with the help of industrialized countries who, up until yesterday, continued to export large amounts of products which can be used to create chemical weapons. One of the reasons for the spread of chemical weapons is the fact that industrialized countries produce some of the substances used, certain pesticides for example, for civilian uses.

As I stressed earlier, western countries stopped using certain chemical substances for military purposes some time ago and continued producing them uniquely for civilian uses. I would like to remind you that Canada has already destroyed its chemical weapons factories.

This tacit abetment and lack of care in exporting toxic substances on the part of western countries have helped certain third world countries to amass a huge arsenal.

(1350)

Libya is one of the countries that traded with the West in order to build up a supply and then began exporting this deadly technology.

This is how the government in Khartoum ended up using mustard gas against the people in southern Sudan, and how Somalia got hold of neurotoxins. Other countries where there is fighting, such as Afghanistan, Egypt, the former Yugoslavia, Laos and Cambodia are suspected of using these toxic gases, which quickly attack the nervous system causing convulsions, paralysis and suffocation. As states cannot be forced to submit to investigations, they cannot be condemned by any evidence, and international sanctions cannot be used against them.

Many of these countries have yet to sign the Chemical Weapons Convention. Iraq is one of them. For the moment, however, its chemical industry is not functioning, having been destroyed by a commission of the United Nations. Its arsenal of bacteriological weapons, the size of which we now know, did not, unfortunately, suffer the same fate.

In response to the horrors and destruction of chemical warfare, a number of countries in the international community decided to take measures to prevent the manufacture and use of chemical weapons. These countries had already tried to limit the use of biological weapons as early as the middle of the 1970s with a convention on biological weapons. However, as the convention did not establish a verification regime, it was not particularly restrictive and therefore of little use for disarmament purposes.

In 1925, with the Geneva convention, the international community prohibited the use of gas in wartime, but did not prohibit its possession or manufacture. Great thinking, Mr. Speaker. Prior to the 1993 convention, there was nothing in international law to prevent the acquisition and manufacture of chemical weapons.

I would first point out that the 1993 convention will benefit everyone and is in the interest of all developed and third world countries, even though it is in the latter that chemical weapons are most often used, as I mentioned earlier.

Canada, unlike other countries, does not have equipment for its armed forces capable of rapid detection of the dangers caused by chemical or biological weapons. However, Canadian peacekeepers are serving in countries which have or are supposed to have these deadly weapons. It might be more relevant to equip our peacekeeping troops with detection equipment rather than buying four submarines, as the defence minister is planning to do.

The convention is very far–reaching since it sets up a stringent inspection system aimed at discouraging states which might overwise be tempted not to abide by the terms of this international agreement.

In fact, certain provisions allow for the control and monitoring of the destruction of the weapons and civilian chemical industry of the signing parties, anywhere, anytime. Inspections and verifications will be carried out by teams of international inspectors reporting to the Organization for the Prohibition of Chemical Weapons, created under the convention.

In this sense the signatories to this multilateral agreement are going beyond wishful thinking. They are equiping themselves with the means to ensure that the terms of the convention are abided by and to facilitate the implementation of the convention.

In brief, the convention prohibits the production, acquisition, stockpiling, transfer and use of chemical weapons. This ban covers not only chemical products manufactured for military

purposes, but also vectors and equipment used in connection with such weapons.

A planning commission has already been set up in The Hague to oversee the creation of the Organization for the Prohibition of Chemical Weapons. Several panel of experts have been reviewing different instruments and means to implement the convention. This commission is to ensure the transition to the Organization for the Prohibition of Chemical Weapons.

With Bill C–87, Canada is giving itself the means to meet its obligations under the convention, namely to gather information for the benefit of the organization, by setting up a national authority. Under its terms of reference, that national authority will also have to maintain a direct link with the organization and facilitate international inspections on Canadian territory.

(1355)

Some information leaflets have already been printed on the subject and distributed to Canadian chemical companies to inform them of their new responsibilities and obligations under the terms of the convention. This shows how important the Canadian government considers the national implementation of the multilateral agreement on chemical armaments.

This commitment also does credit to the mostly pacifist attitude of Canadians in general. Let me explain to the House how much Quebecers are interested in world peace and security. Quebec sovereignists have already included specific commitments to that effect in the Parti Quebecois platform.

In the chapter on international relations, the Parti Quebecois promises to declare Quebec a nuclear weapon free zone and, consequently, not to permit any research, production, testing, stockpiling or deployment of nuclear, chemical or bacteriological weapons, or of any of their vectors, on Quebec territory.

This commitment is totally in line with the intent of the convention on chemical armaments. Also, there is no doubt possible about the intentions of Quebecers who definitely want their country to be party to that convention once Quebec is sovereign. Quebec supports this collective action on the part of the international community, which aims at the complete eradication of weapons of mass destruction.

Therefore, let me reiterate my support, and that of my Party, for Bill C–87 which will allow Canada to ratify the convention on chemical weapons as soon as possible. After all, we must not forget this is the first multilateral disarmament agreement which comes with an effective control plan.

S. O. 31

[*English*]

The Speaker: It being 2 p.m. we will now proceed to Statements by Members.

STATEMENTS BY MEMBERS

[*English*]

LACROSSE

Mr. John Bryden (Hamilton—Wentworth, Lib.): Mr. Speaker, I would like to add my voice to those imploring the Minister of Canadian Heritage to restore funding for lacrosse, a uniquely Canadian sport.

I would remind my colleagues that lacrosse is central to one of the most famous stories in Canadian history, the capture of Fort Michilimackinac during the Indian uprising of 1763 led by the great Indian chief Pontiac. Members will recall that the Ojibway, allies of the French at the time, played lacrosse just outside the fort, much to the amusement of the British garrison. When the ball was deliberately flung over the palisade, the British made the fatal mistake of opening the gates to allow the Indians to retrieve it.

Thus the balance of power, despite the fall of Quebec, shifted away from the British and toward the French. So it has happened in Canada from time to time ever since.

It would be a great disservice to Canada's founding peoples, aboriginals, francophones and anglophones, to allow lacrosse to perish. It is a vital part of our shared history and culture as Canadians.

* * *

[*Translation*]

BOSNIA

Mr. Jean H. Leroux (Shefford, BQ): Mr. Speaker, we were relieved to learn yesterday about the release of the last 26 UN peacekeepers and observers, including 12 Canadians, detained by Bosnian Serbs.

This further hostage–taking incident, which shows incredible defiance, followed three years of ethnic cleansing, mass destruction and carnage by Bosnian Serbs that have claimed more than 200,000 victims.

Although today we salute the release of the Canadian peacekeepers and observers, we must still vigorously condemn the Bosnian Serbs' ruthless behaviour.

We also remain deeply concerned about the fate of some 700 other Canadian peacekeepers deployed in Visoko and Kiseljak, as the Bosnian government forces are mounting a vast offensive against the Bosnian Serbs to break the siege of Sarajevo.

S. O. 31

[*English*]

SPECIAL OLYMPICS

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, Special Olympics organizations all across Canada provide opportunities for the mentally handicapped to develop their physical, social and psychological abilities.

I have been involved with Special Olympics for a number of years now and can attest to the benefits that result from these Special Olympics programs.

On July 16, I will be hosting a fundraising golf tournament in my riding in support of the B.C. chapter of Prince George Special Olympics. I invite all members to come out and support this tournament but if they cannot come out I will be happy to take a donation back to the tournament on their behalf.

I also take the opportunity to urge all members of the House to support local organizations that participate in Special Olympics programs. Let me end my statement with the motto of Special Olympians: ''Let me win but if I cannot win, let me be brave in my attempt''.

* * *

THE LATE MR. JUSTICE WILLIAM TRAINOR

Mr. Ted McWhinney (Vancouver Quadra, Lib.): Mr. Speaker, Mr. Justice William Trainor of the Supreme Court of British Columbia, who died last Friday, was one of Canada's most distinguished jurists, senior adviser to several federal justice ministers and author of our law governing the legality of wiretaps.

As judge he had extensive and varied experience in the Yukon Territory and on the courts martial appeal court before going to the Supreme Court. He had a deep knowledge of legal history but recognized in his judicial opinions the need to up date old legal doctrines to meet new societal conditions and needs.

Our sympathy goes out to his wife of 50 years standing, Betty, and to his family.

Some hon. members: Hear, hear.

* * *

CYPRUS

Mr. John Cannis (Scarborough Centre, Lib.): Mr. Speaker, I have the pleasure of welcoming His Excellency, Mr. Andreas Jacovides, the High Commissioner of the Republic of Cyprus, to our country and to our capital city.

I take this opportunity on behalf of 200,000 Cypriots who to this day find themselves refugees in their own country and on behalf of 1,619 persons who to this day are still missing and unaccounted for to denounce the July 1974 brutal invasion of Cyprus by Turkish forces.

Twenty–one years later and despite various resolutions from the United Nations, the Commonwealth heads of governments and the European community condemning this brutal invasion, the Turkish regime refuses to come to the table and negotiate a peaceful and just solution for the island of Cyprus. Why? Because no solution is the solution for the Turkish regime.

Cyprus is not looking for pity. Cyprus wants what we all want as civilized human beings. Cyprus wants what all progressive institutions are advocating, justice.

* * *

ELIZABETH BISHOP

Mrs. Dianne Brushett (Cumberland—Colchester, Lib.): Mr. Speaker, on June 10 I had the distinct pleasure to attend the outstanding day of celebration for our home made poet, Elizabeth Bishop.

We celebrated the life and work of Pulitzer prize winning poet Bishop in Great Village, Nova Scotia. Bishop was born in New England in 1911 and spent her early childhood in Great Village with her grandparents. Her experiences as a child in rural Nova Scotia influenced, in fact dominated, her prose and poetry with the theme that all people are home made.

Elizabeth Bishop died in 1979. However, her literary works grow and are ever more popular. She is classified in the top five modern poets and is taught in virtually every department of modern literature in universities throughout the world.

The Elizabeth Bishop Society is a rapidly growing international association with memorabilia in Nova Scotia and at Vassar College, Bishop's alma mater.

Today in the Parliament of Canada I salute the Elizabeth Bishop Society of Nova Scotia and the organizers in Great Village for recognizing her literary works.

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[*Translation*]

FEDERAL–PROVINCIAL RELATIONS

Mr. Maurice Dumas (Argenteuil—Papineau, BQ): Mr. Speaker, yesterday, Louise Beaudoin, the Quebec Minister of Canadian Intergovernmental Affairs, took stock of the first nine months of federal–provincial relations since the election of the new government in Quebec. Social program reform, the Canada social transfer and the national forum on health are all examples of centralization and encroachment on Quebec's jurisdiction over education, health and income security.

(1405)

By closing the military college in Saint–Jean, reducing transfers to Quebec for health and education, restricting access to UI benefits—which has doubled the number of new welfare recipients Quebec must look after—and stubbornly refusing to transfer prime responsibility for job training to Quebec, the federal

government shows how little it cares about Quebecers' interests. That is flexible federalism for you.

* * *

[*English*]

EXPO 2005

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, last Friday we learned that Quebec City lost its bid to host the 2002 Winter Olympics. We all agree Canada lost a tremendous opportunity to showcase its talents to the world when it lost that bid.

However, Canada can still showcase its talents to the world by hosting Expo 2005. Calgary has a volunteer corps that will guarantee Expo is a tremendous success. It has the financial backing of the city and the province and would be a great Canadian showcase for a world's fair.

Let me remind everyone the heritage minister promised to follow the recommendation of the Reid committee, which recommends Calgary as the best choice to host Expo 2005.

Over three months ago the heritage minister promised to make a speedy announcement. The minister's dithering has tainted the selection process and is jeopardizing Canada's chances of winning on the international scene.

I strongly urge the heritage minister to finally keep a promise, to announce Canada will sponsor an Expo bid and to choose Calgary as the city that all of Canada supports to host Expo 2005.

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INDUSTRIAL RESEARCH AND DEVELOPMENT INSTITUTE

Mr. Paul DeVillers (Simcoe North, Lib.): Mr. Speaker, on June 1 the finance minister officially opened the Industrial Research and Development Institute in Midland, Ontario, in my riding of Simcoe North.

The IRDI epitomizes the approach to research and development needed in the new economy and reflects the strategy called for in the red book.

[*Translation*]

The IRDI is a partnership between the federal, provincial and municipal governments, industry and universities. From the work done at IRDI Canada will derive major benefits that will help make our manufacturers more competitive on the international market.

[*English*]

I congratulate Mr. Robbert Hartog and Mr. Reinhart Weber, two industrialists in Midland whose vision was the genesis of the IRDI concept and whose hard work made it a reality.

Support for Messrs. Hartog and Weber represents an important investment in Canada's future.

* * *

EMPLOYMENT EQUITY

Mr. Barry Campbell (St. Paul's, Lib.): Mr. Speaker, Canadian businesses understand that to remain competitive in a global economy and grow stronger at home they will have to use all of our human resources as productively as possible. Employment equity programs are tools designed to help Canadian businesses to do so, not hinder them.

It is heartening to hear many businesses and institutions have realized equitable participation by women, visible minorities, persons with disabilities and aboriginal people enhances the profitability of business.

Employment equity laws provide a minimum standard for employers. They do not constrain innovative leading edge employers who want to tap into existing and emerging markets. The Conference Board of Canada made it quite clear in its recent report that diversity is a bottom line business issue.

Employment equity is not a mystery. It is not a threat and it is not a drag on the economy. Just ask business leaders in Canada who understand Canadian customer demographics.

* * *

HALIFAX G–7

Ms. Mary Clancy (Halifax, Lib.): Mr. Speaker, last Friday the member for Rimouski—Témiscouata attacked the city of Halifax on the successful G–7.

Halifax has just delivered one of the best summits in recent history in French, English and in other languages as well.

[*Translation*]

Halifax gave visitors and delegates from every country a warm welcome in their own languages. We in Halifax celebrate what unites us, not what separates us. We in Halifax appreciate Canada in all its cultural diversity.

[*English*]

When the member opposite made her statement she accused the mayor of not having enough pride in Canada to fly the Canadian flag over city hall. The member owes Haligonians an apology and should check her facts before she makes accusations.

As the member made her claim, the Canadian flag was flying high over Halifax city hall. We are a military town. We raise the

flag at dawn and we lower it at sunset. We also raise our flag over business, schools, vacation spots and community meeting places because we are proud of our flag, proud of our country and proud of all our people.

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(1410)

THE GOVERNMENT

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, Brian Mulroney may be gone but his legacy of damn the voters lives on in the Liberal government. Patronage, arrogance and the appearance of corruption were all hallmarks of Mulroney's regime and the same can be said for the members opposite.

I thought I would never see it but the government's refusal to have the heritage minister resign surpasses even the Mulroney Tories in shoddy ethical standards.

Of most concern to me is the government's suppression of public opinion. The Liberals came to power on a mandate for change but nothing has. Ontario called out for change two weeks ago but the federal Liberals responded with threats to the dissenters. Unbelievably the heritage minister is defended while those who stand on principle are scorned.

It is truly a shame but the old saying about safety in numbers obviously does not apply to Ontario's voice in Ottawa.

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[*Translation*]

BOVINE SOMATOTROPIN

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, the issue of BST was raised repeatedly by the official opposition but the government never confirmed that it would respect the citizens' right to eat products unaltered by synthetic hormones.

Without even a debate on the use of biotechnology in food production, the government is presenting consumers with a fait accompli. As a matter of fact, Health Canada has already authorized the marketing of experimental milk produced with somatotropin imported from the U.S.

It is not the interests of consumers that the government is looking after, but the economic interests of pharmaceutical companies such as Monsanto, which is lobbying Health Canada like never before.

The government must stop dragging its heels and extend the moratorium on somatotropin so that the interests of consumers will be protected in the future.

[*English*]

ENDANGERED SPECIES

Mr. Stan Dromisky (Thunder Bay—Atikokan, Lib.): Mr. Speaker, the government continues its initiative to halt the trade in endangered species under the convention on international trade in endangered species.

Training workshops for federal and provincial enforcement staff are ongoing. Airport photo displays advising travellers not to purchase endangered species and products are currently being installed at five major airports in western Canada. Negotiations for formal agreements to implement the government's new wildlife trade act, WAPPRIITA, the wild animal and plant protection and regulation of international and interprovincial trade act, are well under way in three of the four provincial and territorial jurisdictions in western and northern Canada.

A number of prosecutions and seizures under current endangered species legislation have also occurred in western Canada recently with substantial penalties levied.

Nationally a video was recently produced for use on international airline flights and new posters discouraging the purchase of endangered wildlife products are being distributed to airlines—

The Speaker: The hon. member for Hastings—Frontenac—Lennox and Addington.

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CANADA DAY

Mr. Larry McCormick (Hastings—Frontenac—Lennox and Addington, Lib.): Mr. Speaker, July 1 is a special time for all Canadians wherever they live to participate in festivities that bring us together in an expression of pride in Canada and in being Canadian.

This July 1 Canadians can also celebrate the 30th anniversary of our national flag. The flag represents our values, reflected in the way we treat each other and in the regard we have for our global neighbours.

Canadians value individualism and industry. We also work hard together to ensure the welfare of our fellow human beings. Our values are evident in the dedication, discipline, tenacity and humanitarianism of our peacekeepers abroad. We have been known to be a compassionate, tolerant and rather unflamboyant nation but we stand firm when fair play is at stake. These values have made our society safe and full of opportunity.

Our Canadian flag has earned the recognition, respect and admiration of many nations. I wish all Canadians a joyous Canada Day and invite them to be generous in spirit with family, friends and neighbours.

MANITOBA

Mr. Ronald J. Duhamel (St. Boniface, Lib.): Mr. Speaker, I take this opportunity to invite all of my colleagues to celebrate their holidays in Manitoba this summer to appreciate la joie de vivre of St. Boniface, Winnipeg in Manitoba.

There will be a number of important celebrations, including July 1, Canada's 128th birthday. At the same time we will be celebrating Manitoba's 125th birthday.

From July 6 to July 9 is the Manitoba folk festival with a variety of music for everyone's tastes. From August 6 to August 16 is Folkorama, with roughly 50 pavilions celebrating Manitoba's and Canada's multicultural diversity. From July 13 to July 16 for those who love food there will be the very best foods from our very best restaurants in Manitoba. There will be literally hundreds of activities celebrating

(1415)

[*Translation*]

—Manitoba's 125th birthday. I sincerely hope that my colleagues will come and join me in St. Boniface and Winnipeg, in the province of Manitoba this summer to celebrate who we are.

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[*English*]

STANLEY KNOWLES

Hon. Audrey McLaughlin (Yukon, NDP): Mr. Speaker, I invite members of this House to join me today in congratulating the Hon. Stanley Knowles, who yesterday turned 87 years of age.

Some hon. members: Hear, hear.

Ms. McLaughlin: Mr. Knowles was first elected to the House of Commons in a byelection on November 30, 1942. In his more than 50 years of political life he has served as a member of Parliament and as a vice–president of the Canadian Labour Congress. He has received the Order of Canada and is a member of the Queen's Privy Council of Canada.

In 1984 a motion supported by all members of this House appointed Mr. Knowles the unprecedented status of honorary officer of the House of Commons, a post which he continues to fulfil.

His work in Parliament, especially on behalf of pensioners and veterans, and his many contributions to political life are appreciated by us all.

On a personal note, whenever I have spoken to Mr. Knowles about political life and the role of politicians, he has one word of advice, which I think applies to us all: ''If we are not here for the people, we should not be here''. Mr. Knowles has always been here for the people.

ORAL QUESTION PERIOD

[*Translation*]

BOSNIA

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, while everyone is celebrating the release of the hostages in Bosnia, the Muslim and Croat offensive against Bosnian Serb positions continues, in an attempt to lift the siege of Sarajevo. The fighting goes on, despite a warning from the G–7 countries Thursday evening, and a solemn appeal for a ceasefire from the UN special envoy.

My question is directed to the Minister of Foreign Affairs. As we speak, some 700 Canadian soldiers are still confined to their camp in Visoko. Would the minister agree that in Halifax, the G–7 countries failed to reach agreement on a specific solution to put an end to the conflict in Bosnia?

Hon. André Ouellet (Minister of Foreign Affairs, Lib.): Mr. Speaker, clearly, the Bosnian crisis which has been going on for several years could not be settled in a matter of hours at the Halifax summit. I am sure the Leader of the Opposition realizes that.

However, summit participants have reiterated their confidence in the diplomatic process as opposed to a military solution. They renewed their unconditional support for the peace plan proposed by the contact group and, more specifically, gave a very clear mandate to Mr. Bildt and Mr. Stoltenberg to continue their efforts to bring all parties towards a lasting peace in the former Yugoslavia.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, I want to ask the minister whether the Canadian government and its allies intend to take up the offer of the Bosnian president, who says he is prepared to interrupt the current offensive, provided all heavy artillery is pulled back 20 kilometres away from Sarajevo and access roads are again opened to humanitarian convoys.

Hon. André Ouellet (Minister of Foreign Affairs, Lib.): Mr. Speaker, this proposal is of course a positive sign. Unfortunately, to be effective, all parties involved in the conflict must agree, not just the Bosnian government but also the Bosnian Serbs. In this connection, summit participants asked Mr. Yeltsin to use all his influence to intervene with the Serb authorities so that an agreement can be reached that will involve all parties involved in the conflict.

(1420)

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, we know that the Americans have refused to contribute financially to the rapid reaction force. That being the case, does the minister believe it might be necessary to drop the idea altogether?

[*English*]

Hon. André Ouellet (Minister of Foreign Affairs, Lib.): Mr. Speaker, I want to be clear on this. The Americans have not indicated that they were in a position to be a rapid reaction force.

The financial implications of it will have to be discussed at a later date. There was some urgency to pass the resolution at the United Nations and in order to ensure that the resolution would be passed it was decided to postpone the financial implications to a later date.

The Americans, although they have not indicated that they would be participating, have not ruled out the possibility of financing part of it as they have done in the past.

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[*Translation*]

COMMUNICATIONS SECURITY ESTABLISHMENT

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, my question is for the Minister of National Defence.

We have learned that the Canadian government's Communications Security Establishment might offer its services to private business to help pay the bills in the face of federal budget cuts. When questioned about this, the defence minister declined to answer.

Considering how important this information is, can the minister tell this House whether the CSE is really considering making its spying expertise available to the private sector?

[*English*]

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, what we are talking about here is not signals intelligence, we are talking about the information security program, or INFOSEC. It is within the mandate of the CSE to give security advice on government telecommunications. It is an expertise that is probably the best in Canada and the CSE has been approached by other levels of government, other agencies and indeed people in the private sector to give advice.

It did occur to some officials that there should be some cost recovery associated with giving the advice. That was simply a working document with no government or cabinet approval.

[*Translation*]

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, based on the information at hand, what is being contemplated is much more extensive than what the minister just described.

Given that Parliament has no control whatsoever over this agency, which is not accountable to anybody, how can the minister approve or even consider approving the provision of spying services to the private sector by a government agency?

[*English*]

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, perhaps the hon. member did not hear my first answer.

We are not talking about espionage. We are not talking about signals intelligence. We are talking about the security of telecommunications. Every company, every agency, every government in the country has a concern that its data banks and its telecommunications are kept as secret as possible to preserve their integrity. That is what we are talking about. We are not talking about foreign espionage.

* * *

CODE OF ETHICS

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, when the government came to power it promised to make integrity a number one priority. The Prime Minister said there was an unprecedented level of public cynicism toward government and unless trust could be restored the political system would not work. Twenty months later the government is practising exactly the same ethics as its predecessor with conflicts of interest, patronage and old style pork barrel politics. What makes matters worse is that the Prime Minister has stubbornly refused to fire or even discipline ministers who violated codes of ethical conduct.

Since the government is unwilling to do the right thing overall, will it at least introduce clearer guidelines for ministerial fundraisers to prevent future conflicts of interest such as those embroiling the heritage minister?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, the leader of the Reform Party talks about integrity. In 1990 the leader of the Reform Party appeared before the royal commission on electoral reform and party financing where he stated: ''The Reform Party of Canada believes that no tax credits or deductions from income should be permitted in respect of donations of money to political parties or candidates. Parties and candidates should finance themselves''—

(1425)

Some hon. members: Hear, hear.

Ms. Copps: ''Parties and candidates should finance themselves with the money of their supporters and not with taxpayers' dollars''.

Some hon. members: More, more.

Ms. Copps: ''We recommend that the political contribution tax credit be eliminated''.

Some hon. members: Hear, hear.

Ms. Copps: However, that did not prevent every single member of the Reform Party from taking the government rebate that was offered to them at the end of the election campaign.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, pretending to not see an ethical issue is ignoring it or covering it up. We cannot go on with that vein of reply.

What has also become clear over the last two weeks is that the government's mechanisms and procedures for dealing with breaches in its code of ethics are simply not working. The heritage minister was caught in an obvious conflict of interest, yet the ethics counsellor was powerless to act. The Prime Minister only consulted the ethics counsellor as an afterthought and his report remains a deep, dark secret.

If this government is serious about restoring integrity to government and is unwilling to act itself, will it at least free the hands of the ethics counsellor and make him directly accountable to this Parliament?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, the leader of the Reform Party says he sees no conflict in taking a public position that his party should not accept political tax credits nor should they accept money from the taxpayers, but when it is coming they are very happy to take it.

While the leader of the Reform Party was up very righteously in the House last week attacking the Minister of Canadian Heritage for having a private dinner, he himself was attending another private dinner at the posh Windsor Club where initiation fees are $1,000 and annual dues are $600.

Some hon. members: Oh, oh.

Ms. Copps: However the press was not allowed because according to the press secretary of the leader of the Reform Party it was only a ''get to know you'' session.

Some hon. members: Oh, oh.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, surely the minister can see the difference between a regular political fundraising event and one where a minister is soliciting clients of his own department. If the minister cannot see the difference there, we really have an ethics problem.

No ethics code can be enforced as long as the government practices double standards when it comes to dealing with its own members. Liberal backbenchers who occasionally vote against the government at the direction of their constituents are punished. ''I will not sign your nomination papers'', says the Prime Minister. However cabinet ministers found flouting the federal code of ethics are defended and even applauded for their actions.

As a discipline for violating the conflict of interest guidelines has the Prime Minister told the heritage minister that he will not be signing his nomination papers at the next election?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, speaking of double standards, it seems to me that the leader of the Reform Party should explain to the House of Commons why he asked for his justice critic to be removed when he did not like some of the positions he took.

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[*Translation*]

REFERENDUM ON QUEBEC SOVEREIGNTY

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, the Minister of Intergovernmental Affairs said that the federal government would follow the letter and spirit of the Quebec referendum act.

(1430)

Yet, in a letter addressed to business people concerning the referendum campaign, the Privy Council suggests that they make a list of speakers to include current, former or retired business leaders who would like to speak in Quebec, and to give those names to the Privy Council or to the Council for Canadian Unity.

How can the Minister of Intergovernmental Affairs justify giving the Council for Canadian Unity, which is a charity receiving 60 per cent of its funding from the Department of Canadian Heritage, responsibility for the pre–referendum campaign on behalf of the Privy Council?

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 Council for Canadian Unity is an independent organization. This registered private organization has no official link with us. The government finances the council because that organization seeks to promote Canadian unity, which is a perfectly valid goal.

When the opposition or its big brother finances the council on Quebec sovereignty with my taxes and with the taxes paid to the Quebec government, it is clear that the opposition's big brother uses taxpayers' money to sell its option.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, this is a case of seeing the mote in one's neighbour's eye, but not the beam in one's own.

Some hon. members: Hear, hear.

Mr. Gauthier: In that same letter, the Privy Council suggests to business people that they should fund the advertising or

promotion costs of events such as the 30th anniversary of the flag, or citizenship ceremonies.

How can the minister claim that federal advertising on the Canadian flag and citizenship is not part of a huge multi–million dollar pre–referendum campaign, considering that the Privy Council is asking companies to integrate these themes into their advertising, in the fight against the yes side in the Quebec referendum?

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, how can the opposition dare to ask such a question, considering who is doing the advertising in the Montreal metro, who held the regional commissions, who is using Quebec taxpayers' money to carry out, through its departments, false advertising on what goes on—

The Speaker: Dear colleagues, some pretty strong words are being used today. I ask the hon. minister to retract the word ''false''.

Mr. Massé: Mr. Speaker, I retract that word and replace it with ''misleading''. Advertising which—

The Speaker: Again, I will ask the hon. minister to simply retract the word.

Mr. Massé: I do Mr. Speaker, but I want to carry on—

* * *

(1435)

[*English*]

BOSNIA

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Mr. Speaker, all Canadians are grateful that the troops at Ilijas and Pale have finally been released.

Now that they are free, the government is also free to address our continued presence in Bosnia in a more objective way. Approximately 700 Canadians remain on their base at Visoko, stuck between hostile armies in the midst of an escalating conflict. They are pinned down by land mines and threatened if they try to leave their compound.

Will the minister now accept that continuing this deployment is pointless, dangerous and irresponsible and that Canada should urge withdrawal as soon as possible?

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, in terms of the 700 members of the Royal Vandoos Regiment in Visoko, it is rather regrettable and certainly unacceptable from Canada's point that these people are confined to their base.

We will be making the strongest protest to the Bosnian government. The local commander has been trying to negotiate the passage of goods, food and personnel to the base. There is no reason to fear for their safety, but that is a matter we will be concerned about and we will be negotiating with the local commanders.

With respect to the general policy, the Prime Minister has made the government's commitment to the United Nations force absolutely clear. We believe the force can continue to do its job with the goodwill of the parties to start negotiating again.

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Mr. Speaker, the government continues to waffle about whether Canada will join the UN's rapid reaction force. It stalls for time, refusing to make the tough decisions about the mission in Bosnia. The government owes it to Canadians to stop dithering and decide its course.

Will Canada join the rapid reaction force and commit itself more deeply to the fighting or will it, as the Reform Party has been suggesting, begin to wind down its participation?

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, it is very nice for the hon. member from the Reform Party to express a sign of relief at the freedom of our hostages.

However I would like to remind the House that at the height of this crisis, when all Canadians and all parliamentarians should have been rallying around, this was the party that was telling us to withdraw. This was the party with a wanton disregard for the safety of our troops.

* * *

[*Translation*]

CANADIAN UNITY

Mr. Gilles Duceppe (Laurier—Sainte–Marie, BQ): Mr. Speaker, two weeks ago, the Minister of Intergovernmental Affairs stated that the Privy Council would be spending $2.5 million of its budget on Operation Unity this year. The Clerk of the Privy Council said that, of this amount, $1.4 million would be for salaries and $1 million for the purchase of goods and services. However, the minister and departmental employees carefully avoid talking about the total cost of Operation Unity.

Will the Minister of Intergovernmental Affairs tell us what the total cost of Operation Unity will be, including transferred employees, goods and services and the rental of office space?

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, we have very clearly estimated that the total cost of Operation Unity will be $2.5 million. This was the amount noted in the estimates, which are drawn up to give us an idea of how much money we need for the fiscal year.

But obviously, since then, our big brother from the Bloc Quebecois decided to put off the referendum, so we may have to

spend more than we previously estimated. How much more, we will only know once the referendum date has been set.

Mr. Gilles Duceppe (Laurier—Sainte–Marie, BQ): Mr. Speaker, the date will be quite clear, and I suppose that they are going to enlist the help of their big brother at Power Corporation for their campaign.

How can the minister claim that the Privy Council will only spend $2.5 million on the referendum, when his deputy minister, who appears better informed than he is, states that 17 per cent of the Privy Council's professionals are working mostly on the Canadian unity issue and, for the minister's information, 17 per cent of the Privy Council's total budget represents at the very least $14 million?

(1440)

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, as I mentioned, the figures in the estimates were drawn up to the best of our knowledge, given what we knew at that time about the Parti Quebecois's strategy.

And anybody who spends between $8 and $10 million on regional commissions, which were nothing more than propaganda machines, is in no position to grill us about our figures.

* * *

[*English*]

ABORIGINAL AFFAIRS

Mr. John Duncan (North Island—Powell River, Ref.): Mr. Speaker, the minister of Indian affairs met with the B.C. aboriginal affairs minister this morning. The provincial minister is here to insist on greater federal participation in settling native disputes in B.C. A native spokesman has said since last week that Adams Lake residents will have their access blocked today at 5 p.m. unless the federal minister involves himself in the dispute. There is urgency.

How is it the federal department can promote and participate in all land claim and self–government negotiations in B.C., but when the public is held to ransom the minister asserts that he has no legal, moral or statutory obligation to get involved?

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, I thank the hon. member for his question. The minister of aboriginal affairs is here from B.C. Even though we are not of the same party, I want to commend him for his excellent work in a very tenuous situation.

I will go back to the basis of the complaint. This is an off reserve problem. As the member knows there have been archaeological finds there. As a matter of fact if he reads the Kamloops news it is fairly correct. Kyle Boxrud plans to build a 60–unit recreational vehicle park but has been ordered to have an archaeological study conducted to determine the heritage value of the land. He has been told that by the province. He has been told to discontinue his work. He has refused to do the study and he has also refused to discontinue his work.

That is the issue. It is an off reserve issue. We are prepared to work with the province. I want to make clear that this government and this minister do not negotiate over barricades. We are a country of law and order and no barricade will get the promise of a solution. We have had a person there at two of the meetings. We are prepared to help facilitate a settlement with the clear understanding that barricades in Canada gain nothing from my department.

Mr. John Duncan (North Island—Powell River, Ref.): Mr. Speaker, I understand a lot of private property owners not involved in the archaeological dispute are suffering as a result of this dispute.

The minister has raised expectation levels in B.C. beyond what governments can deliver. A Penticton band spokesman is now saying that the B.C. treaty process is falling apart as he earlier predicted.

Other than to blame Reform, as the minister did Friday, what is the minister doing to reduce expectations and create a sensible and publicly acceptable set of negotiations in which the rule of law is rewarded and protests and blockades are not?

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, the hon. member is referring to the broader issue of the B.C. negotiations. All Canada knows that it was not this government that really started the negotiations. We are doing modern treaty in British Columbia, contemporary treaty addressing the spirit of intent.

I would advise the hon. member that there was a four–hour meeting with the First Nations from B.C. this morning with the minister and deputy minister. I thought the meeting was positive. If he blames us for enhancing expectations, if we as a government can collectively raise the spirits of aboriginal people, if we can restore values and that is raising expectations, that is what we are here for in the House of Commons.

* * *

[*Translation*]

BOVINE SOMATROPIN

Mr. Michel Daviault (Ahuntsic, BQ): Mr. Speaker, my question is for the Minister of Health.

The Food and Drugs Act, which comes under Health Canada, prohibits the sale of the synthetic hormone somatotropin, given, as the minister has said, that Health Canada's study of its impact on humans and animals has not yet been completed.

Would the minister confirm that no Canadian can consume dairy products from cows treated with the synthetic hormone somatotropin?

(1445)

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, the matter is still being studied. The product will be approved once Health Canada scientists have determined that it is safe and effective.

Mr. Michel Daviault (Ahuntsic, BQ): Mr. Speaker, how does the minister explain a letter dated October 2, 1986 from Health Canada signed by Mr. Mitchel, the director of the Bureau of Veterinary Drugs, permitting milk made with synthetic somatotropin to be marketed as unprocessed milk without any warning to consumers?

[*English*]

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, I will say, in English this time, that rBST is under review by Health Canada. The scientists at Health Canada are doing their work and a notice of compliance will not be issued until they are satisfied that rBST is safe and efficacious.

* * *

LABOUR

Mr. Andy Scott (Fredericton—York—Sunbury, Lib.): Mr. Speaker, my question is for the Minister of Labour.

Because of an increasing use of technology in the workplace we have witnessed an increase in global structural unemployment. In response to this the government struck an advisory group last fall to make suggestions to the government on working time and the distribution of work.

Would the minister inform the House of the government's intentions relative to the recommendations of the Donner report on working time and the distribution of work?

[*Translation*]

Hon. Lucienne Robillard (Minister of Labour, Lib.): Mr. Speaker, the question by the hon. member for Fredericton—York—Sunbury is particularly relevant, because it concerns a matter currently under consideration in a number of workplaces: hours and distribution of work. The report was distributed widely, in a number of areas to encourage public debate by provincial governments, unions and business.

Certain advisory bodies are currently examining the report, including the Canadian Labour Force Development Board and the Canadian Labour Market and Productivity Centre. We also plan to support pilot projects at the Department of Human Resources Development on testing hours of work. Finally, there are also recommendations on changes to the Canada Labour Code, and we have submitted them to the advisory group, which comprises labour and management, for recommendations to the Minister of Labour.

[*English*]

IMMIGRATION

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, the immigration minister told this House a week ago that in 1994 he had issued minister's permits to about 7,000 people who were initially denied entry into Canada. We have obtained a list of just who those people are and I find it and the minister's actions deeply disturbing.

Why did the minister give permits to 147 people who were caught working illegally, to 129 people who came into Canada with fraudulent papers and to 354 people who have engaged in a pattern of criminal behaviour?

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, the hon. member is distorting the purpose in the execution of the ministerial permits.

Clearly, we do not go looking for people with fraudulent documentation. In fact, this government has been proactive on interdiction. In 1990 there were some 8,000 illegally documented individuals coming into Canada. Through that active program, last year we reduced it to some 3,000 individuals.

If the interdiction program is bad, why is it then that governments in the United States, Holland and Australia want to duplicate what Canada has been able to do and do well?

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, permits were issued to 524 people who posed a health threat. Seven people were engaged in acts of terrorism and subversion, 1,049 were convicted of an offence that carries less than a 10 year sentence and 10 people had been previously deported. I have just scratched the surface.

Why has this minister refused to intervene even once to kick dangerous criminals out of the country when he intervened 7,000 times last year to let these sorts of people in?

(1450)

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, when the hon. member scratches the surface, other people scratch their heads in disbelief.

Ministerial permits are used across the country and internationally. They are not simply permits which are at the discretion of the minister, the discretion is also delegated to officials. The fact that they have been used 7,000 times for legitimate purposes is very different from the kind of accusation which is being levelled by the hon. member.

When he suggests that we allowed in seven individuals who had been active in terrorism he is, in a certain sense, misleading Canadians into believing that somehow their security is at risk. Some of these individuals were called by the House of Commons human rights committee. Some individuals came here for multilateral peace discussions from the Middle East. Some individuals came to testify to various human rights committees about the situation in Latin America. Some individuals came here to fundraise for the Jesuit college. These are the kinds of individuals who were let in. It was for the right reasons, not for the kind of innuendo for which the hon. member and his party are well known.

* * *

[*Translation*]

THE ENVIRONMENT

Mrs. Monique Guay (Laurentides, BQ): Mr. Speaker, my question is for the Minister of the Environment.

On June 9, the minister said, and I quote: ''We have taken the position at the EPA hearings currently going on in Washington that we would rather see to the disposal of our PCBs ourselves''.

Will the minister admit today that the Canadian government never participated in EPA hearings, contrary to what she claimed in this House?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, I personally wrote these words to Carol Browner while these hearings were being held. I have the letter, if the hon. member wants to see it.

Mrs. Monique Guay (Laurentides, BQ): Mr. Speaker, how can the minister reconcile her answer with the contents of a letter by Tony Barney, chief of operations at the U.S. Environmental Protection Agency, who maintains that no Environment Canada official appeared before the panel he chaired, and that no letter was received from this department?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, perhaps he should talk to his boss.

* * *

[*English*]

ROYAL CANADIAN MOUNTED POLICE

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, my question is for the Minister of Human Resources Development.

The minister is adamant that he must bring in Bill C–64, the employment equity bill and he is equally adamant that this will not mean hiring quotas, but he is not right. Let me give him an example. Seventy–four per cent of all new recruits to the RCMP training academy in Regina this fall must be from the designated groups. In other words the RCMP has declared the winners before it has even held the exams.

How can the minister say these are not quotas and how can he be sure these people will be the best qualified to be RCMP officers?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, first I would like to point out to the hon. member that my very distinguished colleague, the solicitor general, is responsible for the RCMP. I am very pleased to see that he is already taking measures before the legislation is even passed by the House to ensure that fair and equal opportunity is being provided through the various services of the federal government.

The mythology and illusion the Reform Party perpetrates throughout the country is that somehow quota is part of the bill. I want to underline that quota is not mentioned in the bill. It is not designed for that purpose. It is designed to set up a system whereby we can work with employers in both the public and private sectors to ensure that barriers which apply to all workers can be reduced. In that way everyone can be given the full opportunity to advance to their level of talent and ability. It will ensure that nobody is discriminated against as they have been in the past.

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, everyone wants to ensure equal opportunity but the trouble is that this type of policy and this bill will enact quotas in Canada. Let me give the exact figures to the minister for his consideration. This fall 112 new recruits will be visible minorities, 112 must be aboriginal and 95 recruits must be women. It could me more. Maybe it should be more, maybe less.

(1455)

The point is this: Why does the minister continue to say that there are no quotas when there are numbers like this that must be filled and prove that his bill and his policy means quotas for Canada?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, I say with deference that the hon. member's second question shows how ignorant he is of what is in the bill.

Some hon. members: Oh, oh.

The Speaker: Colleagues, I would urge you please to consider your language and maybe just tone it down a bit.

Mr. Axworthy (Winnipeg South Centre): Mr. Speaker, let me rephrase it. Obviously the hon. member is a stranger to the information contained in the bill.

I would point out to him that in the legislation itself we get away from providing any quantifiable requirements as was the case previously under certain human rights decisions. We are saying that by working with private employers we can ensure that we really aim at developing human resource plans in a wide variety of workplace situations so that we do not get to the point where one group of working people is being compared to the numbers in the workforce itself.

The bill is designed to exactly moderate and mitigate those impacts. I suggest that the next time the hon. member asks a question it might be wise for him to first read the legislation.

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FISHERIES

Mr. Ron Fewchuk (Selkirk—Red River, Lib.): Mr. Speaker, my question is directed to the Minister of Fisheries and Oceans.

On June 14, 1995 the government responded to the report by the Standing Committee on Fisheries and Oceans concerning the mandate and operations of the Freshwater Fish Marketing Corporation.

Can the minister assure this House that the government will maintain and uphold the proposals that were announced last week?

Hon. Fernand Robichaud (Secretary of State (Agriculture and Agri–Food, Fisheries and Oceans), Lib.): Mr. Speaker, the government's response takes into account a number of recommendations made by the standing committee, the main thrust of which was to allow and give an opportunity to northern remote communities to develop their fisheries.

Our response does exactly that. It provides for unconditional licensing of rough fish such as carp and mullet. It will also allow the community of Island Lake to buy and sell fish for a three–year trial period outside the FFMC. I can assure the member that the minister is committed to that.

* * *

[*Translation*]

REPRODUCTION TECHNOLOGIES

Mrs. Madeleine Dalphond–Guiral (Laval Centre, BQ): Mr. Speaker, my question is for the Minister of Health.

It has now been more than 18 months since the Baird commission tabled its report before this House. Despite the health minister's promises and the justice minister's good intentions, the government has yet to show that it does take seriously the recommendations made in this report.

Can the minister confirm that, as she told the health committee in May, she will be tabling in this House before the summer adjournment measures to prevent the sale of human embryos and ova and to ban genetic manipulation for commercial purposes?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, as the hon. member knows, this is a very complex issue, which demands a great deal of co–operation between the various levels of government. It should be easy for Bloc members to understand how difficult this is since we have to deal with their big brother. Let me tell you that I am just as eager as you are to have something ready soon because I have been working long and hard on this.

* * *

[*English*]

GUN CONTROL

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, the governments of Alberta, Saskatchewan, Manitoba, New Brunswick, Yukon, the Northwest Territories and now the premier elect of Ontario all oppose the firearms registry.

(1500)

In the 1993 report the auditor general said: ''Co–operation among the federal and provincial governments is essential if the program is to be administered effectively''.

What will the Minister of Justice do when those provinces opposed to the gun registration, the very governments responsible for the administration of the regulations, do not co–operate?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the premise of the hon. member's question is faulty.

To give an example, he referred to New Brunswick's government being against the registry. That is not so at all. Frank McKenna was speaking for himself when he expressed a difference of view about one aspect of it but many senior members of that government are strongly in support of the registration of firearms.

This government has every confidence first of all that the registration system, responding to what police have been asking for in this country for many years, will help make this a safer place. Surely my friends want to stand with the police.

We have every confidence that when the registry is in place provincial governments will discharge their constitutional responsibilities and administer the law.

* * *

CUSTOMS

Ms. Beth Phinney (Hamilton Mountain, Lib.): Mr. Speaker, Canada Customs has a difficult challenge at this time of year with a higher number of travellers. They have to enforce the laws against smuggling and other illegal activities at the border and at the same time they have to facilitate the movement of honest travellers and business transactions.

What is the Minister of National Revenue doing to meet this challenge more effectively?

Hon. David Anderson (Minister of National Revenue, Lib.): Mr. Speaker, I thank the hon. member for her question.

There was a series of measures undertaken under the general heading of the U.S.–Canada border accord but also in addition and outside that to make the border a more secure element of our national life.

We are attempting to streamline processes to make sure that for the honest traveller people have less hassle, indeed no hassle, and for those who would break the law the border becomes a brick wall.

Among the various examples of what we are doing was the announcement I made in Hamilton last Friday of a new pilot project for private aircraft that will allow free clearance of small planes coming into Canada using selective small airports. Those in this pilot project are Brantford, Buttonville, Gooderich, Oshawa, Pelee Island, Peterborough and Sarnia. We hope to expand this program nationwide next year.

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PRESENCE IN GALLERY

The Speaker: We are honoured today to have three distinguished visitors.

I would like to call your attention to the presence in the gallery of His Excellency Dr. Atef Mohamed Ebeid, Minister of Public Enterprise and Minister of State for Administration Development and Environment Affairs of the Arab Republic of Egypt.

Some hon. members: Hear, hear.

The Speaker: Also, my colleagues, I would like to draw your attention to the presence in the gallery of the hon. John Cashore, Minister responsible for Aboriginal Affairs in the Government of British Columbia.

Some hon. members: Hear, hear.

The Speaker: Also present in the gallery, is my brother Speaker, His Excellency Ortiz Arana, President of the Senate of Mexico.

Some hon. members: Hear, hear.

The Speaker: We will have a tribute to a former member in just a few moments, but I am prepared now to give a ruling on a question of privilege.

Speaker's Ruling

PRIVILEGE

MEMBER FOR BEAVER RIVER—SPEAKER'S RULING

The Speaker: As questions of privilege affect all of us, it is always valuable for us to give attention to the ruling.

[*Translation*]

I am now ready to rule on the question of privilege raised by the hon. member for Madawaska—Victoria on June 8, 1995.

During Private Members' Business on that day, the hon. member and the hon. member for Beaver River engaged in a heated conversation.

(1505)

According to the hon. member for Madawaska—Victoria, as she turned to go back to her seat in order to end the discussion, the hon. member for Beaver River grabbed her by the arm. The hon. member brought this to the immediate attention of the Chair and, the Acting Speaker heard the question of privilege.

Citing *Erskine May's*, 21st edition, at page 126, the member noted that it is a contempt to molest a member. She then claimed that she had been physically assaulted and was prepared to move the appropriate motion.

[*English*]

The hon. member for Beaver River then rose to confirm that the member for Madawaska—Victoria was correct in her description of the events. The member for Beaver River apologized to the member for Madawaska—Victoria and told the House she had intended no harm, threat or assault.

The Reform Party whip, the hon. member for Calgary Centre, and the hon. member for Mississauga South, both witnesses to the incident, assisted the Chair by describing what they had seen. The chief government whip also spoke to the matter, drawing to the attention of the Chair a number of precedents. I thank all three members for their contributions.

In my view the matter raised by the hon. member for Madawaska—Victoria is a very serious one for this House. The events that occurred were unfortunate, to say the least.

The hon. member for Beaver River has admitted she was at fault but has explained she meant no harm and has in fact apologized for her actions. I refer to her own words in the debates of June 8 at pages 13507 and 13508:

> I do apologize for that. I certainly did not mean any harm or assault. I do apologize if she thought there was any intention of an assault. I absolutely meant no harm or any threat.

As Speaker Fraser noted when ruling on a matter involving the hon. member for York South—Weston and the late Mr. Dan McKenzie, to which the chief government whip referred, once

the error has been admitted and the member has apologized, procedurally the matter should go no further.

The incident ought not to have happened and it ought not happen again. I refer hon. members to the debate of October 16, 1987, at page 10090. I concur with the decision reached by my predecessor on that occasion and with regard to the present case I find the matter is closed.

[*Translation*]

There is a troubling aspect to this incident which, if left unchallenged, could have serious consequences for us all, as members of this House. It is my hope that my remarks will clear the air and ensure that we stay on course in our dealings with each other in this House, particularly during the long hours of these final days before the adjournment.

As Speaker, I am the arbiter of House proceedings, charged with preserving order and decorum. However, I cannot do this job alone. I rely on the co–operation of you all, my colleagues, to ensure that this Chamber remains the focal point for thoughtful reasoned debate on the matters crucial to the well being of our nation.

[*English*]

While I take consolation from the fact that our House is more orderly and decorous than the one faced by my 19th century predecessors, I am constantly reminded that this is a place of strong opinions and strong emotions and that when tempers flare hon. members can get carried away. I strongly urge all hon. members, you my colleagues, to respect the conventions and traditions of this place and to conduct ourselves—myself also, because I am part of it with you—with the civility becoming representatives of the Canadian people.

There is absolutely no place for violent language or actions in this House. Our constituents expect members to be businesslike and civilized in the conduct of parliamentary affairs. So does the Chair. So does the whole House.

(1510)

To quote Speaker Fraser on a ruling he gave on December 11, 1991, at page 6142 of the debates:

> The Chair can devise no strategy, however aggressive or interventionist, and can imagine no codification, however comprehensive or strict, that will successfully protect the Canadian parliamentary traditions that we cherish as will each member's sense of justice and fair play.

In this I wholeheartedly concur.

* * *

THE LATE ROBERT LLOYD WENMAN

The Speaker: We will now proceed to tributes for one of our colleagues who died recently. I call upon the hon. member for Sherbrooke to make the first intervention.

Hon. Jean J. Charest (Sherbrooke, PC): Mr. Speaker, I rise today to pay tribute to one of the longest serving members of Parliament, Mr. Bob Wenman, who passed away peacefully at his home on June 13.

Robert Lloyd Wenman was born in Maidstone, Saskatchewan, on June 19, 1940 and would have been exactly 55 years old today. He had a distinguished academic career, attending the University of Saskatchewan as well as several prominent American schools. He trained as a teacher at Saskatoon Teachers College.

He first entered politics in 1966 at the age of 25 years. He was elected at that time to the British Columbia legislature. He was re–elected in 1969 and after a short time was also an alderman in Surrey, British Columbia.

He was elected for the first time to the House of Commons in 1974 and re–elected at every election afterward until he decided to retire from politics in August 1993.

During his time as a member of Parliament he held several posts, including parliamentary secretary to the minister of defence, and chaired the Standing Committee on Labour, Employment and Immigration.

Outside the House of Commons he gave generously of his time to many causes, the most significant of which was undoubtedly the United Nations.

Mr. Wenman was a member of this place who very early on became interested in environment issues, issues that related to the global population. He was interested in these issues at a time when it was not fashionable. I remember in the 1984 Parliament he was among a few members at the time who pursued some key issues related to the environment, one of them being, as I subsequently discovered in reading some notes following his passing away, South Moresby in British Columbia. That was an issue he pursued with the previous government, that of Mr. Clark.

He was also very interested in issues that affected global parliamentarians and chaired that group for some time.

He left his mark in a conference held in British Columbia called Globe '92. He chaired the UN global parliamentarians on habitat group. A consequence of the 1992 conference was the creation of the International Centre for Sustainable Cities, now located in the city of Vancouver.

He was also very interested, in his constituents and in the issues of his own area, among them Fort Langley, which I know something of because of previous responsibilities. I can assure the House that he certainly pursued the interests of Fort Langley with a great deal of vigour.

As friends and colleagues reflect upon his great contribution, which spanned 30 years of public life in Canada, and as we think back to the significance of that contribution, may I refer to someone you have just referred to, Mr. Speaker, your pre-

decessor, Speaker John Fraser. Upon learning of his passing away, Speaker Fraser said this: ''Bob Wenman took his own direction, clearly from his own star''.

As we look back on his life may we encourage many other Canadians to follow the star of Bob Wenman.

(1515)

In closing, I want to extend our very deep regrets to his wife of 32 years, Donna, and his four children, Jill, Kiven, Ken and Kraig.

Hon. David Anderson (Minister of National Revenue, Lib.): Mr. Speaker, it is with a deep sense of loss that I rise to recall the life and the untimely death of Bob Wenman, a man dedicated to the country, to his province of British Columbia and to public service.

My friend, Bob Wenman, died last week in British Columbia at the age of 54 after a political career spanning almost 30 years, including 19 years in the House of Commons, representing the constituents of Fraser Valley West.

It is Bob's principled and distinguished life rather than his passing which will remain fixed in the minds of those of us who knew him.

Bob began his political career at the age of 25 in 1966 as a Social Credit MLA in the provincial legislature of the province of British Columbia. From that early start until last week he led a life marked by an unwavering commitment to stand by his beliefs and ideals. Whether or not his views were popular, Bob was resolute in upholding and promoting those things that he believed to be right.

During his final years in public office, Bob's commitment to family values, the environment and Canada's relationship with countries in the Pacific rim was very evident.

He is survived by his wife Donna and four children, Ken, Jill, Kiven and Kraig, and our thoughts are with them at this very difficult time. I hope his family and his many friends are able to take solace in the knowledge that his contribution to his province and to the country will long be remembered.

[*Translation*]

Mr. Louis Plamondon (Richelieu, BQ): Mr. Speaker, on behalf of the Bloc Quebecois and on my own behalf, I also want to pay tribute to Robert. You all remember that in 1981 only one Conservative member was elected in Quebec. However, in 1984, 57 Conservative members arrived here to represent Quebec, 56 of them being new faces. That turnaround was the result of the efforts made by Robert, who taught some skills at the sessions for Conservative candidates.

As the leader of the Conservative Party mentioned earlier, all Quebec Conservative or former Conservative members, including those who were defeated during the last election and those who did not seek a new mandate, remember Robert as an exceptional facilitator and motivator at these sessions for Conservative candidates. Robert was extremely friendly and he taught us many points which proved useful during the election campaign. In fact, several Quebec MPs elected in 1984 are very indebted to him for his good advice. Even though he had to conduct his own election campaign, Robert was generous enough to come and spend two days with us at the sessions for candidates, held in a hotel which is now a Travel Lodge, where he welcomed us. The whole session was organized by him.

He was an extremely generous person strongly devoted to the party line, but with some very progressive ideas. For example, he was always the one, in the Conservative Party who would trigger the debates on the environment. I had the opportunity to sit with him on various commissions and committees. I was always impressed by the avant–gardism of his ideas, as well as by the pragmatism which characterized every one of his statements. To be sure, he was a philosopher but he was always very practical.

We had a lot in common. Like me he was a former teacher and in business. Consequently we would often have discussions together. Robert also talked a lot about agriculture since he represented a part urban and part rural riding. Again, since our ridings were more or less similar, we had long discussions together. I have very fond memories of Robert. He was very close to his constituents and always ready to give to others. He was courteous, friendly, competent, meticulous, hard working, and showed respect for his colleagues. Robert also loved sports and we had to discuss racquetball with him every time we talked to him.

I thank him for his great contribution to democracy in this country. To his family, his wife and four children, I offer my most sincere condolences. I leave them with a quote from French author Alexandre Dumas who said: ''Those whom we loved are no longer where they were, but they are always with us, wherever we are''.

(1520)

[*English*]

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, I am sad to say that last week former Conservative MP Robert Wenman passed away at the age of 54.

Mr. Wenman worked as a member of Parliament for 19 years, proudly serving the Fraser Valley West communities of Langley, Fort Langley, Aldergrove and Abbotsford.

Bob was a longstanding politician who started his public service at the age of 25 in 1966 as an MLA in British Columbia. He joined federal politics in 1974. In the House of Commons he focused on personal projects and issues such as the environment, a bill permitting passive euthanasia, the enhancement of Canada's international ties and the promotion of B.C. business opportunities with the federal government. He also was strongly anti–abortion and supported family values.

Bob and I met after the election and in the sincere and open approach for which he was known, he was kind enough to help me in those early days. For that I shall be ever thankful. He was a popular individual and active in our community. He was respected by all people and shall be missed.

Bob's contribution has made Canada a better country in which to live. I join with my Reform colleagues and all members of the House to express sincere sympathy to Mr. Wenman's family and friends. We thank Bob for his unselfish contribution.

[*Translation*]

Mr. Nic Leblanc (Longueuil, BQ): Mr. Speaker, I would also like to extend my sympathies to the family of Bob Wenman. Mr. Wenman was a very likeable colleague over the years that I worked with him. We regret his passing and we offer our condolences to his family.

ROUTINE PROCEEDINGS

[*Translation*]

B.C. TREATY COMMISSION

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, pursuant to Standing Order 32, I have the honour to table, in both official languages, the annual report of the B.C. Treaty Commission for 1993–1994.

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GOVERNMENT RESPONSE TO PETITIONS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to 16 petitions.

[*English*]

COMMITTEES OF THE HOUSE

GOVERNMENT OPERATIONS

Mr. John Harvard (Winnipeg St. James, Lib.): Mr. Speaker, I have the honour to present, in both official languages, the fourth report of the Standing Committee on Government Operations on Bill C–82, an act to amend the Royal Canadian Mint Act, without amendment.

I would like to add a few more words on behalf of the committee. In the deliberations on Bill C–82, an act to amend the Royal Canadian Mint Act, the Standing Committee on Government Operations heard two separate messages from both government and industry on the introduction of the new $2 coin.

First, the Government of Canada is introducing the new $2 coin because of the savings it will generate for the taxpayers. Within 20 years more than $254 million will be saved for Canadians with the introduction of the coin. Further, the government is expected to accrue an additional $449 million in seigniorage to the consolidated revenue fund within 18 months of the issue. The savings for taxpayers are significant indeed.

(1525)

We also heard a second message loud and clear from industry, small and medium sized businesses in particular. Although industry supports in principle the introduction of the new coin because of the associated savings, business has expressed serious concern over the timing of the move. The affected businesses and associations clearly stated that the 12–month notice is not adequate time to prepare for this adjustment.

Given the fact that a delay in the introduction of the coin would cost the Government of Canada an estimated $109 million in the fiscal year 1995–96, the committee recognizes the need for the Government of Canada to balance both the requirements of industry with those of fiscal responsibility and budgetary prudence.

The committee recommends that the Royal Canadian Mint—

The Acting Speaker (Mr. Kilger): Order. The standing orders provide for a brief intervention. I would deem this intervention to go beyond the letter and the spirit of that standing order.

I would ask the hon. member for Winnipeg St. James to conclude.

Mr. Harvard: Mr. Speaker, the one paragraph I have left contains the major recommendation. Perhaps I could seek the indulgence of the House.

The committee recommends that the Royal Canadian Mint, the Department of Finance and the Bank of Canada work with

industry, small and medium sized businesses, in particular, to ensure a smooth and least cost integration of the new $2 coin into the marketplace. The government should further consider participation in a public awareness campaign with the affected stakeholders to minimize any possible disruption in trade and commerce.

* * *

[*Translation*]

PETITIONS

ARMENIAN GENOCIDE

Mrs. Shirley Maheu (Saint–Laurent—Cartierville, Lib.): Mr. Speaker, pursuant to Standing Order 31, the form and the content of the attached petition have been certified.

[*English*]

Mr. Speaker, it is my pleasure to present a petition from approximately 850 Canadians from the Montreal area. The long and turbulent history of humanity has, at times, concealed far reaching events of tragic proportions.

Eighty years ago the Armenian genocide, perpetrated by the Turkish government of the Ottoman Empire, claimed the lives of 1.5 million innocent Armenian victims.

Resolutions of the United Nations subcommission, the European Parliament, South American countries and in Canada, the legislatures of Quebec and Ontario have condemned this monumental crime.

Hence, the petitioners request that Parliament change its policy of indifference toward the Armenian genocide and actively initiate and promote international efforts to persuade Turkey to recognize its crime against humanity.

GUARDIANSHIP

Mr. Ronald J. Duhamel (St. Boniface, Lib.): Mr. Speaker, Canadians of the Islamic faith want the government to consider guardianship as an option to adoption. They point out that guardianship, as they see it, would include the same legal and moral obligations as adoption.

The petitioners point out that guardianship, as they would want it, is in accord with their religious beliefs. They would like the government to begin discussions to see how this might be done.

COMMUNICATIONS

Mr. Ronald J. Duhamel (St. Boniface, Lib.): Mr. Speaker, a second petition is with respect to violence and abuse in all forms, be it verbal, physical or other in society in general. It is not seen as necessary to educate, to inform or to entertain.

The petitioners call on the government to ensure that the CRTC regulates the amount of violence and abuse. They point out that there have been some gains made. They applaud that but they want even more for the future.

(1530)

HUMAN RIGHTS

Mr. Mac Harb (Ottawa Centre, Lib.): Mr. Speaker, pursuant to Standing Order 36 I should like to table three petitions.

HARBOURFRONT

Mr. Barry Campbell (St. Paul's, Lib.): Mr. Speaker, pursuant to Standing Order 36 I have the pleasure of presenting to the House a series of petitions.

The first is a petition signed by 100 residents of Toronto calling on Parliament to make a firm commitment to supporting the Harbourfront Centre. I am sure they look forward to the government's answer.

HUMAN RIGHTS

Mr. Barry Campbell (St. Paul's, Lib.): Mr. Speaker, I am also tabling six petitions signed by almost 1,800 Canadians calling on Parliament to amend the Canadian Human Rights Act to include sexual orientation as a prohibitive ground of discrimination.

JUSTICE

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, I have a bushel of petitions to present on behalf of the constituents of Vegreville.

In two petitions the petitioners recognize that public safety is a number one priority in the criminal justice system. They also recognize that the existing controls on law–abiding responsible gun owners are more than enough to ensure public safety.

The petitioners are requesting that Parliament support laws that will severely punish all violent criminals who use weapons in the commission of a crime, support new Criminal Code firearms control provisions that recognize and protect the right of law–abiding citizens to own and use firearms, and support legislation that will repeal and modify existing gun control laws that have not improved public safety.

OFFICIAL LANGUAGES

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, in the third petition the petitioners request Parliament to hold a binding referendum to accept or reject two official languages.

TAXATION

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, I also have six petitions to present wherein the petitioners are requesting that Parliament not increase taxes.

HUMAN RIGHTS

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, I have another petition to present. It asks Parliament to oppose any amendments to the human rights act or the charter of rights and freedoms that provide for the inclusion of the phrase sexual orientation.

THE FAMILY

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, I have two further petitions to present which ask Parliament to oppose any legislation that would directly or indirectly redefine the family.

ASSISTED SUICIDE

Mr. Allan Kerpan (Moose Jaw—Lake Centre, Ref.): Mr. Speaker, I have five petitions to present today.

The first two petitions are signed by 77 people who ask Parliament to enforce the present provisions of the Criminal Code respecting assisted suicides and that no changes in the law be contemplated by Parliament.

HUMAN RIGHTS

Mr. Allan Kerpan (Moose Jaw—Lake Centre, Ref.): Mr. Speaker, I also table the wishes of 96 people who humbly pray that Parliament not amend the human rights code to include in the prohibitive grounds of discrimination the undefined phrase sexual orientation.

GUN CONTROL

Mr. Allan Kerpan (Moose Jaw—Lake Centre, Ref.): Mr. Speaker, I have a further petition signed by 200 constituents who pray that Parliament target for all gun control in the Criminal Code of Canada the criminals who are either a danger to the safety of the public or those who have a criminal intent, not law–abiding, responsible firearms owners.

CANADIAN WHEAT BOARD

Mr. Allan Kerpan (Moose Jaw—Lake Centre, Ref.): Mr. Speaker, I have a petition signed by 51 constituents in full support of the Canadian Wheat Board monopoly powers with relation to marketing wheat and barley for export.

RIGHTS OF PARENTS

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, I have six petitions to present today. The first is from an area in my riding known as boundary country.

These 42 petitioners are concerned that the rights and authority of parents over their children have been eroded by legislation and other acts of the Government of Canada. Therefore they are asking Parliament to ensure the rights of parents, teachers and people in authority to exercise judicious control over the actions of their children.

CRIMINAL CODE

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, the second petition deals with section 745 of the Criminal Code. The 25 petitioners request that the section of the Criminal Code be repealed.

I have two petitions dealing with the same matter, another 25 signatures calling for the repeal of section 745.

VIOLENT OFFENDERS

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, the next petition has a total of 69 petitioners.

The undersigned citizens of Canada draw to the attention of the House that dangerous sex offenders and pedophiles should be locked up for life, that statutory release should be revoked, that stiffer sentences should be imposed on violent offenders, and that violent criminals should serve their full sentence and have time added for bad behaviour.

Therefore the petitioners call on Parliament to return the rights to the citizens of Canada from the criminals and ask that Parliament honour these requests.

ASSISTED SUICIDE

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, the next petition is dealing with doctor assisted suicide. I have 151 petitioners from my riding who are calling on Parliament to ensure the Criminal Code of Canada prohibits assisted suicide and to ensure that no changes are made in the law that will allow euthanasia.

RIGHTS OF THE UNBORN

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, 78 residents of Okanagan—Similkameen—Merritt call on Parliament to act immediately to extend protection to the unborn child by amending the Criminal Code to extend the same protection enjoyed by born human beings to unborn human beings.

(1535)

COINAGE

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Mr. Speaker, I only have one petition to present.

Pursuant to Standing Order 36, it is my duty and honour to rise in the House to present a petition duly certified by the clerk of petitions on behalf of 108 individuals from the riding of Saanich—Gulf Islands and surrounding area.

The petitioners call upon Parliament to consider, if the $2 bill is to be discontinued and replaced with a coin, that it depict the face of Terry Fox, a Canadian who has done more than anyone else we can think of to bring Canadians from coast to coast together in a single endeavour.

ABORTION

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

The first is on the subject of abortion. The petitioners are opposed to abortion and they request that Parliament consider amendments to the Criminal Code.

THE FAMILY

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, the second petition is about the subject of the family.

The petitioners request that Parliament oppose any legislation that would redefine family, including the provision of marriage and family benefits to those who are not related by ties of blood, marriage or adoption, as marriage is defined as the legal union between a man and a woman.

HUMAN RIGHTS

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, the third petition involves section 718.2 of Bill C–41.

The petitioners are extremely concerned about including the phrase sexual orientation for the first time in federal legislation. They believe this sets a dangerous precedent for society.

The final petition is on the subject of sexual orientation. The petitioners request that the Government of Canada not amend the Canadian Human Rights Act to include the phrase sexual orientation.

The petitioners fear that such an inclusion could lead to homosexuals receiving the same benefits and societal privileges as married people.

ASSISTED SUICIDE

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, I have two petitions from residents of Fraser Valley West.

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

RIGHTS OF THE UNBORN

Mr. Randy White (Fraser Valley West, Ref.): The second petition, Mr. Speaker, asks that Parliament act immediately to extend protection to the unborn child by amending the Criminal Code to extend the same protection enjoyed by born human beings to unborn human beings.

INCOME TAX ACT

Mr. John Harvard (Winnipeg St. James, Lib.): Mr. Speaker, pursuant to Standing Order 36, I have the privilege of presenting a petition on behalf of 31 Manitobans, most of whom are Winnipegers and some of whom are from my riding of Winnipeg St. James.

They bring to the attention of the House that the Income Tax Act discriminates against custodial parents by requiring them to declare child support payments as taxable income.

The petitioners call upon parliamentarians to introduce new legislation to end the requirement of the custodial parent to declare child support payments as taxable income.

BOVINE SOMATOTROPIN

Mr. Peter Milliken (Kingston and the Islands, Lib.): Mr. Speaker, I have a petition to present today signed by numerous residents of Ontario, some from the Kingston area and surrounding districts, and some I note from Toronto and other parts of the province of Ontario.

The petitioners are concerned about the possibility of milk in Canada being treated with BST. They call upon Parliament to ban the use of BST in Canada and not accept dairy products from countries where BST is used to treat cattle.

* * *

QUESTIONS ON THE ORDER PAPER

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I ask that all questions be allowed to stand.

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

Some hon. members: Agreed.

Mr. Williams: Mr. Speaker, I rise on a point of order. On December 1, 1994 I placed a question on the Order Paper and I am still awaiting a response.

I was wondering what the hon. member has to say about when I can anticipate a response to my question. It is Question No. 117.

Mr. Milliken: Mr. Speaker, the question the hon. member has put is one that requires answers from numerous government departments and agencies and that is part of the reason for the delay.

(1540)

I understand two departments have not been able to get the material required to the central place where these answers are gathered. Work is continuing with respect to that and as soon as I am in a position to answer the hon. member's question I will be more than happy to furnish the reply.

* * *

WAYS AND MEANS

NOTICE OF MOTION

Hon. David Anderson (Minister of National Revenue, Lib.): Mr. Speaker, pursuant to Standing Order 83(1) I wish to table a notice of ways and means motion to amend the Excise Tax Act and the Income Tax Act.

I ask that an order of the day be designated for consideration of the motion.

GOVERNMENT ORDERS

[*English*]

CHEMICAL WEAPONS CONVENTION IMPLEMENTATION ACT

The House resumed consideration of the motion that Bill C–87, an act to implement the convention on the prohibition of the development, production, stockpiling and use of chemical weapons and on their destruction, be read the third time and passed.

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, from the killing fields of Passchendaele to the bloated corpses of Kurdish people in Iraq, to the people we have seen dead and dying in the streets of Japan, chemical weapons have come to each and every one of us in our lives.

Bill C–87 is something we as Canadians should be very proud of as it enable us to implement our convention on the banning of these weapons of mass destruction. It also shows a unique amount of leadership that Canada and Canadians have demonstrated, a degree of leadership I might add that shows what we as Canadians can do in foreign policy if we put our minds to it.

I thank those members in the Department of Foreign Affairs and International Trade who have worked extraordinarily hard to implement this very important piece of legislation, not only for Canada and Canadians but also for people across the world. As I hearken back to my original example, all of us in the House today and all Canadians hope that such tragedies will not occur in the future.

This is a landmark deal. I also thank a couple of members of the riding of Esquimalt—Juan de Fuca, Mr. Bob McCrossen and Mr. Ken Conrad, who have given me invaluable information on these and other policy matters.

This convention had a number of sectors and dealt with schedules 1, 2 and 3 dealing with various chemicals. Schedule 1 deals with chemicals that are known to be chemical weapons such as tabun and sarin. Schedules 2 and 3 deal with precursors. There are varying degrees of compliance among them but it enables our country and other countries to monitor each other in a co–operative fashion to ensure that no country within the international community is building up chemicals or precursors to chemical weapons that can be used for aggressive and belligerent purposes.

One of the most remarkable aspects of the bill is the degree of co–operation. If we look at just one aspect of it, it enables countries to look at other countries and demand spot checks on the countries if they are suspected of developing, producing or stockpiling chemical weapons for aggressive and military purposes. It enables the international community to go in there, investigate and demand the chemicals be apprehended and destroyed as is.

The consequences of not doing so are significant for the country that chooses not to obey. In this instance when the implications of using chemical weapons are so severe it is important to see that the international community finally has its act together and is able to penalize countries that engage in these activities.

The industries that produce chemicals have appeared before the committee on foreign affairs, on which I sit, to give their wholehearted support for the bill. That is important to know. We in the House do not want to impede or compromise in any way, shape or form the ability of the chemical producers of Canada to engage in the peaceful production of chemicals for industrial purposes, a very important aspect of the industry.

There was a level of co–operation shown in the production of this convention that has not been seen since the end of the second world war. My hope is that we can learn something from this in the application to other aspects of threats to the international security that are occurring in the world now.

(1545)

I have two examples on the aspect of the international stage that are a major threat to the international security not only for countries half a world away but also, believe it or not, for our country.

One example is the trafficking of small arms. The trafficking of small arms in this world of ours moving from one area of conflict to another has fanned the flames of ethnic discontent. It has given the fuel to enable people to fight ethnic conflicts where 90 per cent of the time it is the civilians who bear the brunt of these wars. They serve very little purpose.

Although people might say they have a right to buy and sell weapons, it is not the same as buying and selling wheat. These seemingly innocuous trades have an enormous impact not only on the conflicts in question but also on countries such as ours which are not directly involved in it. Why is that so? Because it causes the migration of individuals away from conflicts to areas that do not have conflict. It means that people are going to move to our country. I am sure if we put ourselves in those people's shoes we would see that they want to live in their homeland. They do not want to move to an area half a world away. These people in moving to our country will then cause an economic stress on our social programs.

The second thing is that conflicts half a world away put a stress on our military and on our foreign aid dollar. No matter what we do, if we go into a country and spend decades building up its infrastructure and a civil conflict occurs in that country, all of what we and other countries have done to build a peaceful and productive society will be dashed on the rocks for generations to come. We can see that now in the former Yugoslavia, in

Angola and in Mozambique. The list goes on and on. In fact the list is getting longer all the time.

There were over 40 ethnic conflicts in the world last year. The numbers are not getting lower they are getting higher. In part, small arms are what fuel the flames of that. I ask if Canada can take a leadership role, the same leadership role we demonstrated in producing the convention on banning chemical weapons, in developing some restrictions or framework in the trafficking of small arms for our benefit and for the benefit of countries the world over.

A disturbing thing came across my desk late last week. It shows that in Rwanda the French in collusion with the Government of Zaire have been selling arms to the former Hutu government living in the camps in Zaire. This means that the French are selling arms to the rebels and the rebels, over 50,000 strong, are getting ready to go into Rwanda to continue the killing.

I say that because it is very important. They are not only destabilizing Rwanda but they are destabilizing the eastern part of Zaire and are fuelling the flames of ethnic discontent in Burundi also. What we have seen for the last two years in central Africa is going to repeat itself unless we ask the international community through the United Nations and the Organization of African Unity to get involved and defuse the situation before it gets out of hand.

The other aspect in which I would like us to take a leadership role is the banning of land mines and anti–personnel devices. These devices have no significant role in fighting a war. They are primarily meant to destabilize the civilian population and are not meant to kill but to maim. Usually they are meant to maim civilians who work in the fields and children. Many of these anti–personnel devices are in fact designed to look like toys. When the children pick them up they get their arms or legs blown off. That is what they are used for.

I would ask that we take a leadership role in asking for the land mines and the anti–personnel devices to be put in the convention for conventional weapons and put in a similar category to chemical weapons. If we did that we would do a great service by saving hundreds of thousands of lives and preventing injuries. We would also be able to prevent the situation we see now which is that after a conflict finishes large areas of many countries are left completely uninhabitable. I will give a couple of recent examples.

(1550)

In Chechnya there are literally millions of mines seeded around the country and absolutely nobody knows where they are. Therefore large tracts of land in Chechnya are going to be completely uninhabitable.

In Mozambique thousands and thousands of square kilometres of land are completely uninhabitable. People cannot go into the fields to grow crops to get their economic house in order because of the land mines. That completely diminishes the ability of a country to get on its economic feet after a civil conflict is over.

In Croatia the Croatians say that over a quarter of a million hectares are completely uninhabitable because they are seeded indiscriminately with land mines and anti–personnel devices.

The justification is as I have described before. Let us get together and work with the United Nations to look at those two areas. This is not only in our interests but in the interests of the international community as well.

As I said before, the model we can use is this convention, the convention on banning the stockpiling, use and production of chemical weapons and the degree of international co–operation we have seen here. It is a truly remarkable degree of co–operation. If we as a country can work with our Nordic compatriots to influence other multinational organizations, such as the United Nations, and the regional groups, such as the OAU, the OAS and the OSCE, and show them it is in their self–interests to put restrictions on the purchase, sale and production of small arms and look toward banning anti–personnel devices and mines, then we might be able to make some headway in this area.

I would also like to address the aspect of preventive diplomacy. I have spoken to the Minister of Foreign Affairs about this on a number of occasions. The minister said that yes, we will get involved by sending some of our diplomats across and that we will try to influence other countries and in co–operation with them send rapid deployment forces into areas where fighting has started. I would say that is too late. We usually find that the antecedents to conflict are on the boards at least two years before a conflict blows up.

There are things we can do to prevent these conflicts from occurring. Let us use the UN crisis centre more effectively. We need to build up a network all across the world of groups, individuals and NGOs that can funnel information into the UN crisis centre. The UN crisis centre could then produce briefs which would be made public every month as to what is occurring in the hot spots. The United Nations, which again would require a new level of co–operation, could then act on these situations to try to get a diplomatic solution rather than having them solved at the end of an assault rifle.

There are some things which we have not looked at aggressively. One of the things is to use the IFIs as an economic lever to bring belligerents to the table before they start fighting it out. These are things which have not been looked at before.

The other aspect is to withhold non–humanitarian aid from countries. By doing that we can force them to engage in behaviours consistent with common international norms. Again we try to offset the conflict by engaging in a diplomatic solution. If we allow a conflict to occur the seeds of ethnic hatred are sown for generations to come. It does not end at the end of the

conflict; rather, it continues for generations to come. We will all collectively pay for it in the future.

We cannot keep getting involved in conflict after conflict. We do not have the power, we do not have the will, and rightly so, and we do not have the money or the resources to do it. Perhaps through the leadership which we have demonstrated by implementing the convention on chemical weapons we can use the lessons we have learned here and bring Australia, New Zealand, Sweden and Norway together to influence the multinational organizations. If multinational organizations are going to continue to function in the way they have been since the end of the second world war, we will get the same results we have been getting since that time which are totally unacceptable.

(1555)

We need a paradigm shift in the way we deal with the new threats we are going to have in the international community in foreign policy. As one of the few countries in the world that can take a leadership role in this, I ask that we engage in this not only for the benefit of the international community but also for the benefit of Canadians.

Mr. Jesse Flis (Parliamentary Secretary to Minister of Foreign Affairs, Lib.): Mr. Speaker, I would like to take a minute of the question and comment period to compliment the hon. member on his vision of a safe, secure planet for all. I heard this in committee and in the House. I compliment the hon. member for that vision and I hope he never loses it.

As he mentioned in his speech the most successful thing about this bill is the co–operation experienced in developing the convention and when the bill was being worked on to put it through the House before the summer recess.

I want to take the opportunity to thank the Reform Party and the official opposition.

Mrs. Diane Ablonczy (Calgary North, Ref.): Mr. Speaker, it is a pleasure to speak on third reading of Bill C–87 on the prohibition of chemical weapons. It is a particular pleasure considering that Bill C–87 seems to be one of the few government bills that has not been slapped with time allocation by the government.

It is a sad indicator of the state of our democracy that our government feels there should not be free and open debate on all the bills of substance that come before the House. When the Liberals were in opposition they went insane every time the Mulroney government imposed closure, especially on controversial bills like C–68, C–41 and C–85. Unfortunately, now that they have formed the government their tune has changed. As the Liberals and BQ were voting for closure and silencing democratic debate, they were laughing and joking as if they were having a grand old time. This behaviour is reprehensible and I would not have believed it if I had not seen it with my own eyes.

The use of closure on these highly controversial bills was particularly ironic considering that the government was willing to spend as many days as necessary for debate on things like the $2 coin. If there really was a time problem in Parliament, then why would the government not limit debate on that sort of bill? If there was a time problem, then why did it not resume debate on the controversial bills months ago, rather than ramming them through in the last two weeks before the summer break? The answer is simple: Time is not the problem. The problem is that the government is putting forward flawed legislation and a free and open debate would expose this to everyone.

Does the government really think the people of Canada do not see what it is doing? Do the Liberals think that if they stifle debate Canadians will not notice they are lining their own pockets with the outrageous MP pensions? Does the government think citizens do not realize it is giving special status under the law to sexual orientation? Will gun owners not notice their legitimate rights are being trampled on? No, on all counts.

Even though there is a temptation to play the government's ridiculous game, the Reform Party does support the chemical weapons convention which Canada signed in 1993. We will support the bill which allows Canada to be among the first group of countries to implement the convention's terms of agreement.

As all members of the House know, the Canadian commitment to peace is second to none in the world. This country invented the concept of peacekeeping and we have given strong support to the UN for many decades. Because of our history, Canada has also strongly supported international agreements and regimes to limit the dangers of war. The bill we are dealing with today falls into this category.

The chemical weapons convention deals with a category of weapons that are a blight on the world. Since the use of these weapons is considered illegitimate by almost everyone, the chemical weapons convention is dealing with a virtually universal norm. When I say universal, we must remember that there are notable exceptions which serve to remind us exactly why Canada must support the chemical weapons convention.

(1600)

Everyone here in this House will remember with horror the terrible scenes of Kurdish villagers gassed by Iraqi dictator Saddam Hussein in the late 1980s. A reoccurrence of this truly evil act must be prevented in the future. By ratifying Bill C–87 Canada will be doing its part toward that end.

More recent events in Japan again reminded Canadians about the threats posed by lethal chemicals. In Japan we had the tragic circumstance where a fanatical cult was able to manufacture the deadly nerve gas sarin and then use it to poison hundreds of people in the subway system.

Once the signatories to the chemical weapons convention pass their own enabling legislation and the convention comes into force, hopefully this kind of tragedy will become preventable. With stricter controls of chemical warfare agents and their precursors, it seems unlikely that a group would be able to stockpile the kinds of chemicals hoarded by the Japanese cult leaders. Hopefully this would be detected and the appropriate officials could respond to head off trouble before it got out of hand.

Bill C–87 prohibits the production and use of chemical weapons and provides for the regulation of certain chemicals that can easily be turned into chemical weapons. Over the summer and early fall similar pieces of legislation will be prepared throughout the world and hopefully by late this fall the chemical weapons convention will officially come into force.

Currently the vast majority of countries have signed this convention and the Reform Party is quite hopeful that this worldwide effort will be a long term success.

With few countries outside the convention there will be significant pressure on signatories to adhere strictly to the convention's goals and provisions. Unfortunately the Middle East is one part of the world where several countries are refusing to join the convention. These Arab states argue that because Israel is unwilling to join the nuclear non–proliferation treaty, NPT, they cannot sign on to this convention. I do not agree. While I share the hope of these countries that the Government of Israel will consider joining the non–proliferation treaty, I also believe that this chemical weapons convention is serving the best interests of peace everywhere and it is a separate matter.

Both the chemical weapons convention and the non–proliferation treaty are agreements in the best interests of all the people and governments of the world. Therefore neither should be used as a bargaining chip by governments.

Too many times in this world countries abuse international instruments of peace and selfishly use them to their own advantage. The most ready example of this is the current situation in Bosnia with which we are all familiar. Let me review what has occurred in Bosnia to illustrate my point.

Canadian troops first went to Bosnia over two years ago, hoping they could provide assistance and humanitarian relief to the people there. They also tried to keep combatants apart and facilitate a negotiated peace for the region. Unfortunately these laudable goals were not backed up by a UN mandate that could get the job done. With no leadership from Ottawa, our peacekeepers have been left twisting in the wind.

The warring parties in Bosnia have manipulated and abused the peacekeepers who were sent there to help them. For example, we all know about the ridiculous hostage takings by the Bosnian Serbs. This has not happened once or twice but time and time again. It is an insult and an outrage to all Canadians.

However the problems go deeper than the abuses by the Bosnian Serbs. Let me quote from an article in the Toronto *Star* on June 9. It states: ''Canadian peacekeepers were dealt a double blow of life threatening harassment yesterday, not from the Bosnian Serbs but at the hands of the mainly Muslim Bosnian army. In one incident, in a trigger finger stand–off, the Bosnians pointed rocket propelled grenades, machine guns and pistols to prevent Canadians from reaching and retrieving a bulldozer stuck on a remote mountain road.''

(1605)

A second article states that on May 22 Bosnian military police supported by Bosnian soldiers ambushed two Canadian UN armoured vehicles near Vares. The police demanded that the vehicles be opened, a right they do not have. Canadians refused. Suddenly a truck moved from behind a building and 15 heavily armed men hit the ground. The Bosnian bandits took radios, walkmans, personal items, smoke grenades and a number of fragmentation grenades.

These articles show clearly the kind of abuse I am talking about. The Canadian government and the international community must work hard to ensure that this kind of ridiculous and flagrant abuse will not occur in the future and will not occur with the enforcement of the chemical weapons convention.

Moving on to the substance of Bill C–87, the Reform Party supports this bill although we have a few concerns for which we would like assurances. First and foremost, Reform is concerned about the cost to the taxpayers and to Canadian industry. While we acknowledge that this bill has legitimate costs, according to our information the government does not yet know the price tag on Bill C–87.

We would like the government's assurances that it will spend the taxpayers' money with the utmost discretion and that it will present the actual costs associated with Bill C–87 to the Standing Committee on Foreign Affairs once these become available.

Reform wants to ensure that the implementation of Bill C–87 will be as cost effective as possible. For example, the government must avoid the creation of a huge new bureaucracy to monitor and regulate the Canadian chemical industry.

Officials at Foreign Affairs have notified Reform that a full time staff of five as a ''national authority'' plus one additional staffer at foreign affairs might be needed. The Standing Committee on Foreign Affairs should be mandated to ensure that it does not go beyond this.

Since Reform has agreed to move this bill speedily through committee we would also like assurances that the government will use the inspection powers in Bill C–87 most judiciously and cautiously. Reform does not want to see a recurrence of the scope of inspection powers granted in Bill C–68. Provided we receive this assurance and the government ensures that inspectors will treat legitimate Canadian industry with all the respect it deserves, then we will be satisfied.

Most important, when it comes to the inspection of industry the government must take all reasonable steps to ensure their privacy. Industries subject to inspection must fully comply with the inspectors or be subject to either summary conviction or conviction on indictment.

Under the more serious category of an indictable offence persons would be subject to up to five years in prison and a $500,000 fine. In the face of these rather serious Criminal Code penalties business people will be compelled to comply with inspection requests even if they feel their legitimate rights to privacy are being violated.

Under paragraphs 14(1)(b) and (c), the inspectors can examine:

> . . .any thing in the place being inspected; . . .make copies of any information contained in the records, files, papers or electronic information systems kept or used in relation to the place being inspected and to remove the copies from the place;

Although I know the intent of the legislation merely aims to fulfil the obligations of the convention, this wording could be interpreted more widely and Reform does not want to see this happen. Investigations could be used as fishing expeditions by the government to examine companies under a microscope. This would be totally unacceptable. The government must guarantee that all inspections are required to directly investigate whether companies are breaching the chemical weapons convention. Fishing expeditions should be specifically prohibited.

(1610)

Under subclause 15(3) the bill states that search warrants would not be required, even if an inspector were refused entry to the premises, if there are ''exigent circumstances''. I would like to assume this clause is merely precautionary and is not intended for regular use. Under all circumstances except an extreme emergency, the government should obtain a search warrant where entry is refused. As we all know there are not many industries in Canada that currently make or use chemical weapons, so it seems very unlikely there will be any circumstances so pressing that a warrant cannot first be obtained before an inspection is conducted.

Moving to clause 20 of the bill we find the penalties for breaking the convention. I would like to hear from the government what exactly this clause means. It states:

> Every person who contravenes any provision of this act is guilty of an offence and liable

It goes on about either an indictable or a summary conviction. I would like to know who would be subject to punishment in a large company where there was an offence committed. If a clerk made a reporting error through negligence would that employee be convicted? Would the owner? Would the board of directors? Would the clerk's supervisor? This must be cleared up. I would appreciate the government's comments on this.

Other than the aforementioned cautions and the suggestions for government, I have no doubt Canadians will support the intent of Bill C–87. Canada has always been a strong supporter of multilateral efforts to promote peace and restrict arms proliferation. This is especially true with respect to the prohibition of the use of chemical weapons. By asserting leadership in this area Canada is standing up for the extension of a rules based, multilateral system to defend our interests and promote common norms and values with like–minded countries.

In conclusion, Reform would like to give its strong support for this bill. I am glad the Liberals in this House are not imposing closure on C–87 as they seem to be doing with every other important bill that goes through this House.

Once Bill C–87 is passed we hope the government will make its implementation as pain free as possible for industry while still upholding Canada's commitment under the chemical weapons convention. If it does this I am sure all Canadians will for once be proud of something we have accomplished in this House.

[*Translation*]

Mr. Nic Leblanc (Longueuil, BQ): Mr. Speaker, I will take only a few minutes to speak again to a bill I consider very important and which I also had a chance to discuss at the second reading stage.

I think the importance of this bill cannot be overestimated. Its purpose is to implement a convention that was signed by several countries. The fact that we are now about to pass this bill bodes well for the future, because I am against all kinds of weapons. But I am also realistic. I think weapons of all kinds will be around for a long time. However, chemical weapons above all should be absolutely prohibited because they are cruel and inhumane.

I hope such weapons will never be used again, but we cannot ignore the fact that these weapons are used and have been used in the past and that they kill adults and children who are innocent of any involvement in wars or conflicts.

These weapons could also be used against groups who are against a given religion, for instance.

(1615)

A whole congregation of Christians, Jews or Muslims can be destroyed with these weapons. They are not just used to wage war but also to defend all kinds of ideologies and, in the process to attack innocent people. That is why today I again want to take a few moments to condemn these horrifying weapons.

These weapons can make people chronically ill. People are attacked physically, and their health may suffer for the rest of their lives. They are very dangerous in that respect as well. These weapons can also contaminate soil and water, damage the health of animals and destroy plants. They have a disastrous impact on the environment and human beings.

These weapons can also breed further hostility, as the memory of the suffering and ill health they caused will linger, possibly generating further conflicts in the near future. I think that is why it is so important to destroy these chemical weapons as quickly as possible and thus prevent recurring conflicts between peoples and nations.

Bill C–87 says we must prohibit the stockpiling, sale and production of these chemical weapons, and I certainly agree with this bill. I hope that the agency responsible for enforcing the provisions of this convention will take all necessary steps to do so using diplomacy and also bringing trade pressures to bear on countries that do not comply with the convention or refuse to sign the convention. They should be punished by means of trade sanctions, and the agency should use diplomacy to ensure they ratify or comply with the convention.

[*English*]

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, it gives me great pleasure to rise on behalf of the people of Okanagan—Similkameen—Merritt to speak on Bill C–87, the Chemical Weapons Convention Implementation Act.

The chemical weapons convention is an extremely important treaty for the international community and has special significance for Canadians. It was just over 80 years ago in April 1915 that Canadians were one of the first victims to experience the gas of the Ypres salient. It was only three years ago that allied soldiers in the Persian Gulf had to face the threat of Iraq using chemical weapons in defiance of the international community.

Ever since chemical weapons were used on that fateful day in 1915 the international community has tried to come up with an effective treaty to contain and eliminate the use and stockpiling of these weapons of mass destruction.

The first attempt to control chemical weapons was the Geneva protocol of 1925. Sadly the Geneva protocol was as fatally flawed as the many nuclear weapons treaties of the 1970s and 1980s.

It was an agreement to ban the first use of chemical weapons only. It failed to limit or control the manufacturing of these weapons and many nations felt obliged to manufacture and stockpile chemical weapons for retaliatory purposes if attacked first.

The quest to ban chemical weapons outright continued and I am proud to say that Canada played a major role in the negotiations that resulted in the chemical weapons convention, the first multilateral weapons treaty to ban a whole category of weapons of mass destruction.

This treaty could not have come at a better time. As I mentioned earlier, at least one state has used or threatened to use chemical weapons on its neighbours and on its own people. In Japan a religious cult is currently under investigation for its role in placing deadly chemical agents in the Tokyo subway system killing scores of innocent civilians. This treaty I believe is a significant step forward in reducing such threats to the international community.

(1620)

Since the chemical weapons convention was open for signature in Paris in 1993 it has been signed by almost 160 countries and will be ratified after 65 nations enact it. Canada will be one of the first.

This is significant in itself. However what really makes the chemical weapons convention a major success is the substance in the treaty. The convention obliges all states parties that manufacture and stockpile chemical weapons to destroy all stocks and manufacturing facilities within a set timeframe. This is accomplished under the close scrutiny of international inspections, effectively banning the future development and stockpiling of these weapons. The system of verification and inspection is the most rigorous to ever be imposed in a multilateral agreement.

Of major significance is the safeguard this convention has against the clandestine manufacturing and stockpiling of chemical weapons through international monitoring and inspection of all such facilities that could be used for that purpose.

The convention does not stop there. It also extends international monitoring into the global civilian chemical industry. To facilitate the international monitoring of civilian chemical industries, three schedules of toxic chemicals which have been used as chemical weapons or are known as chemical weapons precursors have been drawn up.

Schedule 1 chemicals are known as chemical weapons. These include chemicals such as sarin, which was used by terrorists in Japan, and mustard gas which Canadians faced in the trenches in World War I. These are not widely available in Canada aside from applications in some research facilities. Under Bill C–87 these research facilities will be required to obtain a licence and undergo two annual inspections.

Schedule 2 chemicals are more widely available in Canada. Many chemicals in this schedule have numerous commercial applications but can be directly used to produce chemical weapons. Manufacturers of Schedule 2 items will have to undergo two annual inspections if their production exceeds a listed threshold.

Chemicals listed on these two schedules will be banned for export to nations not party to this convention.

Finally schedule 3 chemicals are widely manufactured and used in Canada. These chemicals could be used as chemical weapons if present in large enough quantities. Companies manufacturing these chemicals will be eligible for occasional inspections.

Industries that work with the chemicals outlined in the three schedules will have to report on their own activities to their governments which will in turn disclose this information to the Organization for the Prohibition of Chemical Weapons. A group of international inspectors will have the authority to inspect any facility it deems necessary. In addition to the scheduled chemicals, the convention also provides for an overview of facilities which produce discrete organic chemicals that could be adapted to produce chemical weapons.

These producers of pesticides, fertilizers, paints, textiles and lubricants will be subject to report on their production activities and will be required to allow random inspections of their facilities.

This convention will also ensure that all states parties will abide by the convention.

A provision in the convention allows any states party to have the right to demand a challenge inspection or no right of refusal inspections of the facility it believes is not acting in accordance with the convention. In addition, states not signing the convention will find themselves affected. States parties will have restrictions on the export and import of scheduled chemicals with states not party to the convention.

While the substance of this convention is important and I hope it will assist in making the international community a safer place, I have two concerns I would like to raise for members' consideration.

(1625)

First the convention is going to be expensive to implement. It can cost up to 10 times as much to destroy chemical weapons and their manufacturing facilities as it did to initially manufacture them.

While the cost in this regard to Canada will be minimal due to the fact that we do not stockpile or have manufacturing facilities for schedule 1 chemicals, less developed nations are going to have difficulty destroying their arsenals. Take Russia, for example. Russia has 40,000 to 60,000 tonnes of chemical weapons to destroy. This will cost billions of dollars that Russia does not have. International inspectors will have to be diligent to ensure that states like Russia are not taking shortcuts to dispose of their arsenals.

At the same time, Canada must take care not to be dragged into paying other nations' destruction expenses given our own financial circumstances.

Second the international community, Canada included, must not be under any illusion that this convention will result in the absolute elimination of the threat of chemical warfare. While important, this convention is only one step in that process. Its true success is to reduce the threat only. It must be remembered that a number of states will not sign nor adhere to the convention. These states, which will remain unnamed, can still stockpile, produce or obtain, through the black market, weapons of mass destruction, including chemical weapons. In addition, terrorists will still pursue chemical weapons as a means to fulfil their goals.

While the convention may assist the international community in preventing these states or terrorists groups from acquiring these weapons, it does not guarantee that they will succeed. It must also be remembered that states that will destroy their stockpiles also have the knowledge to produce these deadly agents again if that international community changes.

I would like to conclude by stating that this convention, while a contribution to international security, does not mean that we should lower our defences. Canada must remain vigilant in maintaining a strong and well armed military capability of engaging in combat in a variety of theatres, including the chemical weapons theatre.

We must recognize that rogue states and terrorists will try to obtain or produce these chemical weapons. We must keep a watchful eye on those intent on this destruction.

The Reform Party therefore supports the intent and the spirit of Bill C–67.

[*Translation*]

The Acting Speaker (Mr. Kilger): 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 Kamouraska—Rivière–du–Loup—Postal services.

[*English*]

I also wish to inform the House that under the provisions of Standing Order 30, I am designating Tuesday, June 20, 1995 as the day fixed for the consideration of private member's Motion No. 425 standing in the name of the hon. member for Comox—Alberni.

This additional private members' hour will take place from 11.30 p.m. to 12.30 a.m., after which the House will proceed to the adjournment proceedings pursuant to Standing Order 38.

Mr. Bill Gilmour (Comox—Alberni, Ref.): Mr. Speaker, it was good of you to tell me that my private member's bill tomorrow night will be at a rather late hour. I am sure the audience will be enraptured.

I am pleased to have the opportunity to speak to Bill C–87, an act to implement the convention on the prohibition of the development, production, stockpiling and use of chemical weapons and on their destruction. It is the enabling legislation for the chemical weapons convention which Canada signed in 1993.

This convention prohibits the production and use of chemical weapons and provides for the regulation of certain chemicals which can readily be turned into chemical weapons. The convention is the result of over 20 years of negotiations.

The international community has been trying to outlaw chemical weapons and their use for over 100 years. This is the first time the whole category of weapons of mass destruction is to be eliminated.

(1630)

Under international supervision all stockpiles of chemical weapons will be destroyed along with the facilities that produce them. This convention also enables a system of international supervision and inspection which will work to ensure such weapons will not be developed again. Under the terms of this convention, state parties are obliged to pass legislation that not only encompasses activities on their own territory but also prohibits their citizens from undertaking prohibited activities outside their area. States that own chemical weapons will have 10 years to destroy the weapons and production facilities.

Twenty–eight countries have ratified the convention to date and 65 countries will need to ratify the convention before it comes into effect. Canada will be among the first 65 countries out of approximately 132. The chemical weapons convention will take effect 180 days after the 65th state ratifies the agreement and tables it.

It is unfortunate to note however that the United States and Russia, the two countries that have the largest stockpiles of chemical weapons, have yet to sign on. Also, several middle eastern countries such as Iraq and Libya as well as North Korea have refused to participate because Israel will not join the nuclear non–proliferation treaty. This is of great concern given the recent use of chemical weapons in the gulf war by Iraq and more recently the use of chemical weapons to commit genocide within Iraq against the Kurds.

Chemical weapons continue to be a threat to world security. The need for international agreements to remove these weapons of massive destruction is very critical indeed. Chemical weapons are not only a threat to troops in times of war but also to civilians at all times. Only a few weeks ago we witnessed with horror how chemical weapons were tragically unleashed on unsuspecting Tokyo commuters. Shortly afterward, stockpiles of sarin, one of the chemicals scheduled in this bill, were found in Japan.

This convention may not prevent individual incidents of chemical weapons attacks. However, the implementation of the act will make it more difficult for such weapons to be created. In this way it may deter future incidents.

Eighty years ago, on August 15, 1915, Canadian soldiers were the first to be subjected to a systematic gas attack in the trenches in Belgium. On that day Canadian soldiers choked and fell to the ground writhing from chlorine and mustard gas released by the Germans. Many Canadians died that day and many would suffer lifelong ailments as a result of being gassed. My grandfather was among those to be gassed during the great war and he carried the scars for the rest of his life.

Mustard gas was one of the most effective gases used during the first world war. When the vapour touched the skin it immediately caused huge blisters, then blindness and when inhaled, the gas blistered the lungs resulting in death. Only recently the Kurds suffered this same fate from mustard gas.

Canadians are fortunate to live in a country that does not possess chemical weapons or have chemical weapons production facilities. Provisions in the treaty related to chemical weapons or chemical weapon production facilities therefore do not apply to Canada except in the area of trade. The main impact of this convention on Canada comes from provisions relating to industrial activity contained in the three schedules of this bill.

I was going to briefly outline these schedules but I will bypass this section. My colleague outlined the schedules in his speech which will be recorded in *Hansard*.

The Reform Party supports this bill. Canada has always been a strong supporter of multilateral efforts to promote peace and restrict arms proliferation, especially with the prohibition of the use of chemical weapons. Canada's participation in this treaty will encourage other non–participating countries to hopefully follow suit.

A few issues need to be addressed by government before the legislation is implemented. For example, although the government has been consulting with industry for years on this topic, the government still cannot provide any figures regarding the cost of implementing this bill. It is difficult to determine exactly what the government is proposing to do without seeing these figures.

(1635)

The government has also not been able to provide any specific details regarding the exact size of the new bureaucracy which will be associated with the implementation of the legislation. Canadians need to know the size of the bureaucracy and exactly what is being proposed. It would be useful if the government would supply these items before tabling bills rather than expecting Canadians to simply sign a blank cheque.

Members opposite mentioned on second reading that the legislation represents the most balanced and cost effective means of implementing the convention. However, those statements are meaningless because we simply cannot assess the legislation without first looking at the figures. It is important that we not create another huge level of bureaucracy. Officials at foreign affairs said that it may take as few as five or six staff, and this sounds reasonable.

There are also problems with section 15(3) which need to be worked out. This section states that exigent circumstances would make it unnecessary to obtain a search warrant when an inspector is refused entry. We need to clarify what is meant by exigent circumstances in the bill. As it stands, this could be open to very broad interpretation and may infringe on the rights and liberties of individuals if a definition is not clearly provided.

There are also problems with section 20 which states that every person who contravenes any provision of the act is guilty of an offence. That sounds like a presumption of guilt and given this presumption the implications in section 23 are far too broad.

It also states that where a person has been convicted of an offence under the act, anything seized by means of which, or in respect of which the offence was committed, is forfeited to Her Majesty in right of Canada and shall be disposed of as the minister sees fit. The provisions for confiscation are particularly open ended and it is unclear what is meant by them. Is the minister taking liberties to confiscate possessions, property, illegal chemicals or is he merely gathering evidence needed for a trial? I am concerned about these areas and we need some clarification.

We must ensure that individual rights and liberties are protected when we set out powers of inspection. Sections 13(c), 14(b) and 14(c) warrant close examination and careful clarification before they are set into law. Protection to ensure that authority for inspection is not abused must be included in the bill.

There are also questions about who will pay for the costs of the Organization for the Prohibition of Chemical Weapons. This large worldwide organization will have up to 1,000 staff and will operate with an annual budget of $150 million to $180 million. Members will also have to contribute to international inspection expenses and costs of elimination of chemical weapons and facilities.

It is unclear where these overall costs will come from and how much Canada will have to commit to. It is important that given our current fiscal situation Canada not be too generous in its contributions. We must be frugal because we just do not have the money.

There are several areas of concern in the bill which must be addressed before it becomes law. However, Canada's participation in the convention should and will be absolute. Despite the need for clarification in the bill, I am pleased to say that I agree with its spirit and intent and I am pleased to support the bill before the House today.

The Acting Speaker (Mr. Kilger): I would like to make a personal note with respect to the remark made regarding private member's Motion No. M–425 tomorrow evening being from 11.30 p.m. to 12.30 a.m. Of course that would be prime time in Comox—Alberni.

Mr. Myron Thompson (Wild Rose, Ref.): Mr. Speaker, I am pleased to speak to this much needed bill. I am also pleased to hear about the treaty and the signing of it. The legislation is a real motherhood and maple syrup issue. No one can disagree that chemical weapons are a danger to our planet Earth and must be controlled.

Once again the government has shown its failure to understand the situation. The government is not proposing banning chemical weapons because it is the right thing to do, it is proposing to rush the legislation through for political reasons. Canadians should not confuse the government's intentions in the process the bill is receiving. This government wants passage of this bill because if Canada is one of the first 65 governments to ratify the convention the government will receive political favours.

(1640)

Just as this government has told Canadians that the firearm control bill was for public safety and the sentencing bill was a deterrence on crime, this government will tell Canadians this bill makes the world a safer place. Just as Bill C–68 was not about public safety and Bill C–41 was not about a deterrence for criminals, this bill is not about world safety in the eyes of government. This bill is about giving this government bragging rights.

Recent events have shown that chemical weapons are becoming the weapons of choice among terrorists. The sarin attack in Japan has shown that terrorists can do the maximum physical and psychological damage at low cost. The attacks on Kurds in Iraq have shown that civilian populations are at the mercy of those who control chemical weapons.

We on this side totally agree that measures must be put into place to monitor and detect those who could easily obtain chemicals to spread terror. Canadians must understand this bill will not guarantee that terrorists cannot obtain, combine and release certain chemicals upon an unsuspecting public. This bill only approves monitoring of certain chemicals that could be dangerous, just as Bill C–68 only monitors law–abiding firearms owners.

Just as Bill C–68 cannot prevent criminals from using illegally obtained firearms to wreak havoc upon Canadians, this bill will not prevent determined terrorists from illegally obtaining the chemicals they need. The justice minister continually told Canadians that the gun legislation was necessary for public safety but later admitted no legislation could prevent those criminals truly wishing to use an illegal firearm from using one in the commission of a crime. Let us not hear any talk from those opposite that this bill will make public safety certain. This bill will not do that.

What could have prevented those wishing to use chemicals as a weapon is tougher sentencing. Unfortunately the justice minister did not do that in this bill or in Bill C–41. Instead of sending a message to terrorists and would–be criminals that Canada will take a tough stand to stop the use of chemical weapons by imposing severe sentences on dangerous criminals who consider this, the government offered alternative measures in Bill C–41 and no measures in this bill.

We on this side of the House readily admit and know one important fact that the government either cannot or will not admit. We know there are criminals who cannot be treated or rehabilitated. These criminals are the kind who would use chemical weapons. Those are the individuals who require severe sentences up to and including life in prison. Life in prison for those opposite means life: no review, no conditional release, no end of sentence release. Life means incarceration until the criminal is no longer able to threaten Canadians. It means the criminal never returns to society.

The government had the opportunity in Bill C–41 to enhance this legislation by including severe sentencing. The government instead rushed this bill through the House to enhance its reputation rather than to send a message to criminals in this bill or in Bill C–41.

Instead we get legislation that makes it a severe crime to discriminate on the basis of sexual orientation but no increased sentencing for those who use chemical weapons upon helpless victims. This government always puts legislation together that promises more than it delivers. Just as the government would tell Canadians this bill is to enhance public safety, the real reason for this bill is so some of those opposite can bask in the limelight of world opinion.

If this government wanted to deter the use of chemical weapons, it could have and should have included sections in this bill to change the Criminal Code, to put in punishing long sentences for anyone dealing with or using chemical weapons. This government states it is bound by international obligations to include punitive criminal sentences in Bill C–7, an act respecting the control of certain drugs introduced by the Minister of Health.

This government states international obligations obligate it to pass this legislation. I do not see any punitive sentencing measures in this bill. As I said, the bill is the right thing to do but the reason the government is doing it may not be so.

(1645)

Instead of introducing legislation for public safety and the public good, the government is introducing the legislation for its individual praise from the world community.

If the government wanted to send the message that the use of chemical weapons will not be tolerated instead of simply pushing an inspection bill through the House to gain personal glory, it should have included measures that will deter criminals from even thinking about using chemical weapons.

If the government can increase sentences for users of soft drugs it can increase sentences for users of dangerous chemicals weapons, but it has not. I will support this inspection bill even though it has no measures that deter criminals. The government has failed in that respect.

The government joins the United States in the failed attempt of its war on drugs by removing civil liberties by allowing inspectors to read medical files of Canadians. It increased jail sentences for casual soft drug users because the United States told it so. The government will not legislate increased sentences for the use of chemical weapons.

Half measures and dreams of glory on the international stage fuel the government's desire to rush the bill. Perhaps now that the voters of Ontario have chosen Reform principles of justice the government may change its bleeding heart ways not because it is the right thing to do, not because it may lose votes if it does not; it will do it because it is the right thing to do. It is too bad the government once again chose the wrong reasons.

We fully support the bill as an initial step in deterring the crime of the use of chemical weapons of any nature.

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, it is my pleasure to speak this afternoon if for no other reason than the temperature in the Chamber is bearable.

It is an honour to speak on third reading of Bill C–87, an act to implement the prohibition of the production and use of chemical weapons. I join most members of the world community in abhorring the use of chemical weapons.

This proposed legislation takes into account many concerns and tries to establish a compromising balance between these concerns. It acknowledges the devastation caused by the horrendous use of chemical weaponry as well as the ongoing studies and testing of these substances for future development.

The convention modernizes the 1925 Geneva protocol which was an international attempt to limit the use of chemical weapons after the first world war. This protocol was brought to present day standards by having observed past experiences and having learned from them. We now realize that putting a ban solely on the use of chemical weapons left many areas open and

allowed the stockpiling of such weapons but closed the doors for use and further study.

Bill C–87 is the act to implement the more recent convention of 1993 and realizes there are many uses of chemicals and outlines both the positive and negative aspects. The 1993 convention ensured states would not stockpile chemical weaponry for retaliation against future attacks or to instigate war. If they did they would face the condemnation of the world and sanctions as well.

Canada has always been among the first to initiate peace. In 1983 Canada made large contributions to the committee that developed and outlined a treaty on disarmament leading to the conclusion of discussions in 1992 when Canada was urging a ban on all warfare to be accepted internationally. There is now such a ban on the use of chemical weapons which caused such brutality. It is this ban we are discussing in the House today.

The convention involves not only those who engage in war but also those industries using chemical substances in their production and testing. This is where Canada assumes its role in the convention.

(1650)

Canada will primarily be enforcing the legislation when it comes to the importing and exporting of chemicals listed in the three schedules. Canada does not own chemical weapons nor do we contain any manufacturing facilities that do so. Therefore our role in implementing the convention is fortunately not very complex.

In 1915 Canadian soldiers were victims of the first gas attack during World War I. The 1925 Geneva protocol had a certain amount of control on the use of these weapons but was not able to completely rid their usage.

Recently we have seen chemical weapons used in the Iran–Iraq war, in Japan and by Iraq against its own civilian Kurdish peoples, among others. This convention, which will be headed by the organization for the prohibition of conventional weapons, will enforce legislation in all the signatory countries prohibiting chemical weapon usage and will hopefully have the international support and pressure to impose greater sanctions against those contravening these policies.

Areas of legislation included in today's convention include verification policies, creation of an organization to implement them, specific guidelines with regard to levels of chemical ability as well as processes for destroying weapons and their plants.

The verification regime, which is global, is to ensure these weapons of mass destruction will never be developed again. The international monitoring system will safeguard against weapon production by inspecting all facilities which are or were used for these purposes. This system does not affect Canada as there are no facilities here. This verification process will also be extended into other chemical industries.

Three schedules are to be used in ensuring no chemical weapons are or can be manufactured. Industries using such chemicals will be required to report annually and each government of the signatory countries will be required to report to the international organization, the OPCW.

In Canada the Minister of Foreign Affairs will designate officials who will act as Canada's national authorities. Canadian officials will collect information from Canadian industries and transmit it to the OPCW for inspecting purposes. However international inspection teams have the right to conduct inspections without warrant in accordance with the provisions of this convention. It contains appropriate provisions for inspection and keeps them in accordance with the need to protect privacy.

As will be a requirement of other countries, Canada will enact legislation in the Criminal Code providing penalties, fines and imprisonment for warlike use or production of chemicals. Legislation will protect but keep a close eye on usage of these chemicals for medicinal purposes as well as for pesticides, fertilizers, paints, textiles and lubricants.

The convention will also require state organizations to enforce restrictions on the export and import of schedule chemicals with states that have not signed the convention. All chemicals on the list will therefore be subject to the Import and Export Permits Act. Although there are restrictions which will be imposed on exports to suspect states, the legislation has balanced these restrictions with the desire to liberalize trade for industries and medicinal purposes.

The schedules which will be used in identifying chemical legality are in three groups. The first contains chemicals such as mustard gas. Some other chemicals in this same group are used in pharmaceuticals and in cancer research. Schedule 2 consists of chemicals which are precursors to schedule 1, chemical weapons. Schedule 3 contains the least powerful of the three groups, often used in industry but can also be used as weapons when in large quantities.

Each group will be under scrutiny, whether it be checks and balances, limited amounts permissible or whether they must obtain a licence and pay a fee to use them.

Under international supervision all stockpiles and producing facilities of chemical weapons will be destroyed within a given time frame. Given this, the legislation will have to consider economic implications. There will be a 10–year limit for states to destroy their stockpiles and facilities. However a 10–year extension is also allowed which has stricter controls. I have a problem with this 10–year extension because if we continue to allow extensions on the destruction of these facilities we are allowing them to remain for greater use.

The Reform Party supports Bill C–87 and would like to see it implemented immediately. Canada has always been a strong supporter of multilateral efforts to promote peace and restrict arms proliferation.

(1655)

By accepting the convention on the prohibition of the development, production, stockpiling and use of chemical weapons and eventually on their destruction Canada is promoting common norms and values with like minded countries.

Reform acknowledges the government has consulted for many years on this topic but still does not know how much it will cost to implement nor the exact size of the bureaucracy to be created. Foreign affairs has speculated a full time staff of five as a national authority plus one staffer at foreign affairs might be needed. We would like to make sure the bureaucracy does not expand beyond this.

Section 15(3) states exigent circumstances would make it unnecessary to obtain a search warrant when an inspector is refused entry. This should be clarified. The wording in section 20 also seems too broad. Section 23 states:

> Where a person has been convicted of an offence under this act, any thing seized by means of which or in respect of which the offence was committed is forfeited to Her Majesty in right of Canada and shall be disposed of as the minister directs.

Exactly what could be confiscated under this provision is unclear. The powers of inspection should not be allowed to get out of control. Reform does support this legislation and hopes there will be some accountability in its enforcement to see it is not used unnecessarily.

(Motion agreed to, bill read the third time and passed.)

* * *

AGREEMENT ON INTERNAL TRADE IMPLEMENTATION ACT

The House resumed from May 29 consideration of the motion that Bill C–88, an act to implement the agreement on internal trade, be read the second time and referred to a committee; and of the amendment.

Mr. Werner Schmidt (Okanagan Centre, Ref.): Mr. Speaker, I rise to debate Bill C–88, a bill to implement the internal trade agreement signed last July by the various participants.

Last July the Prime Minister and the premiers came together in Ottawa to announce an agreement had been reached to break down the barriers of internal trade between provinces.

Canadians were hopeful that at last barriers would come down and they would have free access to goods and services, jobs and the competitive marketplace because the trade barriers between provinces would be broken down.

The agreement reached was said to be an important part of the Liberal promise to build an innovative economy within which all Canadians would benefit. It was touted as a vision for the future and it reflected well on the premiers and the Prime Minister. Canadians were happy.

Today, almost a year later, the euphoria has died and Canadians are questioning the vision they saw one year ago. Last July the premiers and the Prime Minister held up the internal trade agreement as a reflection of unity but Quebecers did not see it that way. They responded by electing a PQ government in their province. The premiers and the Prime Minister held up the agreement saying: ''This is what we can do for one another''. The then premier of Quebec was defeated in the subsequent election.

They said the agreement was a reflection of growth, but the inadequacy inherent in maintaining the status quo saw little job creation. Within the last five months job creation has dwindled to practically nothing.

Last July the premiers and the Prime Minister held up the internal trade agreement as a reflection of stability, but months later Moody's bond rating service put Canada on the alert then downgraded our credit rating because our debtload remained too high.

(1700)

Today this House is being asked to ignore those undercurrents and put that internal trade agreement into practice by passing Bill C–88. The Reform Party of Canada cannot do this. We cannot support an agreement that so blatantly ignores the necessity to pull this country away from the edge of permanent economic instability. We came to Ottawa to prevent that. We came to champion the right of Canadians to a balanced budget, to deficit reduction, to more effective government, to a productive and stable economy and to national unity.

Despite the rhetoric that flies across this room every day, we have made every effort to keep that promise. By challenging this bill we remain true to that mandate given to us by our constituents who have asked again and again for freedom from internal trade barriers.

By not supporting this bill we know we run the risk of being accused of not supporting free trade in Canada. I ask Canadians to recognize that kind of accusation is a political move and not the truth.

Let us make it absolutely clear this afternoon that the Reform Party of Canada is committed to the removal of interprovincial barriers to trade through agreements among the provinces but we will not support any so–called agreement under the guise of freer internal trade when that agreement does not achieve this.

The Reform Party cannot support any internal trade agreement that does not once and for all recognize that the barriers to internal trade in this country are killing our marketplace. Higher taxes, a higher cost of living and an uncompetitive marketplace create a heavy and unnecessary burden on Canadians and guarantee the deterioration of our economy.

Bill C–88 I subdmit is a disguise for a non–agreement which purports to improve internal trade in Canada and improve our economic stability but does neither.

The Liberal government won an election on a promise to build a better Canada, to get Canadians employed and to ensure a stabilized economy. If this government truly seeks revitalization then it must admit that this agreement fails to keep that promise because it fails to eliminate internal trade barriers in this country.

I would like to believe that the government is committed to the future of this country but I cannot as long as politically motivated agreements like this one are held up as agreements. Canadians are looking for strong leadership, not the kind of leadership that is acted out every night on television, but real leadership, the kind that works hard behind the scenes at achieving what is best for our country. For months we were led to believe that this was happening and last July we had hoped to see the effects, but it did not materialize. What we witnessed was a photo opportunity and nothing more.

Canadians did not see progress. The government did not realize our goals. It did not put our economy on a better footing and Canadians continue to pay the price.

Some may think it is easy for me to stand or to sit on this side of the House and criticize the government for failing to produce an effective agreement. I am well aware of the difficulties involved in negotiating with many different parties. I know it is important to ensure fairness and the democratic process and that these be observed and to avoid dictating what is best. However when the stakes are high, when the best interests of the nation lie at the mercy of the government leaders, then I know that the time has come and the place has been arranged for strong and courageous leadership.

If I have one criticism this afternoon it is that the Liberal government failed to provide the necessary leadership. In an effort to avoid creating enemies it opened up a nothing lost, nothing gained, be happy approach. What we got was nothing gained and almost everything lost.

This country is threatening to break apart. Canadians no longer have that sense of unity they should have. Now more than ever we need leadership that will bring us together at every possible opportunity. Failure to bring about a good internal trade agreement only serves to enforce our differences, create more barriers and reveal a lack of confidence in ourselves.

(1705)

The internal trade agreement was a failure. The blame must lie squarely and we must lay it squarely on the federal government. I believe the government failed in its mandate to first and foremost preserve the country. The government not only had an obligation to the future of the country to see that this happened, it had a vision to carry out, a vision that was created many years ago when the nation was first born.

In 1867 Canadian leaders saw fit to entrench within the Constitution these wise words: ''All articles of the growth, produce or manufacture of any one of the provinces shall, from and after the union, be admitted free into each of the other provinces''. That is section 121 of the Constitution Act. In that section there was an agreement that was a true reflection of unity and a commitment to growth and stability.

Perhaps in those days it was easier to recognize the danger. In those days, in our bid to resist American pressures and maintain a distinct culture, we could see that strengthening our internal economic ties would be the foundation of our identity and our unity. In the Constitution was laid the reflection of courage and co–operation, of government doing what was right and fair for the Canadian people and an example of strong leadership.

Today we face a greater danger. It is a danger because we failed to recognize it ourselves. We are spurred on by protectionist attitudes that really serve no one. We have reached a critical point and it is time for strong leadership to prevail.

We are a big country, a beautiful country. We have a small population. We are a wealthy country. However we are not an economic power in the world. We are a vast land of people with different orientations. That is our identity. However we have lost sight of the common ground: our economic alliance, one with another.

In 1867 the leaders of the day recognized the need for leadership and an economic alliance. They added section 91, which declared that the exclusive legislative authority of the Parliament of Canada extends to the regulation of trade and commerce, the very essence of what we are talking about in Bill C–88 and the internal trade agreement.

The Constitution recognizes that government leadership must begin by assuring economic stability to ensure the survival and unity of our country. That is why the Reform Party of Canada has made it the foundation of its mandate and why every day in the

House we fight for economic stability. It is why we debate the bill and why we cannot support it, because the government has failed to see the urgency in removing internal trade barriers for the good of the economy and has failed to reaffirm the objectives of section 121 of the Constitution, the free flow of articles of growth, produce and manufacture.

By ignoring the precedent of section 121 of the Constitution the successive governments of the country have assured an atmosphere of protectionism, disunity and almost certainly economic vulnerability. That is why this agreement and this bill fall short.

My colleagues have stood during this debate and pointed out a number of deficiencies inherent in the agreement and in the bill. One emotion that has prevailed throughout is frustration. Their frustration comes from not being able to say Canada is a nation of free trade. Many are embarrassed to acknowledge that there is freer trade north and south between Canada and the United States than there is east and west among the provinces and territories of Canada. They are frustrated, as are all Canadians, because they can see the way toward economic rejuvenation being thwarted. They can see the opportunities that exist for them in their ridings and in their home industries if those barriers are removed, as local industries are given a fair and competitive chance to become national industries. They are frustrated because they must answer the difficult questions of constituents who want to know why their industries are not doing better and why those industries are laying off people in times when the government purports that jobs are being created.

If this nation would commit to breaking down internal trade barriers Canadian industries would flourish. Entrepreneurs would find a reason to create innovation. Investors would find a reason to support the innovation and innovation would build the economy.

(1710)

Once we have created an innovative economy internally we will be poised to enter into the global marketplace and we will succeed there. In the process, we will have obtained many things: a strong economy and more importantly pride in ourselves and confidence in our abilities.

Canada has the potential to be more than just a collection of small protected markets, but governments must implement the means that will change what currently exists. I believe Canadians deserve that chance. Canadians deserve the rewards of an open market, job mobility and economic stability, not the provincial protectionism that creates high taxes, low productivity and unemployment. This agreement will not provide those rewards and this bill will not implement an agreement that will provide them.

It is time to stop hiding behind regional development schemes, equalization payments and cost sharing agreements. It is time the inefficient government policies were thrown away rather than contributing to the financial burden on Canadian taxpayers. It is time the provinces stopped working on the false premise that exclusivity will protect their own markets. It is time the inherently weak marketplace created by protectionist policies gave way to vital marketplaces, strong, self–sufficient industries and real job creation.

The bond markets have made it clear that we can no longer continue the premise of borrowing more and more and creating a perpetual debt. The demise of our economy will not come some day, it will come soon because we have failed to act as a nation and correct the wrongs that pull us down. It is time to revive our nationality so we can say we have our wealth in common not our debt.

It is time for strong leadership to set in motion the process of eliminating internal trade barriers. The strong leadership we want will pull together the commitment of governments at all levels, business, labour and taxpayers, all the contributors. Together we can build a common market, establish compatible standards of licensing, certification, education and create the mobility and open markets that will become the fertile ground for new industries and generate innovation.

It is time to shut out the protectionists, the naysayers and weak leadership, the businesses built on protectionism provided by internal trade barriers and the governments with poor, ineffective policies which cost the taxpayers. Those things should be stopped.

The plan has been laid out for us. In 1992 the committee of ministers for internal trade adopted these guiding principles, which we should note carefully: one, that governments treat people, goods, services and capital equally irrespective of where they originate in Canada; two, that governments reconcile standards and regulations to provide for the free movement of people, goods, services and capital within Canada; three, that governments ensure that their administrative policies operate to provide for the free movement of people, goods, services and capital within Canada.

Those are strong, good, solid principles. These were the guiding principles necessary to ensure a successful agreement but they were not implemented. It is time for this government to show leadership that is necessary to enact these principles.

I say to the Liberal government, tear up Bill C–88, go back to the bargaining table, apply the principles of the CMIT and the spirit of the Constitution and build something meaningful, something we can support. Fashion an agreement that will build trust among the provinces and give them the courage to break down the barriers. Let us do what is right for Canadians and rebuild trust in our democratic process. Let us acknowledge Canadians' right to economic unity and their desire to declare their sovereignty.

Canadians will not be served well should this bill pass. It does not reflect the government's commitment to building an innovative economy, except for one exception which is the deletion of part III of the vehicle and transportation act. This particular section within the proposed bill is the only section that was not part of the internal agreement negotiated a year ago. It is also the only provision in this act that does in fact put into practice the provisions of sections 121 and 91 of the Constitution Act. Other

than that this bill does not reflect the process which begins on the right footing.

(1715)

It does not reflect a country built on the principles of freedom, democracy and unity. In fact it goes beyond that. There is a provision within the bill which allows the governor in council under certain conditions to amend and to suspend application of any provision legal or otherwise of another province or department.

It is unpardonable to think that Parliament should be able to tell another government: ''The particular law that you passed, you cannot have it any more because we are going to suspend its operation''. It does not inspire a sharing of ideas, products, technologies and people. There is no structure for innovation in it and nowhere for the talents and skills of the people of the country to grow and provide stability.

We must try to do it now and not later. Canadians deserve the chance to develop into a nation of free traders before their industries are exposed to the larger global market. If we do that Canada will be ready to take advantage when the moment comes, and that moment is coming quickly.

I urge the government to go back to the bargaining table. I urge the government to show a strong leadership and not just political rhetoric. I urge the government to provide Canadians with a free interprovincial trade agreement and begin the process of economic rejuvenation.

It will symbolize to Canadians and everyone in the world, but more important to us and our young people in particular, that we are a confident people, strong and self–assured. We are an economically stable, united nation with the ability and skills required to face the challenge of a modern world.

Mr. Ron MacDonald (Dartmouth, Lib.): Mr. Speaker, I listened with a great deal of interest to the hon. member. I have to say I am not exactly sure what the hon. member really wishes to do to try to get free trade within the country.

On a number of occasions the hon. member was urging the federal government to abandon the consultative process which resulted in the bill before us today. One year ago July 13 senior governments in Canada—the 10 provinces, the federal government and the two territorial governments—arrived at a consensus.

A little later in his speech he talked about the government using its heavy hand because there was a section in the legislation that may allow it, given certain circumstances under the Constitution by the way to disallow provincial legislation.

He cannot have it both ways. What does the hon. member find so offensive about a process that has finally arrived at a framework under which all governments in the country, federal, provincial and territorial, have agreed to reduce internal barriers to trade? What process would he want to put in its place? This process has been under way since 1987. The agreements that were reached in July of last year were agreements that were reached after seven years of negotiations.

Would he have the federal government use the heavy hand, the constitutional powers he says we have, to completely abandon a moral requirement for consultation in these areas? Would he have us roll over the rights of provincial governments? Would he have us abandon the consultative process? Would he have us abandon the basics of the agreement on internal trade, specifically the section that deals with the affirmation of constitutional rights and responsibilities since he spoke a lot about them, the general rules section which sets out the obligations for activities governed by the act, a special rules section which sets out the particular ways in which the rules apply in the 10 sectors covered by the agreement, and the section that sets out administrative provisions and the dispute resolution mechanism?

Surely the hon. member opposite knows that when we are dealing in the area of trade it is not as easy as walking in and saying: ''Here is what I want; therefore that is what I get''. This is a process of negotiation similar to what was done with the free trade agreement with the United States. It was probably a little easier in the free trade agreement with the United States because we were only dealing with two governments. Indeed when we were dealing with the NAFTA we were dealing with three governments. In Canada, because of our constitutional structure, we were dealing with 13 governments.

Should we abandon the consultative process which he seems to have condemned in his remarks and use the available tool albeit blunt in our Constitution, or does he say that we should abandon the process and start again? Which does he want? Does he want consultation or does he want heavy handed federal action in this area?

Mr. Schmidt: Mr. Speaker, that is probably one of the most thought provoking questions I have heard in the House for a long time. I appreciate the question. It is a good one.

(1720)

In no way do I wish to suggest that the consultative process is not a good one. It is a good process and one that should be observed, absolutely. However there comes a time when the consultative process breaks down and does not result in an agreement. Then senior government has to come in and make some essential changes.

Another point I recognize is that the primary criticism is not in the process. There is no criticism of the process. The criticism is in bringing to the House a bill which says we have an agreement. It is not an agreement. There are major parts of the economy of Canada that are totally exempted from the agreement.

Let me mention one area. The whole energy sector is exempted from the agreement. It is not a complete agreement. Yet it was presented as if it were.

I say again that consultation is essential, but leadership is also essential in a country when the consultative process breaks down. The three principles in my speech are the ones we ought to take forward. The responsibility lies with the Parliament of Canada to say that we have to solve the question. We can go this far and then we have to say that we have consulted so long but there is an end to the process.

[*Translation*]

Mr. Yves Rocheleau (Trois–Rivières, BQ): Mr. Speaker, I would ask my hon. colleague for Okanagan Centre, whom I have the pleasure of meeting regularly on the Standing Committee on Industry, how he can question not only the bill before us, C–88, and clause 9, which the Reform Party condemns with us, but also the agreement reached by the provinces, the territories and the federal government after seven or eight years of negotiations?

Is is not rather presumptuous of the Reform Party to question something that all these elected officials and all these governments agreed on, with such difficulty, I might add? Is this not the extent to which Canadian leaders had agreed to agree in a certain number of areas? Is it relevant to tear up the agreement, as my colleague puts it?

It stands to reason he would condemn the bill. However, it is another matter to tear up the agreement and reject the efforts of the premiers or ministers of trade who worked on this agreement. Is it not going too far to call the entire process into question?

[*English*]

Mr. Schmidt: Mr. Speaker, I think that was a very thoughtful question.

No, I am not calling into question the fact that the premiers got together to work on things. That is commendable. However to suggest that what they agreed to was meaningful and actually resolved some of the trade barriers is false because the trade barriers were not eliminated in many instances.

We are supposedly being presented with a breakdown of internal trade barriers in Canada, but I submit to the House that is not the case. We are being led to believe something which is not complete. We should not be led to believe that it is complete. It is not.

Mr. Ron MacDonald (Dartmouth, Lib.): Mr. Speaker, I gave away a little of my firepower in questions to the hon. member opposite. I indicated to the hon. member that it was very clear when I read the documents relating to the bill that nobody on this side of the House believes this is the be all and end all.

The Prime Minister in his remarks last year when this was all done clearly indicated that he thought it was a step, albeit a small but very necessary step, toward the full removal of internal trade barriers in Canada.

I understand what the hon. member was speaking about. I also understand that sometimes we have to crawl before we walk and walk before we run. There is no question the bill is long overdue. There is no question that the internal trade barriers perpetuated by various provincial governments, with the blessing of the federal government because perhaps in the past the federal government has not shown the necessary leadership, have caused a real mishmash of provincial trade barriers not just in the movement of goods and services but also of people. It is fair to say to individuals watching that the bill is a step in the right direction.

(1725)

The hon. member opposite mentioned that it did not apply to the energy sector. That is exactly right. By the time the agreement was signed last year there was no agreement among the 13 players on how we should treat the energy sector. If my reading of the memorandums of last year is correct, it was agreed that there would be some framework to deal with the energy sector by the end of this month.

The hon. member raised some good points. If he waits 10 days—and perhaps we could wait 10 days—he will see the process concluded and there will be some guidelines, rules and framework for the energy sector.

It is clear the bill is long overdue. It does not impose anything on the provinces. It simply reaffirms the requirement in legislation of the federal government to fulfil the commitments made last year when the agreement was made. The bill provides a federal legislative framework. It does not impose anything on anyone. It encourages the type of debate that has taken place in the past and the consensus building that has arrived at the framework of today.

I mentioned that perhaps it was easier to conclude the free trade deal with the United States because there were only two partners, or the NAFTA because there were only three partners, than it was to deal with the Canadian provinces and territories.

Everybody knows there is a problem within Canada. Everybody knows there are certain things that must be done to make us more competitive. One only has to look at some of the areas that are covered. The agreement covers 10 very specific areas: procurement of goods, services and construction; investment; labour mobility; consumer related measures; agricultural and food goods; alcoholic beverages; natural resource processing;

communications and transportation; and environmental protection. It is a step in the right direction.

I want to focus my speech a little away from the bill per se and at a microcosm of some of the problems in Canada. I want to specifically focus on Atlantic Canada. There are four Atlantic provinces including the three maritime provinces of P.E.I., New Brunswick and Nova Scotia. It is very clear to me as a student of history and a student of Murray Beck, a political scientist who has written some very good and thought provoking accounts of the political history of Nova Scotia, that Nova Scotia has always felt it was at a disadvantage in Confederation.

Prior to Confederation we were free traders. All one has to do is look at our location. We are stuck out on the northeastern coast of North America. We have the closest deep water, ice free port in Halifax to the great circle route. We were great world traders. When we got into Confederation it started to change because the trading patterns were forced by regulation and by legislation to be east–west when we normally should have been trading across the ocean and north–south.

My friends from the Bloc Quebecois might be interested to know that the first secessionist movement in Canada did not happen in the province of Quebec but in the province of Nova Scotia. There was great debate shortly after Confederation on whether or not the province should stay. We chose the right course and we chose to stay even though there were some restrictions to our growth. We decided the way to deal with it was to stay in a larger unit and to try to address the problems.

Since the 1970s the Council of the Maritime Premiers realized that three small provinces, Nova Scotia, Prince Edward Island and New Brunswick, had less than two million people and had far too many barriers to internal trade in that small region. Each of those provinces had its own professional accreditation boards. A pipe fitter in New Brunswick may not have been able to work on a job in P.E.I., or a barber in P.E.I. may not have been able to cut hair in Nova Scotia. Those were the barriers to trade set up during that many decade period of protectionism in an effort to create jobs and keep them in each area.

We have had much talk in Atlantic Canada about how we must become more competitive and less reliant on government. If we go back to 1989 there was a gentleman by the name of Dr. Charles McMillan who wrote a very good document called ''Standing Up to the Future'' in which he talked about the need for maritime Canada to take up the challenge of integrating our economies. He said very clearly that governments must pursue a strategic program and that economic integration is a key to economic prosperity. He said:

> The strategy must be based on eliminating trade barriers, encouraging new investment and being outward oriented.

(1730)

Back in 1989, after almost 19 or 20 years of having the Council of Maritime Premiers, it was clear we recognized the requirement of reducing internal barriers to trade.

In 1991, after Dr. McMillan's paper had been around for about a year and a half, the Council of Maritime Premiers responded very forcefully and effectively. It came up with the Maritime Procurement Act which stated that for goods tendered for $25,000 or more, for services of $50,000 or more and for construction contracts of over $100,000 there would be no more discrimination based on where the company that bid for those contracts came from in Maritime Canada. Clearly the movement had begun to reduce those barriers to trade.

In 1992 the council came up with the Maritime Economic Co–operation Act. It has been working on a number of major projects since then. The Council of Maritime Premiers has a number of boards, organizations and bureaucrats working for the continued removal of barriers to the mobility of apprenticeship trades people. The primary goal of this whole focus in maritime Canada is to become more competitive.

Everybody in maritime Canada knows one of the stumbling blocks to removing internal trade barriers has been the free movement of beer in Canada. Although this may not seem like a big deal to some people it is a big deal in Atlantic Canada for two reasons. We had come out of a period when individual provinces had restrictions on the movement of beer between provinces. They did that to protect brewing industry jobs in their areas.

With some of the agreements in the past, we found products were flooding into Nova Scotia but perhaps Nova Scotia or New Brunswick products did not have equal access to the most lucrative market which is in Ontario.

My point in all of this is the maritime provinces, the traditional have nots, the ones which seem to be left out of the economic cycle when it is on the up swing but always first included when it is on the down slide, have long since recognized the key to competitiveness is to remove internal barriers to trade.

I have always been a free trader. People in my area and all over Canada will only prosper and be able to recognize their potential and our potential as a nation if we work aggressively to remove those barriers to trade.

This is not a perfect bill, but it is closer to perfection than anything I have seen in the six years I have been here. I urge members of the Reform Party opposite who seek a perfect bill to support the direction of the bill and to work with us on this side and with members of the Bloc Quebecois to ensure the people we represent have access to markets unfettered by regulatory and non–regulatory barriers to free trade.

[*Translation*]

Mr. Yves Rocheleau (Trois–Rivières, BQ): Mr. Speaker, I find it odd that the hon. member made no mention of clause 9 of Bill C–88, which is the heart of the bill, the key, and which was totally unexpected.

The opposition informed the Government of Quebec of clause 9 and Bill C–88, and, in turn, the Government of Quebec contacted the Government of Ontario to see if it was aware of this provision. Apparently, nobody in Canada was aware of this bill, even though close to a month earlier, on April 10, 1995, the trade ministers met in Calgary and there was never any question of the federal government's intention to go ahead with the bill.

I would like to ask the hon. member what he thinks of clause 9. How can he justify that the federal government has unilaterally declared itself the referee, when nobody was consulted, when nobody mandated the federal government to take on this role, and on top of this and perhaps most importantly, when the bill goes against the spirit of the agreement which provided for conflict resolution mechanisms based on the good will of each party, and not on judicial mechanisms?

(1735)

Now, the federal government is bringing in a judicial mechanism, announcing to everybody that, in the future, its actions will be based on the spirit and the letter of clause 9 of Bill C–88. It will issue orders and ultimately will take all of the measures in paragraph 9*d*), do everything it deems appropriate to bring any province it feels is reluctant in line.

Can our colleague explain to us how the position that the federal government has taken on this issue in clause 9 of Bill C–88 is justified?

[*English*]

Mr. MacDonald: Mr. Speaker, the Government of Canada within its own area of responsibility clearly feels if there is a dispute settling mechanism and the dispute is settled but a province is stubborn and decides after one year of going through the two bodies, the joint co–operative committee and the processes outlined and agreed to by all 13 parties, that it will not to be party to the dispute settlement mechanism finding, to the resolution, and still refuses to act in compliance with the agreement, the government will take some actions.

Those actions are extremely limited by the very section of the bill. It does not say the Government of Canada can take straight retaliatory action. It outlines clearly the actions that can be taken and the actions that cannot be taken.

I understand the member opposite would be worried that the federal government can use its heavy hand to impose a settlement. Clearly after 10 provinces, two territories and the federal government agree on a dispute settling mechanism and a province or territory refused to adhere to the rules of the game, the government believes it is justified to use within its jurisdiction certain economic means.

I do not think it is unjustified. It is like telling my children over and over again there are rules but if they violate the rules there will not be any penalty. If my children violate the rules there is a penalty. It is a penalty of last resort after consultation, after communication and after dispute settling in my house.

At the end of the day if they continue to violate the agreements in our house—it would be the same in the federal House—I reserve the right, as would the federal government, to take reasonable means in response to that.

Ms. Jean Augustine (Parliamentary Secretary to Prime Minister, Lib.): Mr. Speaker, I am pleased to participate in this debate on the agreement on internal trade which will come into effect on July 1.

The agreement may not be perfect, in response to the Reform Party's comments, but it represents an improvement from where we were before that agreement. Bill C–88 is intended to make it possible for the federal government to comply fully with its obligations under the agreement.

It is important the House proceed expeditiously in its consideration of Bill C–88. For years businesses and private sector groups have complained to both the federal and provincial governments about domestic trade barriers and impediments to a free and open internal market.

We have had numerous studies going back as far as the 1937 Rowell–Sirois commission which recognized the issue and documented the broad scope of the problem.

The Canadian Manufacturers' Association in 1991 estimated the cost associated with barriers and economic inefficiencies to be approximately $6.5 billion annually. The most recent statistics indicate interprovincial exports of goods and services in 1990 were worth $141 billion annually and responsible, directly or indirectly, for 1.7 million jobs.

A recent study by the chamber of commerce underlined that the Canadian internal market is the most interdependent of any area in the world today.

In agreeing to negotiate the agreement, Canadian governments recognize how well our domestic economy works. It is key to how we will prosper as a nation and how we will compete in the international economy.

(1740)

An open domestic market and economy will allow Canadians and Canadian companies to strengthen their internal competitiveness and develop new opportunities for growth and prosperity. The alternative offers only and ultimately self–destructive protectionism which benefits only special interests at the cost of the country as a whole.

When they agreed to negotiate the agreement on internal trade the federal, provincial and territorial governments all recognised and accepted the importance of working together in the national interest. In concluding the agreement Canadian governments have demonstrated they are prepared to work together both now and in the future.

As my colleague, the Minister of Industry, has said in the House, the agreement is a consensual agreement. Some members opposite have criticized the agreement as inadequate and insufficient. As I said before, the agreement may not be perfect but it is an improvement over where we were. It reflects a consensus on the principle of an open and efficient national economy. It establishes a detailed rules framework for internal trade. It provides a consistent and defined process for preventing and resolving disputes which may arise over specific issues or measures.

All the parties have accepted, to a greater or lesser degree, disciplines which in the sectors covered will improve how the national economy functions in the future. It will be possible and it is the government's intention to work to improve the agreement in the future and to expand its scope and coverage.

I call on all colleagues in the House to work together with us as we proceed into the future to expand the scope and coverage of the agreement. For the moment this is a start, a point from which to work. We can and should build on that.

Some members have also criticized the government for not exercising its constitutional authority over interprovincial trade to open the internal market more forcibly. The national economy has become considerably more complex than it was when the constitutional powers of the different levels of government were agreed on in 1867. In the context of today's economy and modern Canadian federalism the views of those critics, frankly speaking, are simplistic.

If anything is clear it is that the country operates most successfully when all levels of government work co–operatively in the national interest, not unilaterally and certainly not by fiat. Governments were not negotiating constitutional changes in the agreement on internal trade; rather, they were developing the basis for working together with their respective powers and responsibilities to make the national economy operate more efficiently and effectively.

Unilateral action may be a theoretically possible method to achieve the same ends. Some of us may consider it to be a desirable way of proceeding. However it is simply not an effective or acceptable way to make Canada's federal system work.

Some members opposite have suggested the government has a hidden agenda in Bill C–88, that it conceals a power grab and that it is intended to provide a means to force provinces over to the will of the federal government. That is purely and simply wrong. My colleague, the Minister of Industry, has responded at length and in detail to those allegations.

Bill C–88 does not deal with the responsibilities of provinces or provincial measures, only federal responsibilities and measures. It is intended to make it possible for the federal government to comply fully with its own obligations under the agreement and to play its part in making the agreement work.

Bill C–88 gives the government specific authority to make changes to certain parts of legislation to enable it to act in accordance with its obligations. It also changes some existing legislation to make it easier for provinces to comply with some of their specific obligations under the agreements.

(1745)

We should be clear in our understanding that Bill C–88 does not by itself legislate or give life to the agreement on internal trade. The agreement has been signed by all its parties: the federal, provincial and territorial governments. When it comes into effect, as agreed on July 1, all those governments will be bound by the obligations of the agreement. Each government is responsible for complying with its obligations and for living up to its responsibilities under the agreement.

Two provinces, Alberta and Newfoundland, have already passed their implemented legislation. As I said earlier, it is important that we proceed expeditiously in our consideration of this legislation. The federal government has played a leading role in getting all governments to work together in the interests of all Canadians on internal trade issues.

Bill C–88 does what is necessary to ensure the federal level of government will be able to continue to play its role in the co–operative intergovernmental process.

We should not delay this further. I call on all colleagues to join with us in ensuring that Bill C–88 gets swift passage through this House.

[*Translation*]

Mr. Yves Rocheleau (Trois–Rivières, BQ): Mr. Speaker, I would like to ask the member for Etobicoke—Lakeshore, a bit as I did with my colleague earlier, how she can justify the government's action in this regard. She knows very well indeed that the federal government cannot legitimately take this action, since it has neither the mandate nor an invitation to take it and it consulted no one in its action. It is giving itself powers of arbitration so it can act as a disciplinarian, without anyone having asked it to intervene. It has led, and here the seriousness

of the situation and the all the scheming behind the bill become apparent, the Premier of Quebec, Mr. Parizeau, to denounce the bill as a trade war measure.

I would like further explanation. Oddly, and this is in keeping with the way the government works, nobody is referring to clause 9, the keystone, the source of friction, the heart of the bill. To us, this is indicative of the government's desire to meddle in a number of areas of jurisdiction in the operations of the future Canada where the Government of Canada will be the sole government. Canada will be a unitary country, a centralized country. Bit by bit, in this House, the government is giving itself what it needs to ensure that, increasingly, governments that claimed to be, were seen to be and considered themselves provincial will become regional, because bills like this one are being adopted.

I would ask my hon. colleague to talk more about clause 9 of this bill, which is exceedingly pernicious.

[*English*]

Ms. Augustine: Mr. Speaker, the hon. member is presuming quite a lot in his interpretation of section 9. Perhaps he has misread the section. In that section there is a principle underlying the concept of retaliation. My colleague spoke quite clearly to this by giving some real life examples within his own family situation.

It has to be understood that subsections 9(a) to (d) do not give the government greater freedom of action. To suggest that it does ignores the headnote of the section. I would ask the hon. member to go back to the headnote which limits the degree of possible action pursuant to article 1710 of the agreement. Article 1710 would limit retaliatory action only to cases where a province has been found to have an impartial panel which violated the agreement and has refused to comply within the period of a year or more.

(1750)

It spells out quite clearly that the government would have to discuss whatever it proposes to do with the committee on internal trade which is composed of representatives of all the parties to the agreement. Any action to be taken has to be equivalent to the economic impact which led to the original violation.

There is much within the section which must be read with article 17(10) in mind.

[*Translation*]

Mr. Gaston Leroux (Richmond—Wolfe, BQ): Mr. Speaker, I am pleased to participate in this debate as the official opposition critic on regional development. I want to show very clearly that, with this interprovincial trade agreement, the Canadian government is indeed giving itself powers which largely exceed what is provided in the agreement reached by the parties.

We just heard the hon. member explain clause 9, in reference to articles 1705 and 1710. I intend to show unequivocally that, in this agreement, the federal government is giving itself extensive third party powers, without informing those involved.

What is the purpose of this bill? It is simply to implement the provisions of the Agreement on Internal Trade, which was signed by the provinces last summer. To that end, the federal government must pass the required legislative provisions before July 1, 1995, when the agreement will take effect. This is basically the purpose of the legislation.

First, I want to show that, with Bill C–88, the Liberal government is assuming powers which were never mentioned when the agreement was negotiated or signed, thus showing a very centralizing attitude which is also noticeable in relation to several other bills, and which is part of an overall centralizing legislative strategy.

I also want to show some elements of the current international trade dynamics which point to the need for the political autonomy of the regions, as well as the establishment of economic unions, rather than large federations with a rigid and centralizing constitution, such as the Canadian federation.

The clauses of the agreement to which Bill C–88 refers essentially deal with the dispute resolution process, as if the federal government could do anything but regulate. I want to point out to this House the context in which the interprovincial agreement will operate, by going over a few provisions of the Agreement on Internal Trade.

Articles 1601 to 1604 deal with the establishment of an internal trade committee and its secretariat. That committee will supervise the implementation of the agreement and facilitate the resolution of disputes. Article 1705 deals with the setting up of a panel, following a request by the parties involved in a dispute. The panel is composed of five members who will decide on the validity of the request and on the retaliatory action which may be taken by the aggrieved party. We are talking here about a dispute involving two parties.

Paragraphs 4, 5 and 6 of article 1710 provide that, if the matter has not been resolved within one year of issuance of the panel report, the complaining party may request a meeting of the committee. The committee shall convene within 30 days to discuss with the complaining party the option of taking retaliatory action in respect of the party complained against.

So, the complaining party may, until such time as a mutually satisfactory resolution of the dispute is achieved, impose retaliatory measures of equivalent effect against the party complained against. This is important: the retaliatory measures must be of equivalent effect.

(1755)

We must understand that the panel's decisions are not binding, which implies that the committee governing the interprovincial trade agreement has no power. If the party complained against does not comply with the panel's recommendations, article 1710 applies. As we saw, article 1710 deals with retaliatory action that the complaining party may take in respect of the party that did not comply with the agreement.

The main purpose of this bill, as we said earlier, is to implement the agreement on internal trade. The Bloc Quebecois has always been in favour of freer trade, which is the context in which states do business today. We support the principle of the agreement.

However, what we understand is that, if the federal government is the aggrieved party under a trade agreement referred to in the agreement, it can impose retaliatory measures that are unprecedented.

However, that is not what is said in Bill C–88. In fact, clause 9 goes well beyond the spirit of the agreement reached by the provinces last summer. Clause 9 reads as follows: ''For the purpose of suspending benefits or imposing retaliatory measures of equivalent effect against a province pursuant to Article 1710 of the Agreement, the Governor in Council may, by order—'' By order, no less.

This is a method commonly used by a totalitarian government. This bill clearly shows that the Liberal government wants to govern by order. Are we again facing Liberal totalitarianism? In fact, clause 9 means that if a party is at fault pursuant to article 1710 of the agreement, then the federal government, whether or not it is party to the dispute, assumes the right to impose retaliatory measures against all the provinces without distinction.

The parties were agreed that it was a matter between two parties: the injured party and the party at fault. The government however, assumes the rights of all parties so it can interfere in the dispute. Bill C–88 clearly indicates that the federal government intends to interfere in interprovincial trade and be both judge and judged, to provide through this agreement the power to act by order, a power it alone can exercise, and to extend the application of any federal law to the provinces, as mentioned in clause 9*(c)*.

Governing by order in council, setting oneself up as the arbiter of interprovincial trade, are measures that go way beyond the spirit of the agreement signed with the provinces last summer and are an indication of the clearcut centralist strategy of the federal Liberals.

Nowhere in the 13 paragraphs of article 1710 of the agreement is there mentioned any right of the federal government to intervene in a trade dispute when it is not itself one of the parties to the dispute, contrary to the retaliatory measures described in clause 9 of Bill C–88, which it may impose, by order, on any of the parties concerned.

The range of retaliatory measures that the federal government has given itself in this clause is too broad. The attitude reflected in recent federal bills concerned with regional economic development, such as C–46, to establish the Department of Industry; C–88 on interprovincial trade; C–91, to redefine the Federal Business Development Bank; C–76 on certain provisions concerning transfers to the provinces is a clear indication of the ultra–centralist strategy of the present Liberal government.

As the official opposition critic for regional development, I want to warn provincial governments against interference by the present federal government in matters concerning regional economic development. I urge them to be extremely vigilant. They must not downplay their autonomy and jurisdictions or give up certain responsibilities, just because of an impending referendum.

I say to Canada's provincial governments that supporting Quebec's demands means supporting the development of the regions.

(1800)

Among other things, the 1982 Constitution, the famous Canada Bill, instituted provincial egalitarianism, an egalitarianism which denied the Canadian duality and the existence of the Quebecois people. The current face of Canadian nationalism was formed on the basis of this egalitarianism. Do not forget that, at the end of the 1960s, Pierre Elliott Trudeau came to power with a vision for the nation in which he persisted despite the sharp criticism it drew. He set out to build a more closely integrated Canadian economy by rationalizing the government's activities and by centralizing power.

In June 1978, during the unilateral patriation of the constitution, the federal government published a detailed statement by Pierre Trudeau, called ''Time for Action''. It was in fact an elaborate constitutional reform proposal. Under that proposal, even though Canada is a patchwork of different sociological and historical influences, for example aboriginal peoples whose legitimate rights we must respect, the two main linguistic communities, the many different multicultural communities, the federal Liberals' approach to the constitution has always been based on the primacy of the citizen and of the rights of the individual. I would like to quote a passage from the publication: ''The unity of Canada must transcend the identification Canadians have with provinces, regions and linguistic or other differences—Each must feel that Canada, and the federal Parliament and government acting on his or her behalf, are the best guarantors of the security—''

Such was Pierre Elliott Trudeau's grand statement on centralization. This is the federal Liberals' grand statement on centralization.

As a Bloc member, I say to my fellow Quebecers that such a statement of intentions significantly threatens the existence of a Quebec state, a Quebec nation and the means it needs to develop economically. Ottawa is counting on the marginalization of the provinces. This same objective is reflected in the federal position in all other matters of importance to do with shared jurisdiction. This unitary state spirit of centralizing federalism, which opposes provincial peculiarities, is an obstacle to the development of the people of Quebec and is also the spirit of Bill C–46.

We must remember that this enabling legislation of the Department of Industry increases duplication and overlap in Quebec and denies its government the complete control over regional development it has so long sought.

In the same centralizing vein, under clause 8 of this bill, the Minister of Industry is responsible for regional development in Ontario and Quebec. This bill simply confirms regional development overlaps, because it confirms federal government and Department of Industry intervention in an area of jurisdiction Quebec has long sought as its own.

Quebecers have a very different view of regional development requirements. Decentralization of funds and powers advocated by the Parti Quebecois are what the regions have long waited for in order to take charge. This is a democratic vision of regional development that has nothing to do with the centralist vision of the Liberal government in Ottawa.

In Quebec City, we do not want the development of the province's 16 administrative regions to be driven by the purely sectoral vision of the federal Minister of Industry. Regional development is the cornerstone of a vision of society that requires the intimate understanding of all the needs of the various environments that only regional stakeholders have.

I say to my fellow Quebecers that when, in the referendum, they are asked to decide on the political autonomy of Quebec, a no to the Quebec government's proposal will signify acceptance of Canadian federalism as defined by Pierre Elliott Trudeau, and the death of Quebec. Bill C–91 is another example of the denial of the State of Quebec. In this bill, the government's stated objective is to streamline and modernize the Federal Business Development Bank. The vocabulary is undoubtedly meant to reflect the reality of late twentieth century markets, but nobody is in any doubt about the federal government's real objective, which is to meddle further in the regional development of Quebec and increase its presence in the most important mechanisms of Quebec's economic development.

(1805)

The state of Quebec exists. It is trying to develop its own tools of economic development in spite of the federal government's intrusive presence in regional development. And the Federal Business Development Bank remains a parallel structure, an unacceptable administrative duplication.

Finally, I would like to remind this House, by way of illustration, of some of the extremely centralizing and anti–Quebec provisions of Bill C–76. This bill, which concerns the implementation of provisions of the 1995–96 budget, sets its sights much further than that fiscal year. In fact, clause 48, which requires no prior negotiation with the provinces, would result in a shortfall of $2.5 billion, $650 million of it in Quebec alone. Furthermore, implementation of the Canada social transfer for health care and social programs will result in a shortfall of $4.5 billion for the provinces in 1997–98. The Bloc Quebecois also condemns this bill because it introduces a mechanism that the federal government, which according to the constitution has no jurisdiction over social programs, will use to intervene to a greater extent in this area and impose national standards on Quebec.

Bill C–76 maintains national standards for health care and provides for adding new national standards for social assistance and post–secondary education. If the provinces fail to abide by these standards, funding will be cut accordingly under C–76. This arrogant federalism bears not the slightest resemblance to decentralization. These national standards will limit the provinces' autonomy within their own jurisdictions. Furthermore, distinct as they are, the people of Quebec will not see their demands reflected in the new national standards applied from coast to coast in an area that is crucial to its cultural identity: education.

As for Bill C–88, it is eminently centralist. It reflects a retrograde view of trade relations between the regions of one and the same continent. Today, the trend is towards globalization, removing tariff and non–tariff barriers and free trade, not using orders in council to regulate a continental market led by a unitary state like Canada.

The decisive levels at which we can be competitive are increasingly located at the local, regional and provincial levels, all of which does not fit Ottawa's centralist mould. The new international model for regional economic development reflects the globalization of our economies which, in turn, means that regional economic spaces are gradually becoming absorbed into a single global economic space.

Fernand Martin, of the Faculty of Economic Science at the University of Montreal, is very emphatic about this international regional reality, and I quote: ''Local businesses now realize that they are not only competing with domestic competitors but all the others as well, without the benefit of the protection afforded by national borders''. This new reality of international

markets gives rise to a second economic phenomenon: economic concentration by businesses to remain competitive. As a result, regional economies are becoming an important part of the overall strategy.

In this context, intervention through a national government structure is no longer required. The State of Quebec, by giving the regions unprecedented powers in its blueprint for society, has shown it has a very sure grasp of the new problems it faces as a result of international trade, unlike the Canadian federal government. NAFTA would help to further diminish the federal government's power to intervene in economic matters. Where international trade is concerned, agreements like GATT already prevent Canada from imposing tariffs and subsidizing exporters. These international agreements tend to accelerate the globalization of our economy and, like the dynamics of regional economics, to diminish the federal government's control over the national economy.

In the nineteenth century, globalization of trade was sparked first of all by the new multinationals. It was the multinationals which initially caused countries to shift towards a new economic space like NAFTA. Today, their ability to restructure an economic space has been illustrated many times over. In fact, they confer international status on the cities or regions where they are located.

(1810)

In conclusion, we are not opposed to this bill because we do not care about the globalization of markets and international trade. We oppose this bill simply because, to the detriment of all other parties, the federal government granted itself the ultimate power, the power to govern by order without making any agreement with any of the parties beforehand.

I say to my fellow Quebecers that a vote for a sovereign Quebec is a vote for the elimination of the federal government's interference in Quebec's areas of jurisdiction and for the elimination of many overlaps and duplications, which will result in real savings. A yes vote for a sovereign Quebec would permit Quebec to put job creation, labour force training, education, health and social assistance policies in place which meet its needs and are geared to its priorities.

In addition, a yes vote would help protect Quebec from being the victim of federal manoeuvres like the 1982 constitutional patriation and would help put an end to the federal government's unilateral cuts to transfer payments.

To sum it up, it would be a yes to adulthood, to confidence, and to the open–mindedness and pride of the people we already are.

Mr. Yves Rocheleau (Trois–Rivières, BQ): Mr. Speaker, I would like to congratulate my colleague for Richmond—Wolfe right off for his excellent and edifying speech, which rattled the Minister of Transport so much he was forced to leave the House.

The Acting Speaker (Mr. Kilger): Order. We must remember that we never draw attention to the presence, and, more particularly, the absence of anyone in the House. We are all familiar enough with the requirements of our work on the Hill or in committee.

Mr. Rocheleau: Mr. Speaker, I just wanted to point out that this was the Minister of Transport's way of standing out.

All those who have carefully examined Bill C–88, and in particular clause 9, can see that the legitimacy of the government's action is seriously in doubt. There was no consultation, and the government was given no mandate to act this way. The legitimacy of its action is questionable.

We must also ask what was the intent—and this question is for my colleague—of the federal government in striking such a blow against all the provinces, particularly Quebec, which has reacted strongly. All the provinces, however, are reacting similarly. What is going on in people's heads in Ottawa? What is going on in people's heads in the Langevin building? What is this Canada of tomorrow to be? I will let my colleague for Richmond—Wolfe elaborate on this.

Mr. Leroux (Richmond—Wolfe): Mr. Speaker, I thank the hon. member for his question. First, I want to put clause 9 in perspective as regards Articles 1705 and 1710 of the agreement, so as to show how the federal government, with this legislation and other bills, is giving itself very centralizing tools. It is giving itself instruments which, since Pierre Elliott Trudeau, have been part of the Canadian political philosophy, whereby the Canadian constitution is a document which the federal uses to make its partners toe the line, instead of using it to promote co–operation and sharing.

Originally, an agreement was reached between various parties to open up interprovincial trade as much as possible. All the parties involved approved and signed the agreement, which provides that, if there is a trade dispute, a panel with non–binding authority will be set up to hear the aggrieved party.

(1815)

That party will submit the issue to the five–member panel. These five people hear the aggrieved party and decide that, if there is no redress of the injury, the aggrieved party can take retaliatory measures. Everybody agrees on that. One party takes retaliatory action against another.

Everybody agrees and the agreement is signed. Then the federal government arrives on the scene. It drafts a bill to give concrete form to the agreement but, surprise, it decides, in the legislation, that it is not subject to the rules agreed to. As far as the federal government is concerned, these rules simply do not exist. The federal government feels it is the central power, the

leader, the ''Canadian''. It must look after the interests of all the smaller entities in Canada and, if some of them are too strong compared to the others, it must hit them on the head.

This is why, through this legislation, the federal government is giving itself a power, not just any power but a power by order, to take retaliatory measures against any party. With this bill, and even though it is not a party to the dispute, even though it is not an aggrieved party, the federal government is giving itself the right to hit on the head those it identifies as the culprits.

When the government member referred to her government, she chose her words carefully but, at the same time, she described this centralizing reality by saying that the government of Canada must fulfill its obligations. The federal government must be the one running the show, the one taking action to make this country go in the right direction, that is toward the development of national standards. In order to do so, that government must give itself extraordinary tools.

The hon. member even referred to a specific authority. She alluded to a specific authority to even make changes to the legislation. In order to meet its responsibilities and fulfill its obligations, the federal government must, at the expense of its partners, be the one which calls the others to order, even though all its partners negotiated in good faith, agreed that everyone would be on an equal footing, and approved the process provided in article 1710, whereby a five–member panel with non–binding authority would hear the complaints of the two parties involved and allow one of them, after 12 months, to take retaliatory measures.

The parties were never advised. This is a very significant demonstration of what the federal government is all about and an indication of the federal Liberals' ultimate goal in playing the part of a centralized government: to make laws without telling anybody and to adopt laws one after the other giving themselves exceptional centralized powers.

Where does this all lead? I wanted to talk about the issue you raised regarding this mechanism because this same mechanism comes up in other bills. For example, in the act to amend the Department of Industry, the minister unilaterally gives himself the power to directly intervene in all of the provinces.

He can enter into agreements with anybody whatsoever in each province: individuals, organizations, municipalities, etc. My colleague for Trois–Rivières was right. This position is strictly constitutional because it has to do with recognized jurisdictions. But in this case, this government, which is an extension of the Trudeau government, is furtively, law by law, arming itself with small, very centralized mechanisms in preparation for the post–referendum period—because they think that Quebec will vote no in the referendum even though we know that Quebec will vote yes—in preparation for a time when they think that they will be able to impose on Canada a vision similar to the one prevailing in 1982, but more centralized, more dictatorial, more controlling.

That, dear colleague, is where this government is going with the bills that we have been careful to describe in the minutest detail. You will note that the government members who rose to speak about this bill never went into detail regarding clause 9 or the mechanism in the provisions we identified, articles 1705 and 1710.

(1820)

[*English*]

Mr. Hugh Hanrahan (Edmonton—Strathcona, Ref.): Mr. Speaker, I rise today to debate Bill C–88, an act to implement the agreement on internal trade.

The issue of internal trade should be a priority for this government. However it has taken almost one year to introduce this legislation after the deal was struck between the federal government and the provinces. We as a country trade almost as much between provinces as we do with foreign countries. To put it another way, this agreement should mean as much as if not more than GATT and NAFTA. However we hardly hear it discussed.

As we have already heard from our colleague opposite, interprovincial trade barriers cost Canadians $6.5 billion annually. Because of these internal barriers it is easier to trade with Mexico and the United States than within our own boundaries. The elimination of these barriers will only strengthen our economy, which would enable us to get the unemployed employed. It would provide greater freedom for Canadians to work where they choose. It would also create a single economic market in Canada, giving us economies of scale. It would also help counter our nation's current regional drift.

With that said, the internal trade agreement, which C–88 would implement, does little else for free trade. The signing of the document almost went unnoticed. Perhaps that is because it is an agreement that can best be described as a political facade. This agreement among provinces did a little to break down a few barriers but it has left much undone. The federal government and the provinces had a chance to solve what is perhaps one of Canada's most solvable economic problems and for the most part unfortunately failed.

Internal restrictions on trade are not imposed on us by foreign governments; they are self–imposed. In a nutshell, we are shooting ourselves in the foot. Since these restrictions are self–imposed, they should be relatively easy to remove. That is not always the case, as this agreement clearly illustrates. Instead of removing the barriers and stopping the economic war that has developed between the provinces, they agreed in essence to reinforce the status quo.

The removal of interprovincial trade barriers can be accomplished without any monetary expense. It simply requires those involved to have the political will to remove them. It is obvious that we lack this will. Canadian politicians have to stop protecting interest groups such as big business which will suffer from free trade between provinces. They must start looking out for the interests of ordinary Canadians.

A survey of businesses done by the Canadian Chamber of Commerce states that only 5 per cent of businesses benefit from these barriers while 95 per cent do not. Need I say more? Apparently I do because it is clear this government has not gotten the message.

I would now like to speak briefly to a few of the specifics of the internal trade agreement. I will start with the positives, and there are positives. This agreement prohibits provinces from using subsidies to entice businesses to set up local shops. It forbids preferential government procurement and improves the mobility of labour, particularly in the trucking sector.

(1825)

However the essence of the agreement seems to have forgotten agriculture, energy or the financial sector. In other words consumers will still have to pay too much for electricity, eggs, milk and many other products. It also has loopholes the size of our national debt that would allow any determined government to drive through them.

As mentioned earlier, these 500 or so internal trade barriers cost Canadians nearly $6.5 billion each year, which can be broken down into approximately $3,500 a year for the average Canadian family, according to the Fraser Institute. I cannot speak for everyone, but I can say that I would love to have an additional $3,500 in my pocket each year.

According to a recent Fraser Institute article, and I quote: ''The public debate has ignored that when a market grows several things happen. Costs fall and producers become more competitive. Japan is a fierce international competitor because it has a large internal market. This market is like a school where students learn from each other. Efficient producers pass into the world market while bad producers fall into mediocrity or even bankruptcy.'' I could not agree with this statement more.

If we look at Canada's world competitiveness, we ranked third in 1987, sixth in 1991 and eleventh in 1992 out of the 22 OECD countries. These numbers are not surprising when we look at the amount of trade that is done between provinces rather than out of the country. Over half of all provinces' interprovincial trade is more than their international trade. Perhaps more to the point, over one–third of Canadian businesses encountered barriers when attempting to do business in another province. This is according to a Canadian Chamber of Commerce study.

According to the Canadian Manufacturers' Association, eight out of ten construction companies encounter interprovincial barriers. Some provincial governments are willing to pay local firms as much as 10 per cent more than non–local firms for procurement contracts. This must stop. Hopefully the bill will allow us to move in that direction.

This agreement reached among the provinces does nothing to put an end to the protectionist policies of the past. In relation to C–88, clause 9 of the agreement is a cause of particular concern, as was mentioned by my Bloc colleagues. It simply states that for the purpose of spending benefits or imposing regulatory measures, cabinet may take any measure that the governor in council considers necessary. Not Parliament—cabinet.

Where is the openness? Where is the transparency this government claims to be adhering to? Specifically, clause 9 confers on the cabinet a blank cheque for retaliatory measures taken against a province, including the modification or suspension of the application of any federal law.

Mr. Schmidt: You mean any law?

Mr. Hanrahan: That is what it says.

Cabinet should be accountable to Parliament in relation to any decision concerning a change in federal law. While this agreement does contain a code of conduct that restricts the tax breaks and grants a province can use to attract business from another province, it also provides a number of exceptions to the code for the provinces and the federal government. The most significant of these are the provisions that establish barriers based on ''legitimate objectives''.

(1830)

Most people agree that a determined province will find a way around the intent of the agreement based on the so–called legitimate objective. Other exemptions from the agreement include agriculture, alcohol, energy, natural resources, culture, regional development and, of course, crown corporation procurement.

It is for this reason that the Reform Party believes that the overall intent of the agreement does nothing more than reinforce the status quo. In other words, the agreement is like a toothless tiger, lots of noise and no bite.

A perfect example is how the premier of New Brunswick recently lured UPS to his province from Newfoundland through tax relief exemption plans. However there was an outcry from the other provinces that claimed New Brunswick was breaking the deal, even though the deal was not in effect as New Brunswick so rightly pointed out, and was in fact poaching jobs from other sectors of the country. These cries, of course, fell on deaf ears.

Reformers want to see the elimination of all interprovincial trade barriers. We want to see economies of scale. We have confidence that our country can compete with the best for the benefit of all Canadians, especially in the global economy. We feel this can be achieved by two methods: first, through provincial agreement and, second, by constitutional challenges.

The agreement in Bill C–88 does not eliminate barriers. It only reinforces barriers which already exist. The federal government has the power under section 121 of the BNA Act to eliminate these trade barriers. Section 121 states clearly that ''all articles of growth, produce, manufacture of any one of the provinces shall, from and after the union, be admitted free into each of the other provinces''. This power can and should be used unilaterally if necessary.

The federal government could enforce section 121 by striking down any provincial laws which impede interprovincial trade. Our colleague from Dartmouth mentioned that Nova Scotia, when it came into Confederation, was an economically strong province. It has been waiting 125 years for changes in the trade barriers. This will not be what it wants. It must go farther. It must go back to the original of section 121.

To enforce this the federal government could simply withhold all transfer payments to those unco–operative provinces until they have removed all barriers to interprovincial trade. The process is there. We have it.

Bill C–88 is moving in a direction but not nearly far enough. I hope that provinces such as Nova Scotia do not have to wait another 125 years before it gets any movement.

The central question from the Reform Party point of view is the speed at which the movement is occurring. I understand the Bloc's position. It is a philosophically different position, but ours is in terms of speed and process.

In conclusion, I think a quote from the book titled *Common Ground for the Canadian Common Market* is quite relevant as it states that:

> If one province plays the restrictive game, it can do better than free trade, but if they all play it, they do worse.

It is like one individual who stands up at a football game to see better. When everybody does it nobody sees better.

This power can be used unilaterally and should be used if necessary. The federal government could enforce section 121 by striking down any provincial law which impedes interprovincial trade or by simply withholding all transfer payments to those unco–operative provinces until they have removed all barriers to interprovincial trade. Therefore let us work to ensure an agreement which will remove these trade barriers rather than settle on one which simply reinforces the status quo.

(1835)

It is for these reasons that the Reform Party will not be supporting Bill C–88.

Mr. Rey D. Pagtakhan (Winnipeg North, Lib.): Mr. Speaker, I am really amazed that the Reform member, in speaking to Bill C–68, said he would not be supporting the bill. At the beginning of his speech he indicated that this issue should have been a priority for the government and lamented that it had taken one year. Immediately thereafter he said it was a political facade.

I do not believe the member who just spoke really knows where he stands on the issue.

The government has fulfilled its constitutional responsibilities very carefully. It has shown that the best way to govern Canada is through consensus building, by bringing all the parties together. It is an approach that ensures acceptance and implementation of the agreement to its fullest degree.

It was only during the last 128 years of Confederation that these barriers to interprovincial trade had emerged. Therefore, we cannot expect by one stroke of a pen we can undo overnight what happened over the last 128 years of Confederation.

The Reform Party has to recognize that the government has demonstrated the triumph of practical statecraft that it is able to achieve agreement not through constitutional confrontation but through consensus building which truly will be more lasting in its effect.

In conclusion and by way of comment, I would really like the Reform Party to reconsider its position and support Bill C–88 which allows the freer movement of goods, services, capital and people. We have to recognize that Canada is a history of successive steps and this is an important one. We must build one at a time on a solid basis.

Mr. Hanrahan: Mr. Speaker, I thank my colleague from Winnipeg for his comment. It is a fair question. I do not really see this as a political question to make points.

What we are arguing is the speed of the process. The member has mentioned, as have I, the length of time Nova Scotia has been trying to get agreement and the effect it has had on them. That is also true of the other Atlantic provinces. As well, other provinces at various times have been affected.

However, it cannot be done overnight. One of the previous speakers stated that the government plans to expand the scope and improve more. The question Canadians want to ask, when it is costing us jobs and money, is when and what is the government's overall plan. This is what we would like to see. If we had something in that regard then you might find that there is more co–operation from this side.

The Acting Speaker (Mr. Kilger): I can appreciate that under these circumstances at this time, the disagreement is on a rather cordial note. However, we well know that sometimes there are more heated discussions and that is why we ask for all interventions to be made through the Chair.

Mr. Hanrahan: Mr. Speaker, I have completed my point. I do apologize for not directing it through you.

[*Translation*]

Mr. Nic Leblanc (Longueuil, BQ): Mr. Speaker, I would first like to thank the Reform Party for refusing to support Bill C–88.

(1840)

I myself worked hard for free trade with the United States. I can tell you that the Free Trade Agreement with the United States is much more open than the agreement we are trying to establish at the moment. As far as the rules are concerned, the tribunal established to resolve disputes is composed of the same number of representatives from the United States and Canada—the two countries are equally matched.

In this case, however, the federal government will unilaterally decide on and dictate the resolution of disputes. It alone will establish the rules. This is completely unacceptable, particularly for Quebec.

In the past, the federal government has decided on its own to promote one region over another. We have just seen this. Two, maybe three years ago, huge sums of money were spent to promote oil production in the great Hibernia project. As we know, the experts say Hibernia will always be a money loser. For Hibernia to make money, they say, oil would have to sell at $30 a barrel; it currently sells for $20. As you can imagine, the federal government will have to make up the difference between losses and revenues.

Once again, with regard to this bill the federal government is giving itself all the power, namely the power to decide. It is not giving the provinces any power to negotiate or to resolve differences. This is totally unacceptable. We have seen similar examples in the past and we will see others in the future. For example, the federal government has provided considerable assistance in the development of uranium, by doing research with the CANDU systems on atomic energy. We all know that uranium is powerful and worth a fortune, however, it is located in Ontario. Not a penny was spent in Quebec to help develop hydro–electricity.

And now the federal government is going to decide on its own, unilaterally, how certain areas of activity, how certain energy sectors in the country are going to be promoted.

I agree completely with the Reform Party in saying that the provinces and the regions must have a say in the resolution of trade disputes in Canada.

[*English*]

Mr. Hanrahan: Mr. Speaker, I thank my colleague and I will try to avoid the use of the word, you.

I understand where my colleague is coming from. I understand where the Reform Party is coming from and I realize that it is a philosophical difference.

The free trade agreement was between two nations. This is an agreement between 13 individual groups and that can be very complex. The one area we agree on is section 9. Decisions regarding trade should be debated in Parliament at least. They should not be finalized in an order in council. They should not be finalized by cabinet. I am sure my colleagues from the Bloc would agree with that.

Where we disagree is that they look at a separate Quebec and a separate English speaking Canada. We see it as 10 equal provinces. That is not something we are going to decide in this debate. That is something that will be decided, I understand, according to the Bloc's agenda, by the end of this year. We have to wait until that decision is made and then perhaps we can discuss this question further.

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, overtaxed, hampered by political red tape, our private sector is much beleaguered, especially nowadays in the era of economic uncertainty. Wherever they turn, the private sector finds very little recourse and no succour whatsoever.

With options limited, they have to cut jobs, decrease expenditures and infrastructure. Ultimately they find themselves pushed to the wall with very few options, one of which is to fold completely and go bankrupt. The other is to move to the United States. One only needs to look at Ottawa and Toronto, eastern Canada, and to a lesser extent western Canada to see the number of businesses which have been run by families for generations that are now closed and boarded up. It is very sad for me when I go home to Toronto and see businesses which have been operating for generations closing up.

(1845)

Trade barriers hamper small businesses and the ability of the private sector to be competitive. They function to relocate scarce resources away from the efficient areas to inefficient areas of the economy. They cost business, they cost the consumer in increased prices and they cost the entire country. They impede the free movement of goods, services, people and capital all over this great country of ours.

Who are they supported by? They are supported by a small number of businesses, perhaps 5 per cent to 10 per cent, yet they

are paid for by the majority of the people in Canada. That is the cost of having internal trade barriers.

Section 121 of the Constitution states that all articles of the growth, produce or manufacture of any one of the provinces shall, from and after the union, be admitted free into each and every other province. That means that internal trade barriers are illegal. They are contrary to our Constitution. I find it amazing that we have not had a constitutional challenge, a judicial challenge in our Supreme Court to the internal trade barriers which exist in Canada. Clearly, if we try to abide by the Constitution we will find that the trade barriers transgress it. It is only a matter of time before that challenge is brought before the Supreme Court.

The cost of trade barriers is extreme. My colleague from the Reform Party mentioned that they cost $6.5 billion. The Treasury Board has mentioned it is costing us at least $50 billion a year to have these trade barriers, barriers which are benefiting a very small number of groups in our country, which are in existence only because successive governments have not been willing to go against the wrath of a very small number of companies. They have not been prepared to do that for the benefit of the majority because they do not want to create conflict. I would challenge the government to remove the trade barriers. If it does, clearly it will get the support of the majority of Canadians.

I find it passing strange that we have successfully managed to be a leader in removing the barriers to international trade. We have been a leader in bringing together the countries of the world in the World Trade Organization. It is truly a magnificent agreement and one which will clearly benefit our country, a country which relies so heavily on exports for its well–being. We did it with the WTO, with the FTA, with the NAFTA, and we are continually pursuing an aggressive export market and rightly so. Wherever we can we are trying to remove the barriers to external trade.

We are doing that on the one hand yet on the other hand we are not removing the internal barriers to trade. I find it absolutely ludicrous. While we are decreasing the barriers to external trade and supporting the persistence of internal barriers to trade, we are hamstringing the industrial complex within our country. I would submit that the government should take up the challenge and aggressively try to decrease the barriers which exist between the provinces.

(1850)

In the eastern bloc with the iron curtain coming down we saw with our own eyes what barriers to trade do to countries. We saw what this did to Russia, Romania, Albania. We have seen that when trade barriers are put up it only seeks to restrict, hamstring and compromise the very economy they were intended to help. This type of behaviour, the persistent pursuit of barriers to trade, can only harm an economy regardless of whether we are speaking about Canada, Russia, the United States or Chile.

This government bill, so–called to remove internal barriers to trade, to decrease interprovincial trade barriers, has been a flop to put it mildly. It is just window dressing. It does not touch any of the major sections, such as alcohol, agriculture and many of the other innumerable barriers to trade which exist within our country.

The government should have taken the bull by the horns to capture the moment to make the substantive and substantial changes that are required to give our economy, our producers, our exporters and our manufacturers the leg up they require. Instead of doing this and significantly decreasing these internal barriers to trade, the government has only sought to nibble pathetically around the edges. Once again as we have seen in other bills, it is an opportunity lost.

The Reform Party advocates a much stronger position to decreasing the trade barriers in order to benefit this country and in order to maximize the economies of scale that we can have within Canada. By doing so we would decrease marketing costs, increase efficiency, decrease management costs, improve the speed and efficiency of the movement of goods, increase employment opportunities for all Canadians and decrease public procurement costs. In effect we would have a well needed benefit to our economy from coast to coast. I suggest therefore that post haste this government take it upon itself to rapidly eliminate all interprovincial trade barriers. The Reform Party would be glad to help the government if it needs any advice in this area.

We also need to create common standards across the provinces in licensing, certification and education. We need to focus on some very important factors in competitiveness that our country has failed to do, from provincial governments to the federal government. In order for us to increase our competitiveness there are a few things we must take hold of and address right away. One of those is education.

We need to vastly improve our educational system and we need to do it now. We need to turn out a student who is self–sufficient, educated, competent, self–assured and well versed in those skills that are going to be needed in the 21st century. In many areas our public school systems fail to do this. They are not all bad but certainly many of them are. That is evidenced by the huge exodus we are seeing of people desirous of putting their children into private schools. Why? Because they are not finding that their children are getting the education they deserve in this great country of ours.

A greater emphasis must be put on the basic sciences, reading, arithmetic, the basic skills that are required. We need to build on those the more technical skills that are going to be of value in the coming century.

Against this backdrop is a world that is becoming increasingly competitive. The mindset now in the schools is often to shield and to insulate the student from competitiveness. Competitiveness has a dirty name now. The reality in this globalized world is that competitiveness is the name of the game. It does our students a great disservice. It prevents them from actually coming to terms with how to cope and deal with competitiveness

themselves and how to develop the coping mechanisms that are going to be required in an ever increasing, ever more competitive world.

That is also evidenced in some very interesting and sad statistics that have come out of the OECD. Back in 1987 we were the third most competitive country of the 22 nations in the OECD. Sadly in 1992 we dropped to 11th. That is a telling statistic and one we are not proud of. It is one we need to address now if we are to give the students the opportunity they need to provide for themselves, their children and their grandchildren and to continue to build this great country. It is imperative that we continue to invest in education. It is the single most important determining factor for employability in the 21st century.

(1855)

The government in its haste to try to balance its budget, which we certainly agree on and will try to help it do, unfortunately has decreased expenditures for education to the provinces. It can be done if it is prepared to give the provinces tax credits which would enable them to raise the money necessary to invest in education. Unfortunately that did not occur. I would implore the government, if it is going to take money away from the provinces to give them the opportunity to raise the money themselves to build the strong educational infrastructure needed to train students to build a strong provincial economy.

In my riding of Esquimalt—Juan de Fuca, Royal Roads Military College was cut in the last budget. That is fine if we can make a better college and the opportunity is there. It has enormous potential in terms of faculty, staff and the infrastructure to train students in highly technical skills in which Canada is a leader. Unfortunately it was given over to the province and the province made it a dumping ground for Camosun College and the University of Victoria.

Furthermore, the federal government has removed the physical infrastructures. For example, the oceanographic training vessel that belonged to the university was removed. This basically guts and pillages the ability of the institution to train students in the oceanographic skills in which Canada is a known leader and which other countries desperately require. That is but one example of the shortsightedness.

I also implore the government to aggressively pursue international free trade agreements but again give our manufacturers the ability to be competitive in the future. Germany is an example of a country that has a very intriguing relationship with the private and public sectors and the banks.

I am neither a banker nor an economist but I know there are very bright people in this country who are well versed in this and who could advise us on how to learn from some of the interesting experiments in Germany. In particular, we could learn how to get seed capital from the banks and provide it to small and medium sized businesses that could aggressively capitalize on trade options in international markets.

There are great opportunities within our manufacturing and services sectors to capitalize on external trade opportunities. However they are not getting the intelligence and information necessary for them to capitalize on this. I put this idea forward to the government to work with the internal trade ministry to look at it as an area where we need improvement to give our exporters a leg up.

In closing I would like to continue to support the government in decreasing external trade barriers. However, I would implore it to decrease and rapidly eliminate the internal trade barriers that only seek to benefit a minority of businesses within the country and seek to hamper and penalize the majority of Canadians.

The government should take courage that by doing so it may have to succumb to the wrath of a small number of vocal businesses but I know it will have our support in doing this. The government will have the support of the majority of Canadians in pursuing this laudable goal. In doing so it will give exporters and manufacturers within our country the necessary wherewithal to pursue an aggressive economic and manufacturing policy that will benefit Canadians from coast to coast.

(1900)

I would also lastly ask this government to please get our economic house in order and learn from our zero and three program. By doing so we will be able to provide the tax relief necessary for our companies in this country to again be competitive.

One of the things that hamstring companies in this country greatly is the overbearing tax burden that exists on their shoulders. They find it almost impossible to be competitive on the international stage with the tax burdens we have today.

I would again implore the government to get our economic house in order, decrease the tax burden on companies and Canadians and decrease the GST. Then we would not be 11th in the world in competitiveness, but we would improve our competitiveness in the world order to again regain the powerful position we can in the first world nations.

Mr. Mac Harb (Parliamentary Secretary to Minister for International Trade, Lib.): Mr. Speaker, the hon. member made a number of comments and I would like to respond to some of them.

He clearly stated we have to invest more in education. When he stated that I hope he did not mean we have to put more money into education because that is not what is needed. The reality is that Canada invests more than any other country in the world in the area of education. We spend close to $50 billion annually in the area of education. What we have to do is spend wisely when it comes to the resources we are putting into education. We have to look at the educational system as a whole and bring all three levels of government together so they can better manage the resources they have at their disposal.

I quite agree with the hon. member that we have deficiencies in terms of the number of people who are going into the area of science and technology. We need to see more people going into the area of science and technology. We have to involve the industry more, that is true. We have to do all of that. We have to embark on co–operative programs. We have to get the parents involved. This is exactly what the minister responsible for human resources is doing in terms of his initiative. In the area of literacy, for example, this government has reintroduced the literacy program. It has put back into the program the $20 million that was supposedly going to be taken out of the program.

I also wanted to say for the record that this government has not only addressed the issue of interprovincial barriers but it has moved many steps forward in that area. On the external front, the government is on record as being on the leading edge when it comes to opening trade barriers and signing trade agreements with other countries.

In fairness to this government and to the Minister for International Trade, perhaps we have a Minister for International Trade who has travelled the world more than any other minister for international trade anywhere in the world. I would say it has paid dividends. If we were to look at the results, it has put Canada on the map internationally. The figures speak for themselves. Canada in 1993–94 has been on the leading edge. It has more economic growth than any industrialized country.

Would my colleague not want to correct the record and clearly state that this government has put Canada back on track in terms of its economic growth? Would he not want to give this government credit for making sure Canada is the leading country in the industrialized world since we took office in 1993?

Mr. Martin (Esquimalt—Juan de Fuca): Mr. Speaker, I thank the hon. member for his intervention. He certainly made some good points, but I would like to correct him.

Why do we now have an economy where our interest rates have essentially doubled since this government came into power? Why is that? Why has Moody's downgraded our bonds? The reason is that our economy right now is in the worst state of affairs it has ever been in. In point of fact, we are on a steep, slippery slope to economic dislocation and economic disaster.

(1905)

Three years from now, if we pursue the economic principles of this government, we will have $100 billion more on our debt, our interest payments will climb from $40 billion to $50 billion and our expenditures for government programs will decline from $120 billion to $102 billion, an $18 billion shortfall.

What are we going to say to the Canadian public? What are we going to say to people who are sick and who need their health care? What are we going to say to the elderly who need their old age security and cannot take care of themselves? What are we going to say to needy people who through no fault of their own need welfare? What are we going to say to them in the future when that money is not there? That is the reality of the economic plan this government has put forth.

I correct the hon. member that our situation economically is a lot worse. However, the hon. member did put some good points forth on education. I agree with him that we do not need more money in education. The Reform Party has never supported that. If the government is going to decrease money to the provinces, which is what we said, then do it. However, it has to give the provinces the ability to raise funds themselves by giving them the tax points to do it.

This government has said: ''We are taking money away from you, but we are not going to give you the ability to raise money without penalizing you''. That is fundamentally and morally wrong.

The hon. member did make a couple of good points on the co–operative activities of education and how we should indeed bring forth and use our education dollar to more efficient standards to increase the standards within our schools today. We do not need to spend more. In fact we can spend less because there is a lot of money that is wasted within education.

He brought forth some interesting points about bringing parents into the educational circle, something I have spoken about on a number of occasions within this House. I would be very interested at some time in the future in listening to what the hon. member says this government is doing in this regard. It is very important and I would be more than happy to help them with this.

We in the Reform Party are very much in support of improving the standards of education within this country without spending more, making sure that our students in this country have the skills that are necessary in the future to become competitive in the 21st century. Many of our schools are failing to do this. The tragedy for the students in this country is when they get out in the working world and find out that when they are competing against students from the Pacific Rim countries they are up against some very hardnosed, highly competitive individuals.

I hope we will be able to change our system somewhat and give our students the information and skills necessary to be competitive for them to be employed in the future and for them to build the strong economy we need in this country.

Ms. Marlene Catterall (Ottawa West, Lib.): Mr. Speaker, I had the occasion earlier this afternoon to compliment the member on a well thought out and logical speech, but I have to rise at this time and challenge him on what I thought was in many ways a rather incoherent speech.

He kept talking about the need to do more to remove internal barriers to trade within Canada. We on this side of the House agree entirely with that. That is what the bill before the House is currently about.

He went on to talk about the education system. I wondered if he thought he was in a legislature at the same time as sitting in the House of Parliament. He talked about the huge exodus to private schools. That is a little bit of an exaggeration and not worthy of the member. Clearly the vast majority of youngsters in this country still attend a very high quality but still needing improvement public system. I really would encourage him to avoid that kind of hyperbole in the future.

I would like to talk so that people who have been listening to the debate will know what this bill is about. We concede that it is only a beginning, but we are trying to undo over a century and a quarter of barriers that have been built up between the provinces of this Confederation.

(1910)

This agreement and this bill before us is only part of the success to date because it only reflects the federal government's obligations under the agreement, not the obligations other governments provincially have undertaken to implement. It does deal with the procurement of goods, services, construction, labour mobility, consumer related measures, agriculture and food goods, alcoholic beverages, natural resources processing and so on.

We want to see faster progress as well but let me just ask the member a question. This is a Confederation that was formed by agreement, by consensus. It has always progressed by consensus and agreement. This agreement has been achieved by consensus among the parties. Is the member now in fact suggesting that the federal government should dictate to the provinces the removal of those internal barriers?

Mr. Martin (Esquimalt—Juan de Fuca): Mr. Speaker, the hon. member brought up some very good points.

What we are saying in this party is that the government cannot keep taking tentative little baby steps forward with respect to internal trade barriers while the penalty is being paid for by 90 per cent of Canadians.

Furthermore, while we pursue the aggressive elimination of external barriers to trade while continuing to keep our internal barriers to trade, we are in effect significantly hamstringing our manufacturing, industrial and service sector within our country.

So, yes, what we are saying is that you must be much more aggressive in eliminating these internal barriers to trade. There are many more that need to be addressed. In point of fact, Bill C–88, which the hon. member is quite correct in saying is intended to decrease and eliminate the barriers to internal trade, when one looks at the bill one finds it is full of intent and very short on substance.

I hope that when this bill goes to committee stage the government, in co–operation with the official opposition and our party, will in fact pursue a more aggressive role in eliminating these internal barriers to trade, while speaking to the provinces in doing so. She is right that these must come in collusion with the provinces.

Mr. Jake E. Hoeppner (Lisgar—Marquette, Ref.): Mr. Speaker, it is a pleasure to say a few words on this bill.

Trade is an important issue when it comes to agriculture. The time has come that we have to get freer trade because we see it happening with other countries. I think it is important that this bill get some serious consideration and maybe move on.

I think exactly like my colleagues in the Reform Party. This thing is going too slow, but then we are used to having this House not proceed too fast. We would not want to set too many records for speed. It could be dangerous.

It is only fair to say the position of our party is very clear: we want to do away with trade barriers. We want to make freer trade. We do not just want to trade between provinces. We want to also trade more with foreign countries.

When I look at the cost of these trade barriers of $6.5 billion to the economy of Canada, I wonder what we could do with $6.5 billion. One thing for sure is we in Manitoba could definitely afford the Winnipeg Jets. It would really buy some Liberal votes. However that does not seem to be happening too fast with this bill.

When I look at $6.5 billion it also tells me that is about the same price the infrastructure program costs and we would not have to finance one cent of that. Six and a half billion dollars less of interest a year would make quite a dint in the dollars we do spend.

Canada's domestic market is seriously fragmented by these provincial barriers. We support the removal of these inter-

provincial barriers through a negotiated process. I do not think it can be done just by unilateral action. I think the provinces have to have some input into it. If there is co–operation among all the players this could be speeded up tremendously.

(1915)

An interprovincial trade agreement should include a domestic trade dispute settlement mechanism to resolve future domestic trade disputes. Dispute settlement mechanisms work in international trade. Certainly it should also work in interprovincial trade.

The dispute settlement mechanism provided in the bill is very toothless. It reminds me a bit of a very soft hairbrush. One does not want to stir up the fuzz too much but wants to brush it aside a bit. That is one of the problems with the settlement mechanism in the bill.

If the provinces fail to co–operate in the removal of interprovincial trade barriers, the legitimacy of the obstacles should be challenged under the Constitution wherever possible. It could be quite a situation, enacting some of the constitutional powers, but if that is the only way to do away with trade barriers it would probably be worth its weight in gold.

Unfortunately we have seen over the last 100 years trade barriers being set up between provinces because they wanted little territories. Provincial premiers probably had a little more power than they should have had and eventually after three or four years could say to their electorate that they were going to protect their territory by throwing up another trade barrier. They could say: ''Vote for us and things are going to improve''.

So many trade barriers have been set up that we hardly know we are a country any more. We try to resolve our disputes. We try to more or less console each other by saying that one of these days we will do away with barriers but that does not take place.

The former Tory government claimed to support the removal of interprovincial trade barriers but it never used its power to remove the barriers where possible. When the Conservatives came into power in 1984 they had a lot of promises like the ones we see in the government's red book. They were to clean up the corruption and change the country.

We can see what has happened. Not only have more trade barriers probably been thrown up, but we also had an almost unbelievable debt put on us of another $400 billion or very close to it while the Conservatives were in power.

We hope the Liberals will have learned from the mistakes of the former government and will eliminate these problems. We hope they will throw away trade barriers and start making use of the $6.5 billion we could save.

It is important not to throw up trade barriers between members on one side of the House and the other. Sometimes we have some good advice for our friends across the way. Some day they will acknowledge that maybe we were right on occasion and that they could have learned from us as well as we could learn from them. The trade barrier problem is one that we should work on together to eliminate barriers as quickly as possible.

What did the Liberals say in the last Parliament? They made big promises that they were to do away with trade barriers. As we have seen the red book has quite a few promises that are very slow in coming. I hope they do not forget it. In the next election we might use that red book as flags to the provinces to prevent the Liberals from entering into power. Manitoba has almost eliminated all of them. It is important they take some notice and know what is going on. They better start honouring some of the promises.

It amazes me with the new opportunities in the global community how we can improve trade capabilities. The possibilities are there and we fail to realize them in our own country.

We can look at a $6.5 billion bill that could be cut very easily. We could make use of the interest on it to help us rejuvenate our industry and our economy.

(1920)

We have to realize that we are human and things take some time. As I said the other day, when I look at the pace the Liberal government is going maybe we should go back to the horse and buggy. That is about the pace it has been doing things.

I sometimes feel a little frustrated on the committees and in the House that things do not get done the way we do it on the farm. We have three weeks to put in the crop and if we do not we are in big trouble. We have three weeks to take off the crop and if we do not we are in trouble. There are a time limits and that is exactly how I feel the bill should proceed. There should be a time limit to get the bill passed. There should be time to make amendments so that the bill is at least of some value.

The agreement does not represent a new vision for Canada that is required in this area. We have to do away with barriers faster. It is merely a rehashing of the status quo. If members want an example of how far into the future the document attempts to bring Canada's internal trade environment, they can compare it with section 121 of the British North American Act which states:

> All articles of growth, produce or manufacture of any one of the provinces shall be admitted free into each of the other provinces.

I was just reminded of this when I was at home during the last break. I was walking across the fields looking at the mud and the puddles. I was very close to the border and I saw ducks going back and forth from the United States to Canada free as birds, with no problems; feathers were in the same order when they came back. I said to myself: ''If birds can access boundaries with no problem, why shouldn't we as humans be able to do the same?'' We always feel we are much superior when it comes to brain power, imagination and getting things done.

Article 101 of the interprovincial trade agreement states that the objective of the agreement is to reduce and eliminate to the extent possible barriers to the free movement of goods and services. I do not think the article has been fulfilled. We can still improve a lot on it and maybe speed it up. Here we have an agreement that is actually more restrictive and backward than the BNA Act from the time of Confederation.

When I look at the problem of the Liberals in Parliament climbing uphill on the debt problem, it reminds me a lot of a slippery hill that I drive through most winters. I spin my wheels a lot but I seem to go backward sometimes. If I do not get a push from somebody I do not make it to the top. That is what we in the Reform Party are trying to do. We are trying to nudge the government along to act a little faster and maybe to make a few decisions that will benefit the country.

Why do we continue to more or less reprimand, admonish or encourage the Liberals? We want a federal government that is working toward a clear and concise agreement. So far the bill is kind of muddy. As I said in a speech the other day in my constituency, we have to pay some attention to the Liberal government. Its vision is very cloudy in some of these bills. If it could get a clearer perspective things might work a little faster.

I am getting to the age where I have to use my spectacles at times. I hate them. I wish my vision was more clear without them, but as age creeps up I find that this is reality. That is what I would like to say to the government. As it gets older and if it does not start acting very quickly its vision will get more blurred. By the time the next election rolls around it probably will not even know what are the issues. I encourage the government to pay heed to some of the Reform Party advice because it has a clear vision and will keep reminding the House what it is all about.

The agreement fails to meet all the goals we hoped it would meet. We think it is ambiguous and it leaves areas untouched. When a flour mill in Manitoba cannot export its flour into a different province it makes me very sad. It is unbelievable that I can process my wheat but I cannot ship it to another province as flour. The wheat board can take my wheat and export it to foreign countries without a problem. However as a farmer I cannot process or value add and distribute it to another province. If that is not hindrance, I do not know what it is.

(1925)

We have come of age in the country. We should start realizing that if we are to have free trade with foreign countries it has to happen here, or we will defeat the purpose, the time and the effort spent negotiating free trade agreements with other provinces.

The failure to obtain a ban on interprovincial barriers to agricultural products ensures that all costs associated with the barriers will continue. When I look at the cost of $6.5 billion, a lot of which is in agriculture, I am sad to see that farmers are going bankrupt. Their incomes are such that they can use every cent available. If we had freer trade it would make quite a difference. It would encourage younger farmers to be more aggressive and probably more entrepreneurial and to help further develop the country.

Agriculture has always driven the economy, especially in the western provinces. Any hindrance to agriculture is a hindrance to the whole country. If we can speed up the process and break down the trade barriers, we will be complimented for years and years to come.

There are many powerful forces currently affecting Canadian agriculture. Recent budgets have slashed the departments of agriculture and transport. The western farmer has to bear the cost of approximately $30 an acre in extra transportation costs. Any savings created by doing away with trade barriers would be very beneficial.

I talked to a farmer the other day who told me: ''You know, Jake, it is amazing. I can own three sections of land anywhere between the provinces, but if I want to farm half a section on one side of the border and another half section on the other I run into problems with delivery to elevators, with permit books and with contracts. It is confusing''.

This is a why we need free trade. We need to more or less dissolve the borders between provinces and make it a country, not a nation of 10 little countries such as we have right now. It is very important for future generations that we accomplish it very shortly and do not let it pass on to the next Parliament.

I was encouraged to hear my colleagues in the Bloc agree with us that trade barriers should be done away with. By doing away with the trade barriers between provinces it might even encourage people in Quebec and the Bloc to change their attitude about being a part of Canada. A freer country, a country destined to work and destined to remove inefficiencies, will make things happen that will be beneficial not just for us in our lifetime but for future generations.

We have to be encouraged that some progress has been made in the House. We want to continue on that route. The bill could be made valuable if it were given the benefit of some good amendments. There are some being proposed. I would support anything that would make the bill better, do away with the trade barriers faster and give us a chance in the future to operate as one nation, not as a nation with 10 little nations inside of it.

Every day on the news we hear what is happening in the former Yugoslavia. It does not work when a country is broken up and there are more rights for individual groups. When barriers are thrown up between people we run into problems. We create hard feelings and we will eventually wind up with some disastrous results.

(1930)

Agriculture is one of the occupations with the most trade barriers. It is of the utmost importance that they be removed. I encourage every member of the House to work toward that end, to work together to make the country run, to do away with trade barriers and to use every dollar wasted to build up the economy so we can again have a healthy and prosperous country. When I think of paying $1 billion of interest every week by 1997 it scares me. That is why it is so tremendously important that we save every dime we can. It is so simple to remove the barriers, to increase production and to make things flow more easily.

I listened to my hon. colleagues speak about the oil issue. That is a product every province needs. It flows freely in a pipeline. There are no trade barriers. We do not always agree on the price but we know it is beneficial to the country.

I urge Parliament to improve Bill C–88 with amendments, to do away with trade barriers faster and to make the country work again and make this a nation in which our children and our grandchildren will be proud to live.

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, it is a real pleasure for me to stand in the House of Commons today to address Bill C–88. I cannot say I am opposed to Bill C–88. That would be like saying I am opposed to good intentions. Bill C–88 embodies the good intentions of governments, even if it does not really address the major problems facing the country with respect to interprovincial trade.

It would be very instructive to take a moment to review the red book promise with respect to free trade within the country. It is found on page 22:

> Interprovincial trade within Canada is hampered by as many as 500 trade barriers, according to the Canadian Manufacturers' Association. These range from preferential procurement to non–harmonization of environmental regulations. The CMA has estimated that savings from the elimination of these barriers could be as high as $6 billion, just under 1 per cent of GDP. A Liberal government will be committed to the elimination of interprovincial trade barriers within Canada and will address the issue urgently.

To compare what I have just read from the red book with Bill C–88 we will find there is a bit of a discrepancy. Bill C–88 represents the good intentions of the government on this issue and the good intentions of some of the provinces but it does not meet the red book promise. I mark this as one more broken promise of the government.

The government made a fundamental mistake when it laid out this red book promise. I do not believe right from the outset it was completely sincere when it put those words into the red book. Although everyone would like to have interprovincial trade barriers eliminated, the government was simply not prepared in the end to do the things it should have done and needed to do to bring about a more meaningful resolution to this very important problem.

Like my hon. friend from Lisgar—Marquette, I am distressed when I hear farmers cannot move their value added product across borders.

(1935)

We have talked many times about the need to diversify on the prairies to allow people to go beyond being producers of primary products and shipping them around the world in that form. We need to move them about as value added products within Canada. To me that is fairly obvious and it is very important we start to move toward that by eliminating interprovincial barriers.

Tradesmen also have similar problems not being able to cross over boundaries and have their qualifications apply. Professionals are another example, lawyers and doctors and accountants who have to write exams in each province in many cases if they want to practise in a certain province.

I will talk for a moment about some of the specific problems with Bill C–88 and where we see some of the huge loopholes or some of the ways provinces can escape from being bound by Bill C–88.

When we look at the agreement fairly closely it really does not represent any kind of a new vision for Canada. The agreement is mostly a written text of the status quo. Compared with the Constitution and section 121 of the BNA Act, it is quite a bit weaker than what is already in the Constitution. Section 121 of the BNA Act states:

> All articles of growth, produce or manufacture of any one of the provinces shall be admitted free into each of the other provinces.

That is the Constitution. Let me compare it to article 101 of the provincial trade agreement which the government negotiated last summer. The objective of the agreement is to reduce and eliminate to the extent possible barriers to the free movement of goods and services.

Let us compare that with what the minister set out in his press release of March 31, 1994: ''The federal government is committed to working toward an agreement which is clear and concise; has a set of rules that will eliminate protective measures; includes an effective and enforceable dispute settlement mechanism''.

This agreement really fails in all of those criteria. If people look at it they will agree it is ambiguous. It leaves entire areas untouched—agriculture, certain government procurement and regional government, to name some. It does not undertake really

to eliminate trade barriers, only to the extent possible. There are all kinds of loopholes and I will touch on those in a moment. The dispute settlement mechanism is not enforceable and therefore not effective.

Let me talk specifically about some of our major concerns with the loopholes in the agreement. From part III, chapter 4, general rules, the agreement allows for a party to exempt itself from most of the constraints of articles 401, 402, 403 on the grounds of legitimate objectives. Articles 401 through 403 really are the essence of that agreement.

It is very important that those articles have some teeth. Here is what we find out. Under the agreement, legitimate objective is defined on pages 6 and 7 as the following objectives: public security and safety; public order; protection of human, animal or plant life or health; protection of the environment; consumer protection; protection of the health, safety and well–being of workers; affirmative action programs for disadvantaged groups considering, among other things, where appropriate fundamental climatic or other geographical factors, technological or infrastructure factors, or scientific justification.

We have listed almost every possible excuse under the sun for allowing people to opt out of this agreement. That is the huge fundamental flaw of the bill. I understand the government's good intentions but it simply did not come anywhere near meeting its red book promise of addressing this problem with urgency, implying it would bring about an agreement as quickly as possible. This comes nowhere near that.

(1940)

Our party does not want to be completely negative. We would like to offer some constructive alternatives. One of the things the government can do, which it has not done and for which there is a growing body of evidence that it should, is bring about a court challenge and use its standing in the Constitution to actually be more in charge of interprovincial trade barriers.

Section 121 gives the federal government control over barriers within provinces. There is no reason that could not happen. I heard some hon. members from across the way talking about whether it might be preferable to get consensus, et cetera. Of course it is. We want to work with the provinces. That is very important in this day and age when our friends from Quebec, the Bloc Quebecois, are saying they want to break up the country and that kind of thing.

At the end of the day are we here to please certain special interests in different provinces which make a tremendous amount of noise and get the government's attention in those provinces or are we here for everybody, for the common good? I say we are here for the common good, to do the things we need to do of the most benefit to every man and woman in the country, not just to few who make a big noise when it looks like their little area will be jeopardized and they will no longer enjoy protection from the government.

The free market has to decide these things. If we let the free market decide we end up in a situation in which we have the cheapest possible services and goods being provided to consumers and levels of government which means more money in the pockets of consumers so they can spend on other things, which means there is money for productivity, for the economy to expand, et cetera. It is absolutely the best way to go.

That the federal government has finally come on board on the whole idea of free trade underlines it is understanding that. It fought against free trade in 1988 during the election but has now come around and we are happy to have it on our side. The government did not show the same change of heart in this bill or at least it did not show a real will to bring about the demise of interprovincial trade barriers. Unfortunately Bill C–88 has been dramatically watered down from where it should be.

Some people may ask if this is something we really want to do in the courts. I remind people listening, the government has shown no hesitation to go to court on things like enforcing the gag law legislation. It has shown no hesitation in taking extraordinary measures to cancel deals like the Pearson airport deal. I think it should show the same will when it comes to Bill C–88.

Bill C–88 is for the benefit of all Canadians; if it would only pound down interprovincial trade barriers. It has good intentions, absolutely, but we have to ask ''where's the beef?'' It is simply not in there.

I want to talk about how important an issue this really is. It is a huge issue that is extremely important to the country. A good article came out in the August edition of *Fraser Forum* by Filip Palda. He talks about a study done in British Columbia about interprovincial trade barriers:

> The B.C. study is right, however, in pointing out that the CMA's estimate of the benefits of free internal trade only focuses on three areas of the economy: agriculture; alcohol and government procurement.
>
> Somehow the $6.5 billion gain from liberating a few sectors of the Canadian economy has become entrenched in the media as an upper boundary on the benefits of free trade in all sectors. The public debate has ignored that when a market grows several things happen: costs fall and producers become more competitive. Japan is a fierce international competitor because it has a large internal market. This market is like a school where students learn from each other. Efficient producers pass into the world market while bad producers fall into mediocrity or bankruptcy. The benefit of these intangibles is hard to put a number on but the number is probably larger than the commonly cited $6.5 billion. Studies of the entire economy suggest that the annual gains could be between 6 per cent and 9.5 per cent of GNP. This translates into gains in the range of $44 billion.

(1945)

Many hon. members have spoken about the $6.5 billion that came out in the CMA study. I was amazed when I first heard it. I could not believe how much money that was. I did not realize at that time, and maybe other members did not either, that it was only the CMA looking at the effects that dropping interprovincial trade barriers would have on those three sectors.

If we extend it to the full economy, $44 billion is what this gentleman is suggesting could be the benefit to Canadians. That is a tremendous amount of money. When it is realized how big that amount is and what it could do for the economy it gives us an idea of how important this issue should be to the government.

I feel the government has failed us in Bill C–88. It has not shown any urgency. It did not get the Prime Minister involved to make this happen. It did not use its ability to push this through the courts. Therefore the agreement is very much watered down. Canada is no further ahead than it was before except that the government can say it has dealt with the issue. However when I look at this I have to say where is the beef.

I want to talk about the larger scope of competitiveness and why it is important to have interprovincial trade barriers dealt with. It affects our competitiveness in the world. The economist I have just quoted, Filip Palda, pointed to that when he talked about Japan and how its internal market is so large that it really prepares people for selling around the world. That is only one thing that comes out of knocking down trade barriers.

My hon. friend from Lisgar—Marquette mentioned this a few minutes ago. The economy has problems. He talked a bit about grain producers and people who would like to add some value to the product they produce. If value added products cannot be moved between provinces there is no way that producers will be ready for the world. It is critical to be able to trade between provinces freely so that a competitive edge can be developed.

This is only one in a long legacy of areas where the government has failed to help provide that competitive edge to Canadians. The most obvious one and the one that will follow the government to its grave is the fact that it has never really dealt with the debt and the deficit. That is what is taking the competitive edge off for a lot of businesses that want to sell around the world.

The debt at $553 billion and a deficit of around $32 billion, if the projections do not go all out of whack because of a possible coming recession, have led to all kinds of problems that make it extremely difficult for businesses to get out into the world and compete. With that debt and deficit come high taxes. High taxes mean that costs go up. It also means that employees are the ones who are bearing a lot of those taxes. Will they demand higher wages? All of a sudden we have that burden to contend with. It makes it extremely difficult to deal with other countries when we have those burdens.

Another thing that happens with a big debt and deficit is all that competition for money. Canada is in a situation where it has to offer higher interest rates relative to the rest of the world. It is a problem with our main trading partner, the United States. It causes costs to go up for producers and businesses cannot be nearly as competitive as they would like to be.

The government has failed people who want to export their products, whether it is within Canada or without, on a couple of fronts. First it has failed to knock down trade barriers. By not dealing with the debt and deficit it has also caused us to be in a situation where costs are such that it is hard to compete in the world.

Another point I want to touch on briefly is the idea of training. The government and the Minister of Human Resources Development have gone to great lengths to talk about and hold studies into training and what can be done to make us more competitive in the world. The minister has created plans such as the Atlantic groundfish strategy. We all know where that has gone. There are whole towns in Newfoundland where the entire population is training to be hairdressers. That is not going to work.

(1950)

The problem is that there are no jobs there. The reason there are no jobs is that the economy is so burdened with interprovincial trade barriers, so burdened with debt and taxes and interest rates that are higher than those in the U.S. for instance, relative to some of our trading partners, that we do not have jobs. Instead of worrying so much about government programs to train people, let us start providing jobs by scaling back the debt and deficit and scaling back the interest rates and taxes.

Industry and small business will create the jobs. Do not worry about the government creating them. Small business can do that better than anybody.

Let me conclude by saying that I think the government had good intentions when it brought in Bill C–88. It wanted to eliminate interprovincial trade barriers. However that is all it is, an ode to a good intention. It is something like teaching children about ethics and morals by telling them: ''Never make a promise you cannot keep''. The government made a promise in the red book and I do not think it kept it.

I ask hon. members to improve the bill. I ask the government to make another effort in the very near future to bring about a meaningful interprovincial trade agreement.

Ms. Jean Augustine (Parliamentary Secretary to Prime Minister, Lib.): Mr. Speaker, I listened intently to the member talking in circles.

If he were to make suggestions on how the bill could be amended and not just by going around what he thinks is in the bill, what specific recommendation would he make to ensure that we would have some internal agreements between the provinces and territories in order to facilitate trade?

Mr. Solberg: Mr. Speaker, I am sorry the hon. member missed what I said in my speech. The key thing that has to be done is the federal government has to use its constitutional authority and demand at some time if a consensus cannot be reached for the greater good of all Canadians, as opposed to the special interest groups who like being protected by some of the interprovincial trade barriers, that section 121 of the Constitution be used. It has the authority. It is time to go to court to determine that is the case.

While it is good to try and reach a consensus because it is absolutely the route to go, in the end instead of thinking about provincial politicians and special interests, we have to think about Canadians. Let us do what is right for them. If it means that commerce needs to reside in the federal area let us do that. Our party has always championed decentralization. We have always been in the forefront on that because in general it works best.

However on some issues, and I would say commerce is one of them, the authority more properly rests at the federal level. That is why section 121 of the Constitution needs to reign supreme.

I believe there is growing support that this should be challenged in the courts the next time the provinces try and assert their authority in this area. I know I personally would speak very strongly in favour of pushing the issue in the courts if it comes to it.

Mr. Barry Campbell (St. Paul's, Lib.): Mr. Speaker, I want to clarify if the hon. member said that provincial politicians were special interests. That is the first point on which I would like him to elaborate.

Second, did I hear him correctly when he suggested that the federal government should impose a solution on the provinces with respect to interprovincial trade rather than negotiate a solution?

(1955)

Mr. Solberg: Mr. Speaker, unless I made a mistake when speaking, I really did not mean to say that provinces were special interest groups. I am saying that people in those provinces very often do constitute special interests and they do want to protect their own areas.

I guess it is whether we allow the special interest groups to impose their conditions on the rest of Canadians by making them pay a higher price for goods and services or whether the federal government uses the authority granted it under the Constitution simply to bring everybody into line and play by the rules that were laid out when the Constitution was set.

Therefore I do not think we are really imposing anything on the provinces. We are simply asking them to play by the rules that were agreed to when the Constitution was established.

Mr. Werner Schmidt (Okanagan Centre, Ref.): Mr. Speaker, I would like to ask my hon. colleague whether he might want to make a comment about the difference between governing and leading. Is it the role of the government to make sure that the laws of the land are obeyed and enforced or is there a need to provide some leadership, to create a vision so that the country can grow and develop and the economy can become more innovative?

Would the hon. member make a comment about those two aspects?

Mr. Solberg: Mr. Speaker, I would like to thank my hon. friend for the question.

He has hit the nail on the head. We need to have some leadership in the country. First of all the Prime Minister has to enunciate his vision of the country. Maybe he can talk about competitiveness, interprovincial trade barriers and that kind of thing.

He has to say that at the end of the day whatever we do has to be for the greater good. It has to be something that benefits the average taxpayer, the average consumer, not something that protects a group that happens to be noisy.

We have to be consistent when we follow that plan. It should be a theme that flows through all the things the government addresses, all the legislation so we do not give into noisy interests, complainers and whiners. At the end of the day, we say: ''Let's do what is right for the greater good''.

My friend has really hit the nail on the head. We did cave in this time to noisy special interests in many instances in Bill C–88.

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, it is good to speak in the House over the supper hour. I see that we have more Liberals out than usual, therefore I appreciate the opportunity to be able to actually speak to members in the House on the other side.

I would like to speak to the motion and the amendment that we have presented which reads as follows:

> That the motion be amended by deleting all the words after the word ''that'' and substituting the following therefor:
>
> This House declines to give second reading to Bill C–88, an act to implement the agreement on internal trade because it fails to eliminate all interprovincial trade barriers.

Approximately one year ago, the Canadian people witnessed the signing of a so–called and I use that term very loosely, historical agreement on internal trade. The signing of the agreement between the Prime Minister and the premiers of the 10 provinces and the leaders of the two territories was to ''reduce and eliminate to the extent possible barriers to free movement of persons, goods, services and investments within Canada and to establish an open, efficient and stable domestic market''.

The Prime Minister called the signing significant, suggesting that the provincial, territorial and federal governments have taken a large step toward reducing internal trade barriers. A large step is the same as a small step if one is on a treadmill. That person is still in the same place. Likewise, we are not any closer to freer trade within Canada with this agreement than we were before.

Canada has signed the NAFTA trade agreement and the World Trade Agreement. NAFTA will possibly be including Chile. However we have failed to bring down the barriers within Canada.

A study done by John McCallum, chief economist of the Royal Bank and John Helliwell of the University of British Columbia suggests that the value of the interprovincial trade exceeds the value of trade with the United States, Mexico and Chile combined. That is astounding. The trade within Canada exceeds the trade we have in the North American continent and Chile. According to McCallum and Helliwell, ''as a generator of trade, the Canadian economic union is orders of magnitude more powerful than either NAFTA or the European Union''. Canada has entered into agreements with these countries to provide greater access to their markets, while we are promoting protectionism in the provinces and territories.

(2000)

The agreement on internal trade does nothing to break down the walls of protectionism and allow the freeing up of interprovincial markets for companies right across the country. A study by the GATT published last year criticized the federal government and the provinces for not moving far enough in bringing down the interprovincial trade barriers. These trade barriers are inhibiting economic growth and job creation.

The bottom line is, Canadian companies are losing their competitive edge. The Canadian Chamber of Commerce, the Canadian Federation of Independent Business, the Canadian Manufacturers' Association and other business organizations are telling the government to get rid of these barriers. We may be able to hide under the shroud of protectionism in the short term, but the long term prospects are dim for this type of trade policy.

Reformers are calling out clearly to Liberals saying it is time to wake up and smell the coffee. Now is the time to bring down domestic trade barriers. It should have happened yesterday because as we know, tomorrow never comes. It is like preaching democracy abroad and practising dictatorship at home.

I say to the House that we are no closer to free trade with Bill C–88 than we are to having freer votes in the House of Commons. The word freedom and the Liberals do not seem to get along. The Liberals promised free votes but they reneged on that promise. Now they are trying to imply that we are moving toward freer trade in the country. However, when we look at the bill it is not really there. It is an illusion. It is not true.

As already stated, the Reform Party does not like the trade agreement, nor does the business community like this trade agreement. It is a bad agreement which will continue to hurt consumers' pocketbooks.

Let us talk about some examples. Within the supply managed sector of agriculture we have seen arrangements which do not make sense. For example, the province of British Columbia has approximately 13 per cent of the population but it is restricted to producing only 4.4 per cent of the industrial milk in the country. It must rely on Ontario and Quebec to supply processed milk products to consumers. Consumers of course must bear the extra cost of transporting these products to British Columbia. I am sure that dairy farmers in British Columbia would be quite open to producing larger quantities of industrial milk. This is not a level playing field and agreements such as the provisions contained in Bill C–88 do not fix the problem.

The government is further deluding farmers by suggesting that they will be able to maintain protectionist enclaves. Can the government be open and honest with farmers? Under chapter nine of the internal trade agreement the ministers have agreed to ''undertake a comprehensive review of the framework governing supply managed commodities and implement an action plan toward the development of sustainable orderly marketing systems in the Canadian dairy, poultry and egg industry''.

Do we need another comprehensive review of supply managed commodities? The answer is an unequivocal no. Reviews do little to prepare farmers for what they will be facing in the next few years. The time is now to move and prepare farmers for an open and more competitive market economy. Farmers may reap the benefits of this myopic thinking in the short term, but they will have to pay the price down the road if we do not correct the situation soon.

Removing the restrictions on the movement of agricultural products may be painful initially, but it will prepare farmers for the increased competition from south of the border. It will also make our domestic agricultural industry stronger rather than weaker.

I would also like to talk about a couple of other consumer products that are exempt from this trade agreement namely, alcoholic beverages and electricity. I am not much of a beer

drinker but beer drinkers will continue to be stifled when it comes to buying beer from other provinces. What if a Saskatchewan ex–patriot living in Ottawa would like a case of beer from a microbrewery in Saskatchewan? Chances are he would not be able to purchase the beer because of the trade barriers that are in place.

This brings to mind a rather interesting incident that occurred to a brewery located in my home province a couple of years ago. The brewery wanted to market its beer in Alberta. However, Alberta had placed restrictions on beers from outside the province. Even Ralph Klein's Alberta wanted to implement some trade barriers which I do not think was very good of Mr. Klein. I think he ought to review these types of policies. It does not speak well for his administration.

(2005)

The brewery in Saskatchewan was forced to sell its beer at a higher price than that of the Alberta beer. To get around this, the Saskatchewan brewery placed a $2 bill inside each case of beer to offset the higher price it had to charge. Needless to say, the company was told to stop placing the money in the cases. It was a rather creative effort to market a product that was nipped in the bud and not allowed to be competitive.

Our trade arrangements are preventing companies from developing a competitive advantage by continuing this absolutely disgraceful form of protectionism.

I also want to briefly touch on electricity. It was also a product that was exempt from the agreement between the federal government and the provinces, the agreement that is embodied here in Bill C–88. The provinces and the federal government were unable to make headway on this one as well. As a result what happens? Consumers in Ontario will still be unable to use the cheaper electricity from Quebec or Manitoba which in many cases is available to them. In addition, higher rates for electricity for manufacturers are passed down by the manufacturers to the consumers in the products they produce.

Why should consumers and manufacturers be held hostage to utility companies when less expensive sources are available? Maybe such shortsightedness on the part of the Ontario government concerning interprovincial trade barriers is part of the reason that Bob Rae got dumped the other day and the people of Ontario chose another government. People are not dumb. They realize they are paying for these foolish trading practices within Canada out of their own pockets. It is not the manufacturers that pay in the long run. It is not the governments that reap the benefits of these trade barriers. It is the consumers across Canada in every province who end up being hit right in the wallet, right where it counts the most.

I want to talk about my own province. The government in the province of Saskatchewan has entered this agreement with the largest number of exemptions. I am ashamed at the number of exempt agencies in this agreement. The following government entities will be exempt from the internal trade agreement. Fasten your seat belt, Madam Speaker, because the list is long.

Treasury Board crowns include: the Agricultural Credit Corporation, Agricultural Development Fund Corporation, the Energy Conservation and Development Authority, Municipal Financing Corporation, New Careers Corporation, Prairie Agricultural Machinery Institute, Saskatchewan Crop Insurance Corporation, Saskatchewan Liquor and Gaming Authority, Saskatchewan Grain Car Corporation, Saskatchewan Government Printing Company, Saskatchewan Housing Corporation, Saskatchewan Municipal Board, Saskatchewan Research Council and Saskatchewan Wetland Conservation Corporation.

We then go on to the government enterprises, the crown investment corporations themselves. We have the encompassing CIC, the Crown Investment Corporation which is exempt from the internal trade agreement. The Saskatchewan Government Growth Fund Management Corporation is also exempt. Saskatchewan Economic Development Corporation; SaskEnergy Incorporated, which provides us with our natural gas; Saskatchewan Forest Products Corporation; Saskatchewan Gaming Corporation; Saskatchewan Government Insurance, which provides us with insurance for our cars and homes; Saskatchewan Opportunities Corporation; Saskatchewan Power Corporation; Saskatchewan Telecommunications; Saskatchewan Transportation Company; and the Saskatchewan Water Corporation are all exempt. This is a long list.

There are other boards, agencies and commissions which include: the Board of Internal Economy, the Electoral Office, the Liquor Board Superannuation Commission, the Liquor and Gaming Licensing Commission, the Saskatchewan Arts Board, the Saskatchewan Pension Plan, the Saskatchewan Power Corporation Superannuation Board, the Western Development Museum Board, the Workers' Compensation Board of Saskatchewan and the Workers' Compensation Superannuation Board. These are all exempt from Bill C–88 which is supposed to restrict interprovincial trade barriers.

The Saskatchewan government will continue to be able to procure products from local producers. The provincial government argues that preferential procurement helps local producers and lowers unemployment in the provinces. Essentially the provincial governments are taking away money from the taxpayers and returning it to local producers. Most of the time the government ends up paying the local producers more money than it would pay for the product from neighbouring provinces.

(2010)

Companies outside of Saskatchewan will not have access to all the government agencies listed as exempt from the internal trade agreement. We ask the question. Will those companies lobby their provincial governments to use retaliatory measures against Saskatchewan companies competing for government contracts? This type of policy precipitates the building of trade barriers, not free trade.

I want to give another example. Just a few months before the last election I was at a trade fair in my province of Saskatchewan. I was talking to people about the Reform Party's policies and of course they were quite excited about that. They were buying memberships and were enthusiastic about Reform. They were saying that they certainly would not vote Liberal when they compared Liberals with Reformers.

I was talking to one gentleman who told me he designed security systems. He said he had been able to design a security system for a customer in the province of Alberta. I thought that was wonderful. It was good to see some entrepreneurial spirit in my province of Saskatchewan. It was good to see that this person had been able to do some work for a neighbouring province. He said that his customer had been able to buy his expertise. He also sells the equipment but he was not allowed to even put a tender in on the contract for the security system. There is a trade barrier between Alberta and Saskatchewan and his products cannot even cross the border into Alberta.

I thought, my goodness what is wrong with our province? Saskatchewan is putting up barriers not to let competitors from outside Saskatchewan deal in the province. Other provinces for example, Alberta, Manitoba, Ontario, Quebec, British Columbia are doing likewise and we are getting into a spitting war. Who is being hurt? Of course it is you and I, Madam Speaker. The Canadian citizens who have to pay the bills and pay for the product are getting the short end of the stick.

Most individuals in my province agree that discriminatory trade practices and protectionism are harmful to the province in the long run. We may win the odd little battle in this trade war but in the long run we all lose.

The current provincial government is of the opinion that it must cushion the shock of external competition by continuing the practice of preferential procurement. This will not help the people of Saskatchewan in the future when the pressures of the global community end the enclaves of protectionism. The Saskatchewan government and this Liberal government must realize that short term trends quickly become permanent policies. The time is now to prepare companies and the workforce for new opportunities.

What is the solution to the problems I have outlined? I have been very critical. I think my criticism is fair and just. It is also incumbent upon us on the opposition side to suggest some solutions. We are saying that we should eliminate all interprovincial trade barriers. It is absolutely ridiculous that it is easier to trade internationally than it is within the borders of this country.

It is insane that our trade barriers from province to province are costing consumers $6 billion to $8 billion every year. They are increasing our costs of surviving in this country. We are making more progress with Chile, the United States and our European trading partners than we are between our own provinces.

Closed systems such as the one we have in Canada fly in the face of recently signed international trade agreements. Modest estimates as I said place the cost of these trade barriers around $6 billion to $8 billion. One figure I ran across came to $6.5 billion per year.

Freeing up that amount of capital will result in market growth which will in turn result in lower prices for consumers and greater competition for producers. As I already mentioned, greater competition will prepare Canadian companies for the onslaught of freer international trade.

Reformers believe that a trade agreement can, and I want to emphasize can, be brought to fruition preferably through an agreement between the federal government and the provinces but failing that through constitutional challenges. The federal government has the power under the current Constitution to eliminate the trade barriers. I want to read section 12 of the BNA Act which states: ''All articles of growth, produce or manufacture of any one of the provinces shall be admitted free into each of the other provinces''. That is in our BNA Act. When will this government be prepared to take the big step off of the treadmill that is taking us nowhere and move toward freer trade in this country?

I want to close with a challenge. I challenge this government to not continue giving us nonsense like Bill C–88 which is just window dressing and no substance. I am going to ask government members to get off their hands. They have been sitting on their hands on a lot of issues.

(2015)

They are sitting on their hands on this interprovincial barrier situation. I challenge the government members. They should get off their hands, and do something about the problem, really get down to brass tacks with the provincial governments. Should they refuse to bring down these trade barriers that are hurting us all, they are costing families in this country thousands of dollars in increased costs. Get down to business. And if they cannot come to an agreement with the provinces, then use some of the constitutional clout they have in the BNA Act to get the job

done. That is why we are here. We are here to work for Canadians, not to sit on our hands and complain and bring weak–kneed legislation like Bill C–88 before the House of Commons.

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

Some hon. members: Question.

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

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mrs. Maheu): At the request of the government whip, the vote has been deferred until 11.30 p.m.

* * *

[*Translation*]

MANGANESE–BASED FUEL ADDITIVES ACT

Hon. David Anderson (for the Deputy Prime Minister and Minister of the Environment) moved that Bill C–94, an act to regulate interprovincial trade in and the importation for commercial purposes of certain manganese–based substances, be read the second time and referred to a committee.

Hon. Charles Caccia (Davenport, Lib.): Madam Speaker, I am very happy to start off this debate on a bill concerning a fuel additive called manganese.

[*English*]

In English it is referred to in technical terms as MMT, nevertheless implying that we are dealing here with a substance called according to a technical name, MMT. It contains a chemical substance called manganese. It is well known in chemistry as well as in geology and in the mineral disciplines as being one that can be dangerous to human health.

(2020)

This bill aims very simply at bringing about a decision in Canada that was launched and concluded successfully south of the border well over 16 years ago, more precisely in 1978. At the time the Environmental Protection Agency in Washington concluded as a result of studies conducted there that it was essential in the public interest to do away with manganese as an additive to gasoline.

This bill attempts today to bring to the attention of members and the public the importance to do the same now in Canada, not just for environmental reasons but also for technical reasons, not just for public health reasons but also because the automotive industry has by virtue of technological change reached a level where it actually depends on the elimination of manganese from gasoline.

It must be said for the record that Canada is probably the only country in the world that is still using manganese. As a result of that, for the reasons I have just outlined, the situation has reached a point where it is absolutely essential that we move on this issue and deal with it.

The engineers in the automotive industry are telling us that manganese impairs the performance of pollution control equipment in cars and trucks. The automakers in Canada and in the United States are now producing cars with systems that can tell the driver how well and whether the pollution control equipment is working.

Manganese in gasoline does not permit automakers to give the driver of the vehicle the benefit of using the pollution control equipment because manganese is incompatible with this kind of equipment. I am told that automakers will have to disconnect this kind of equipment in Canada if gasoline continues to contain manganese.

The consequences for consumers are manifold. First the warranty of the engine will be affected. It will not be extended as far as it could be extended with this kind of equipment to the benefit of the consumer. Second the performance of the engine could be affected because of the inability of the driver to know whether certain parts of the equipment are functioning. The third consequence is complementary to the second point: the driver will not know whether the catalytic converter is working or not, whether the anti–pollution devices in the car are properly functioning and therefore the driver will not know whether the equipment installed in the car is working in the manner it is supposed to in terms of pollution controls.

The scientists in our community are also informing us that manganese in gasoline means risking greater pollution in the form of smog, carbon monoxide and hydrocarbons.

Automakers in Canada have told the government they want the elimination of manganese in gasoline. They are technologically ready for it. Actually they are well beyond this point. They all say that manganese adversely affects the onboard diagnostic

systems, which is a fancy word for indicating the types of devices that inform the driver whether the anti–pollution equipment is working or not. In other words, the driver will not have the ability to tell whether or not the pollution control equipment installed in the car is working or not.

(2025)

Members will quickly realize therefore the importance in the public interest of this measure proposed by the Minister of the Environment, who has been working on this initiative for some time already and who has been behind the scenes pushing the interested industries, petroleum on the one hand and the automakers on the other—and the latter is being quite keen and cooperative—to bring this matter to a solution without legislation.

It is only fair to say that the federal government has waited for the automotive and the petroleum industries to resolve this problem without legislation. Unfortunately, the problem has not been resolved.

The automakers at the very moment as we have this debate are now manufacturing the diagnostic system for the 1996 models. We are now debating this matter at the eleventh hour, and the government finds it necessary to present and pass this legislation in the speediest manner possible.

The government is doing this with three purposes in mind: number one, as I mentioned earlier, to protect human health; number two, to protect the warranty of the car to the benefit of the consumer; and number three, to take advantage of technological change and reap the benefits offered by these diagnostic systems, which are higher efficiency for the engine, lower consumption, and of course, quite important, pollution prevention.

The question might arise as to who is opposed to this bill. Obviously the only opposition at this stage can be identified among those who are the suppliers of manganese, some multinational companies, which do not really have at heart the public interest.

Remember that MMT, the substance that contains manganese, was banned already in 1978 and for very precise health reasons. This issue has been on the agenda of publicly concerned legislators for some time.

Members remember leaded gasoline. Lead is one of the most poisonous substances which poses a danger to human health, particularly to children. It has been removed therefore from gasoline, from toys, from paints. Who was opposed at the time when lead was to be removed from these products? It was the very same people who now oppose the removal of manganese from gasoline.

It can be said in conclusion that in Canada there are 18 automobile companies that view this bill as needed and desirable. They see it of course from their perspective as being involved in the motor vehicle production centre. As a Parliament we have to take a view also to include health considerations and consumer protection considerations. It is therefore for these three reasons put together that we think this is a bill that commands the attention and positive reception on the part of colleagues and members of this House in the hope that they will consider it in a favourable manner tonight and give it speedy consideration so it can be passed and put at work for the benefit of Canadians from coast to coast.

(2030)

[*Translation*]

Mrs. Monique Guay (Laurentides, BQ): Madam Speaker, today we start second reading of Bill C–94, an act to regulate the provincial trade in and the importation for commercial purposes of certain manganese–based substances. More specifically, Bill C–94 is aimed at banning the addition of a substance called MMT to unleaded gasoline in Canada. This bill would allow the Minister of the Environment to rid Canada of MMT, a substance which, I would like to remind you, has been added to our gasoline since 1977.

The minister is tabling this bill as the session is drawing to a close, and she appears eager to have it passed as quickly as possible. The minister's approach denotes a certain uneasiness in this matter, an uneasiness that may be due to pressure from automotive manufacturers who, coincidentally, are concentrated in her region. Far be it from me to think that the minister has decided to ban MMT in Canada for the sole purpose of addressing the automotive industry's concerns. I am convinced that she is acting in the public interest and that her first concern in making decisions is for the environment. At least, that is what we should expect from the minister.

However, in the case of MMT, the minister's intentions are not clear and she appears unwilling to disclose the real motivation behind this decision. Her arguments seem lame and questionable. The minister also acts in similar fashion in several other matters. What she is saying in this and other cases and the information she spreads are not likely to reassure the public, let alone environmental groups.

Her knowledge of the issues appears deficient and inadequate, robbing her of the credibility that is needed if not essential in such a position. This, incidentally, reminds me of the raising of the *Irving Whale*, the barge belonging to the Irving company, which has been lying at the bottom of the Gulf of St. Lawrence since 1970 with 3,100 tonnes of bunker C fuel oil on board. In this matter, the minister has said all kinds of things on how the barge will be removed. Recently, the minister and her press secretary even came up with their own raising technique, which is not mentioned anywhere in the bidding documents.

I listened to a recording of an interview with the minister on this subject on CBGA, a CBC radio station in the Magdalen Islands. What I heard was utterly ludicrous. Informed people must have shuddered when they heard the minister talk about using something like a rubber dinghy, a sort of enormous condom to enclose the barge 200 feet under water. That is totally ridiculous. Who will tell the minister to stop saying the first thing that comes to mind? Who will tell the minister to famil-

iarize herself with the issues, to look at them before spewing out incorrect information? Who from the cabinet or her department will ask the minister to be more careful in her rhetorical outbursts which are so nefarious for the environment?

I will now close my comments on the Irving Whale with my sincere wishes that its salvaging, which will take place this summer, will not turn into an ecological catastrophe. The devastating effects would be felt for years to come and, by and large, the minister would be held personally responsible. There are similarities between the Irving Whale, the MMT issue and many others. The links between all of these cases and decisions are haste and a lackadaisical approach.

Add to that a rather murky transparency and a lack of will to provide pertinent information, and we find ourselves in very worrisome situations and we find that the Minister of the Environment is increasingly challenged by specialists in the field.

(2035)

Judging from the minister's actions, one would almost conclude that she is in a leadership race and that she is feeling ignored by the media. One would almost believe that she is suddenly suffering from a lack of visibility and that it was absolutely necessary for her to present us with something: statements from the minister, bills and new policies unexpectedly introduced in the House with no rhyme or reason. They are presented to us piecemeal with no real indication of any will on the part of the minister to draw up a game plan or to create a cohesive environmental policy.

Why is the minister acting this way? Why does she always want to introduce initiatives as if she were pulling a rabbit out of a hat? The answer is simple: the environment is not on the Liberals' list of priorities. The evidence is clear. Since the Grits came to power, important environmental issues have not been dealt with. The promises in the red bible have been thrown out in the garbage, hardly appropriate in this case.

In fact, this comes as no surprise, since the whole red bible has been shelved. The abdication of responsibility is deplorable. The Liberals, starting with the Deputy Prime Minister, have not done much to improve, preserve and protect our environment.

However, some hon. members opposite are very concerned about the environment. We know them well. The hon. member for Davenport, himself a former minister of the environment; the hon. member for York—Simcoe; and the Quebec member for Lachine—Lac–Saint–Louis, former minister of PCBs in Quebec, are all great environmentalists. Like us, they must be aware of their government's abdication of its responsibilities. But what can they do if their hands are tied and they do not have the ear of the minister and the cabinet?

Yes, the minister did shout right and left, and she did spout some high sounding ideas here and there. The minister even went so far as to believe and to say out loud that Canada was a world leader on environmental issues. Now that was rather unfortunate, because when we consider the Liberals' record in this area, it is clear all this is just window dressing. The minister creates a diversion to camouflage the government's lack of commitment.

For instance, the Sierra Club published its environmental report card at the beginning of this month. The result: The minister got a B+, the threesome consisting of the ministers of Foreign Affairs, Finance and Industry got an F, for failing, and finally, the Prime Minister got a D with a reprimand that he had failed to instruct his cabinet to achieve the red book's objective to reduce greenhouse gases 20 per cent by the year 2005.

All this confirms what we in the Bloc have maintained since the very beginning, which is that the Liberals are all talk but no action. The cabinet's strategy consists merely in putting the minister on stage to make a lot of high sounding promises. The cabinet has no compunction in sacrificing the minister and, what is worse, the environment as well.

The minister should feel somewhat embarrassed about playing this role at the behest of cabinet. In playing this role, which suits her very well given her verbal facility—she might be called a motor mouth—, the minister is losing a certain credibility, however.

In addition, however, given the rather mixed results in environmental matters, it is clear the minister is no cabinet heavy weight. The ministers who got an ''F'' from the Sierra Club are the uncontested leaders establishing the environmental agenda. The environmental cause is certainly not advanced by those with the lowest mark.

This inaction and lack of environmental will leads in the end to trivialities, essentially no results. It started off well enough with actions being chosen that required the government itself to carry out internal measures, if I can put it that way, but we have seen no external measures, which would have greater benefit.

Our government therefore shows little interest in the environment and lacks an overall vision and policy. We have a government and a minister that can act only within the system and, on a few occasions, outside it, as in the case of the bill before us today.

(2040)

The Liberals are favouring a piecemeal environment policy, which is a definite step backwards and a shameful reduction on their part. The best example of their throwing in the towel is undoubtedly their dropping the green plan. This plan, which was introduced in 1990, was an overall action plan. It was spearheaded by the Department of the Environment, which was responsible for various aspects of its implementation, and inspired by an environmental philosophy. The dropping of this plan represents an unprecedented withdrawal. We are going back many years because of the lack of sensitivity and will on the part of decision makers who deal with the environment as if it were a fashionable issue. Polls reveal that the environment is no longer a hot topic. Decision makers react stupidly, putting this issue on the back burner and withdrawing from initiatives already under way.

By dropping the Green Plan, they are definitely saying no to a co–ordinated approach. The minister is replacing a coherent plan, which was spearheaded by a department with a specific budget, by a system which leaves every department free to do what it wants. It is as if someone had decided to scatter pieces from a puzzle all over the place. There would no longer be any relationship between them, and the final objective would become unattainable. This is what the government is doing now, it is dividing up the environment, much to its detriment.

I will remind you that the Green Plan, for which the initial budget was supposed to be around $3.5 billion over five years, never amounted to more than $800 million. This is far short of the initial goal. Those responsible for backing away from this ecological commitment are the people on the other side and the Conservatives who preceded them. The ministers, whether blue or red, did not have the will to pursue this innovative plan, to modify it and to perfect it, to make it responsive to the needs of the environment. Therefore, the budget melted like new snow in May, without anybody paying any attention. What a pity. What irresponsibility and lack of respect towards our environment. Sincerely, I do not believe that this is the way to proceed if we want to leave our children a sound and natural environment capable of answering their needs. The nice sounding principles of sustainable development, biodiversity, and ecosystemic approach people use when they talk about environment, are far from reaching the decision makers and therefore very far from having a chance of being implemented.

The bill we are considering today deals with something that will take place outside of government. With this bill, the government will be able to prohibit the importation and interprovincial trade of certain substances containing manganese. The first targeted product is MMT, a chemical added to unleaded gasoline to increase its octane rating. For a start, the bill raises a number of questions as to its appropriateness and timing.

Let us remember that on April 5 of this year, the Minister of the Environment announced in a press release her intention of introducing this bill as soon as possible. Indeed, it received first reading on May 19 of this year. In her press release, the minister said and I quote: ''This initiative will allow Canadians to continue to enjoy the benefits of technical advances in the area of car emission control, and to receive a protection equal to the one received by citizens in the United States''.

With this bill, it is obvious that the minister is specifically responding to auto makers who claim that MMT additive clogs up the pollution control equipment. And to bring more pressure to bear, auto makers said that if MMT was not banned, it could cost $3,000 more to buy a car, warranties could be reduced and the pollution control system could even be disconnected. We might see in this some sort of blackmailing by the industry but, according to the minister, it seems to be serious.

(2045)

The Minister of the Environment then decides to take this prohibiting measure, not because of the polluting or toxic effects of MMT, but because of its effects on an anti–pollution system that will be incorporated into cars in 1996.

The proof that MMT in itself is not recognized as a toxic or dangerous product is that the minister cannot regulate this product under the Canadian Environmental Protection Act, the CEPA, which applies specifically to toxic products. So, she has no other alternative than to pass separate legislation.

In her press release of April 5, the minister indicated that this decision was taken after almost two years of discussions with the petroleum and automobile industries. We could question the relevance and value of these discussions, since the minister told the parties at the outset that failure to reach an agreement would result in legislation to ban MMT.

By disclosing this intention, did the minister not introduce a significant bias in the discussions? Had she not just told the automotive industry: It is not necessary to discuss everything at length, since I already support you and intend to introduce a bill. The minister showed her clear bias in favour of the automotive industry, which wants to get rid of MMT and all other additives. In that regard, I wonder what will happen to ethanol, a star additive for which the government has just launched a $70 million investment program.

If the automotive industry does not want any additives, why does the government want to develop this product? Is there not a flagrant inconsistency in the decision to ban an additive and the intention of developing a different one, when the automotive industry does not want any additives? Who can assure us that the automotive industry will not soon ask the government to ban

ethanol because of its negative effects on car parts and equipment? I think that prudence is called for in the development of ethanol.

Ethyl, the maker of this additive, has responded to the automotive industry's arguments on MMT with its own arguments, which seem quite valid. Let us have a look at them.

Removing MMT from gasoline would aggravate the urban smog problem by increasing nitrogen dioxide emissions by 20 per cent. According to Health Canada studies, MMT presents no notable danger to human health. Independent lab tests show that, contrary to statements made by auto industry officials, the MMT used in Canada is perfectly compatible with the new anti–pollution devices, including the OBD–II diagnostic system.

Again, according to Ethyl, the U.S. Environmental Protection Agency is about to reintroduce MMT in that country, following a decision made on April 14, 1995, by the U.S. Court of Appeal for the district of Columbia, which instructed the American agency to lift the MMT ban and allow its use in lead–free gasoline. The use of MMT at the refining stage results in fewer emissions of some pollutants. Replacing MMT will cost refineries about $100 million in capital costs, as well as tens of millions in operating costs.

These are the arguments put forth by the producer of MMT and the oil industry. Given all this, it is not easy to make a decision in favour of one party or the other. The arguments used by both sides seem valid. However, they are also hard to evaluate and verify.

These arguments give rise to a series of questions, and the answers to these questions are not obvious. This is why Bill C–94 generates so much ambivalence and reservations.

The first question we must ask ourselves, and this is very important, is whether or not the automobile industry will indeed go ahead and increase the cost of cars, reduce the guarantees provided, and disconnect the monitoring system and other anti–pollution devices as early as August 1996, if MMT is not removed from lead–free gas.

(2050)

You can imagine the harmful effects of such a decision on Canadian consumers. That possibility is based on the position of auto manufacturers, who feel that the MMT clogs their systems and makes them less efficient. This malfunctioning of the anti–pollution systems is said to result in more pollutants being released, thus affecting air quality.

This is certainly not what we hope for, after making encouraging progress regarding exhaust emissions. According to a recent study sponsored by the Canadian Automobile Association, the new emission standards helped to significantly improve air quality. This study also showed that, over a distance of 1 kilometre, a 1970 car caused more pollution than twenty 1995 cars.

The credit for part of the progress made must go to the automotive industry. Through R and D, it has improved its pollution control devices. The industry knows everything there is to know about the devices installed on their products. So, if it tells us that MMT is bad for its systems, then, we must certainly agree with them or at least give them the benefit of the doubt.

But there is a snag. Ethyl Corporation indicates that some independent tests performed on cars have shown that MMT is not harmful to pollution control devices, despite what the automotive industry has said.

In fact, the Environmental Protection Agency in the United States has recognized that the automobile industry's concerns over the fouling of the devices were groundless. So, what should we make of the allegations made by the motor vehicle manufacturers? To the question, does MMT make the pollution control devices defective, the answer, Madam Speaker, is not that obvious.

We should also ask ourselves the following question. Is MMT a pollutant in itself and will its elimination from gasoline sold in Canada increase smog in urban areas, as the Ethyl Corporation would have us believe? First of all, according to a Health Canada study, dated December 6, 1994, MMT does not have any adverse health effect. Second, experts say that there is no evidence that the elimination of MMT from gasoline would increase urban smog. It seems that, in Canada, conditions contributing to urban smog, including sunshine and temperature, are not combined often enough for the elimination of MMT to cause an increase in this phenomenon.

According to Ethyl, MMT reduces by 20 per cent nitrous oxide emissions that contribute to the formation of smog. But here, in Canada, it is not clear that increased nitrous oxide emissions meet the necessary conditions to contribute to the formation of urban smog.

If MMT is so effective in reducing smog, why is it banned in large American cities where smog is much more of a problem than in Canadian cities? I think we should ask ourselves this question. Why would the United States ban a product that would be beneficial?

On the issue of increased nitrous oxide emissions, it seems that, thanks to a more sophisticated system, 1996 car models will help further reduce exhaust gas emissions, which, according to some people, would compensate largely for the increased

nitrous oxide emissions caused by the elimination of MMT, but this has yet to be proven.

It must be noted that all these arguments are put forward by the concerned parties. Therefore, it is not easy to make a fair evaluation of them since it is in the best interest of the parties to present them to us in a favourable light.

I mentioned earlier that urban smog is not a problem in Canadian cities, but the temperatures we have had these past few days certainly prove me wrong. Because of the heat wave, there has been a smog advisory in effect in Toronto for the last two days. The Montreal area has also been suffering from an increase in air pollution. The present situation in these two large cities is certainly food for thought.

If it were true that MMT reduces nitrous oxide emissions by 20 per cent, what would be the air pollution level in these large cities if this additive was not present in gasoline?

(2055)

If Ethyl's argument turns out to be right, can we knowingly and legally allow the quality of the air we breathe to be adversely affected? Another important question is whether the Environmental Protection Agency is going to reintroduce MMT into gasoline in the United States in the very near future, as Ethyl claims? Preliminary indications are that the EPA may indeed allow MMT back on the market. In fact, the United States court of appeal for the District of Columbia has issued a mandate ordering the EPA to grant a waiver permitting the use of MMT.

However, certain sources tell us that concrete action is still far off and that, for a number of years now, Ethyl has been returning regularly to the charge with the EPA. Until now, Ethyl's demands were always turned down. This time, however, it seems that the chances are much better. Ethyl conducted a battery of tests on a significant number of automobiles and met the EPA requirements. According to Ethyl, the tests carried out prove that MMT does not clog the spark plugs, catalytic converters, or exhaust gas oxygen probes, nor is it dangerous to public health. It will be interesting to see where our neighbours to the south go with this issue.

The impact on the petroleum industry raises another important question. According to this industry, removing MMT from their unleaded gas will result in relatively high conversion costs. Furthermore, the industry claims that MMT is a good additive which is easily mixed with gas and is making no bones about its support for the additive.

Therefore, if we do away with MMT, what kind of additive will take its place? This is another interesting avenue of inquiry to consider. If we drop MMT, a very good additive according to the oil industry, we will have to replace it with something else. Currently, it appears that the Liberal government favours ethanol as the replacement. We know, in fact, that a big plant is being built in Chatham, in southern Ontario. This plant, which will be built in two phases at a cost of $270 million, would have a production capacity of 300 million litres of ethanol from corn annually.

It would appear that this construction project is just waiting for the go ahead from Treasury Board. An article which appeared in the *London Free Press* on June 14 clearly said the following: ''The paperwork sealing the federal government's ethanol policy, essential for the construction of a massive ethanol plant here, is expected to be signed imminently''.

There you have it. The ethanol plant in Chatham is waiting for federal assistance. But is this plant which will produce ethanol, an additive, connected in any way to the bill prohibiting MMT, another additive? Is the government favouring ethanol produced from corn grown in Ontario, the very red Liberal province in this Parliament? Please note that producing ethanol from corn is financially and ecologically costly. The government is cutting taxes associated with ethanol and is considerably reducing the production capacity of our land, all the while increasing pollution, given the fertilizers and pesticides used to grow corn. It is therefore most desirable that the Liberals make the right choice when opting for ethanol.

After thoroughly analyzing all of the arguments regarding MMT and all of the related issues, it is clear that we have to shed more light on the whole issue. I firmly believe that all hon. members who are evaluating this bill need more information, more details from all of the parties concerned and also from all concerned parties who have no stake in the issue. We would then be in a better position to weigh the pros and the cons. At this stage in the debate, despite everything, we look favourably upon this bill. However, we have many serious reservations which will have to be laid to rest when the bill is studied in committee.

(2100)

In concluding, I would like to add, after having spoken to the hon. member for Davenport, that it is imperative that the chairman of the committee, assisted by his clerk make every effort to hear as many witnesses as possible, whether they are for or against the bill, and to give us enough time with them so that we can really find out what the best solution is from the environmental point of view.

Should we use MMT? Should we ban MMT? Should we use ethanol? Should we concentrate on another product? We need clarification. I ask that we be given enough time to meet all the witnesses concerned.

From what I have heard, it seems we will proceed with third reading very soon. I do not think we will be ready to start third reading unless we have shed some light on these issues and until we are really convinced that banning MMT in Canada—the United States may do so six months from now—is the right decision and that we are not merely putting the oil companies or

other businesses to additional expense just to pass a bill that looks good to the public.

[*English*]

Mr. Caccia: Madam Speaker, I rise on a point of order to inquire whether you are permitting questions and comments.

The Acting Speaker (Mrs. Maheu): The first three speakers will have a maximum of 40 minutes with no questions and comments.

Mr. Paul E. Forseth (New Westminster—Burnaby, Ref.): Madam Speaker, balance is needed and I hope this is what I can represent as I respond to the government on Bill C–94.

It is amazing how quickly the bill got to this stage. I take it the environment minister feels this bill is more important than Bill C–83, an act to amend the Auditor General Act, which was a red book promise. I suppose large companies like General Motors, Ford and Chrysler are not pushing to pass a bill that would create a commissioner to the auditor general's office like Bill C–83 would do.

Every Canadian knows of the power of the big three auto manufacturers. What they want they seem to get from the minister. In this case they wanted the help of the minister to ban the octane enhancer MMT from Canadian gasoline, and help is exactly what they got.

When the minister held her press conference on May 19 she said that the data the Motor Vehicle Manufacturers Association presented to her clearly convinced her that MMT was bad for automobiles and for Canadians. She did not comment on the evidence presented to her by Ethyl Corporation. When the minister was asked to comment on that she simply stated that she did not need to see Ethyl's data because what the MVMA presented was correct and there was no refuting it. Essentially what the minister was saying was that Ethyl's data was wrong and the data from the MVMA was correct, but she would not fully admit it.

The minister knows very well what the best solution would be to this entire debate. She knows that a series of independent third party tests are needed but she will not initiate it or facilitate it happening.

As members of the House and more important as representatives of all Canadians, it is important that we weigh and pursue every available option to come up with an accurate conclusion before we create any legislation. The Liberal government calls itself responsible but I ask what is really meant by the term responsible in view of Bill C–94. In these technical matters it certainly does not hurt to demonstrate and then legislate.

Some important questions should be asked on the banning of this substance. First, was the evidence brought forward based on accurate data and was it performed by independent testers? Second, who paid for the evaluators and who are they accountable to? Third, what will be the cost implications to consumers both in financial and in environmental terms? I think it is who pays is at the bottom of the government's capitulation to the MVMA lobby.

I want to deal with how the minister came to the decision to ban MMT. Apparently on September 12 last year representatives from General Motors, Ford and Chrysler met with the minister to discuss the banning of MMT.

(2105)

They told her that if MMT was still in gasoline in August 1995, a time when all new model cars were released, they would do one of maybe three things. First they would raise the price of each automobile by about $3,000. Second they would void sections of their cars warranties and/or close down some high tech Canadian manufacturing facilities.

The minister got spooked in a big way. This was the big three as well as a few other importer tag–alongs telling her what to do. They threatened to close up automotive plants and most of the plants are located not too far from her constituency of Hamilton East and certainly in southwestern Ontario.

The political decision apparently was not too difficult: ban MMT. About a month following the meeting the minister told a reporter that unless the fuel industry moved MMT from its products voluntarily the government was going to impose a ban.

The MVMA could not have been happier: no more dealing with Ethyl and let the federal government work the whole thing out for itself. There was no need for a third party to come in to do testing. Negotiations and industry collaboration went out the window. This is where the minister failed.

There are two sides to the issue and she picked the one that seemed politically friendly. The decision was not based on science. It was based on short term political interest and money, certainly not because there would be any gains for the environment.

Both the MVMA and Ethyl have conducted tests. Both had apparent credible statistics and yet they were contrary to each other. Both sides were adamant that the tests they had brought forward were accurate. I am not a scientist and the environment minister has admitted the same in her background. I have seen the detailed test data and the chemical charts and tables. I am not going to stand here today to convince with a technical argument. All I am trying to do is to provide a reasonable solution like any responsible environment minister would do.

The solution should have been, and for that matter still can be, an independent third party series of tests to determine if MMT actually causes a problem to onboard diagnostic systems in cars. Certainly MMT is not hazardous to our environment as it greatly reduces knocks. Both sides were close to coming to a decision. Both sides were about to approve a third party evaluation. Ford

Motor Company recently did a test with MMT flavoured gasoline to see how it would affect its onboard diagnostic systems.

The minister has been touting the MVMA to be the expert and most accurate in its data collection. Ford conducted an in house fleet test composed of twenty 1994 Thunderbirds. Ten went to Toronto and were driven for about 50,000 miles of city driving. Five went to Florida and five to Nevada. Similar to the testing in Toronto, the ten U.S. cars were also driven about 50,000 miles each and were also kept to city driving. In the interim report Ford asserted that catalyst monitoring ratios generated by the OBD–II system in the vehicles were different in Canada and the U.S. mainly because of MMT.

Ford claims that this was the only difference between Canadian and U.S. vehicles. The U.S. EPA, on the other hand, concluded ''it is difficult to distinguish small losses in catalyst activity'' using existing OBT technology. The smallest change in emissions which is technologically feasible to detect for current production vehicles equipped with the OBD–II system is a hydrocarbon emission increase or decrease of about .4 grams per mile. Ford tests show an HE emission of only .02 grams per mile. Apparently Ford has not released any data that would verify if the OBD–II systems actually have the ability to measure such small changes in emission performance.

The testing that Ford did was in three very distinct areas: Toronto, Florida and Nevada. We are all aware that the composition of fuel will vary from region to region. With data provided by the National Institute for Petroleum and Energy Research, the Canadian Petroleum Products Institute and Environment Canada, basic differences in the gasoline between the three test sites were rather considerable.

Let us use for example summer gasoline in Toronto. The amount of sulphur in parts per million is about 400 and the percentage of ether is about zero per cent. On the other hand in U.S. gasoline sulphur content is about 248 parts per million in Florida and about 80 parts per million in the west southwest. As for ether, in Florida it is 1.8 per cent and in the west southwest it is 1.6 per cent.

The reason for my explanation of these data is to show that test parameters can vary significantly from city to city.

(2110)

Why did Ford use these two U.S. cities to conduct its testing when it knew full well of the differences in the composition of gasoline? As politicians we are all very familiar with polls and the use of polls. One poll says this and another poll says something else. If one wants a polling company to get a favourable answer it is possible to do so by the way one words the questions.

I would assume the same was also true for the way testing was done on MMT. On one side Ethyl wanted to see tests which showed that MMT was not responsible for malfunctions with the onboard diagnostic systems in cars. On the other side the MVMA wanted to prove how MMT was hurting or interfering with its systems. Essentially each party got the results it wanted. How accurate are the tests and what are the implications for public policy?

The bill bans MMT in Canada. The way I read it there is no reference to Nevada or Florida in the bill, if the minister wants to believe the data provided to her of tests that were not even performed in this country on comparable fuels.

Some proponents of the bill will ask me for a better way of doing the tests. I can only think of one logical way. The ban is in Canada. Take cars and pair them up. Choose independent locations across the country. Use two cars in each location. In one car use gasoline added with MMT and in the other car use the same type of gasoline without the addition of MMT. Drive each car for the same distance and over the same terrain and in the same climate. For instance, if one of the two cars is driven in the city, the same should apply to the other. A wide variety of car models should be used in varied Canadian climates and conditions. This would seem to be the only available solution.

When people are charged with crimes and they know in their hearts they are innocent, they agree to any test, any independent investigation, lie detectors, DNA and so on. They are confident and therefore they have nothing to be afraid of, nothing to hide.

Since the beginning the Ethyl Corporation has wanted to settle the entire dispute using a comprehensive series of industry wide, third party tests. It was confident in the outcome. The same was not true for the MVMA. As soon as there was a hint that the minister would back it up all future talks were cancelled. Now it balks at the idea of independent testing. I guess its lobbying paid off.

Early last week the United States Court of Appeals issued a mandate ordering the EPA to grant a waiver to permit the use of MMT in unleaded gasoline in the U.S. The court found that MMT does not cause or contribute to the failure of any emission control device or system. It evaluated the evidence placed before it. I realize this does not mean that MMT will be in U.S. gasoline tomorrow but it does mean one large step closer.

Ethyl Corporation still has a hearing before the same court in September of this year to confirm final registration of MMT, which would then allow for the sale of the additive. It is interesting to note that in the above decision by the appeals court

neither the auto industry nor the Environmental Protection Agency appealed the court decision. Why? There was likely no grounds for appeal.

On Friday I received material from the Canadian Petroleum Products Institute that has been following the issue with great interest. The CPPI official who was in attendance in Washington for the decision stated:

> EPA officials made it clear that, assuming Ethyl does win, the burden of proof for any future attempts to have MMT banned will shift from Ethyl to the auto makers. This is leading the auto makers in the U.S. to all of a sudden start talking about a joint testing program. This is what CPPI has been proposing for the last two years in Canada and what the auto makers have continually refused to support.

Maybe the auto manufacturers' lobbyists are not so confident of their position.

Even before Bill C–94 was introduced Reformers asked the environment minister to conduct independent tests. She has adamantly refused. Somehow the minister at least could have facilitated it. The MVMA knew it had the inside track with the minister. All it had to do was stall with Ethyl.

In the early stages I think the minister believed the U.S. courts would maybe side with the EPA. The bill will become the environment minister's legacy. There is a good chance that the bill will pass through the House about the same time that the U.S. begins using MMT in its gasoline again. What will the minister do then? Will she stick to her legislation and continue with the ban or will she flip–flop or succumb to some international pressure?

(2115)

The industry minister has also said on numerous occasions that the key to banning MMT in Canada is to create a uniformity of standards between the U.S. and Canada so costs to the auto makers rather than environmental concerns are behind this move. According to this statement Canada will go back and forth like a lost puppy or maybe a lapdog.

The minister introduced this legislation with hopes it would get quick passage before the summer. She is on a deadline set by the MVMA. The 1996 cars were about to be shipped and they wanted to ship them with the OBD–II systems all hooked up.

It is clear now the bill will not get through all stages. The bill will wait until the fall to be reopened for debate. Even if the bill is passed before the end of the year manufacturers will have already shipped their cars. The 1996 cars will not have gone up in price and the warranties will not have been reduced, since all the warranty manuals will already have been printed and shipped with the cars. This is a perfect opportunity for the environment minister since she knows the passage of the bill is irrelevant to the timing of production for the 1996 cars.

It was once said the Liberal philosophy holds that enduring governments must be accountable to someone besides themselves, that a government responsible only to its own conscience is not for long tolerable. This is befitting of the government which occupies the benches today; to whom is it accountable?

Before the government goes through with this legislation I draw to its attention some of the information I have come across during the last several weeks. I raise it for the sake of discussion.

On several occasions the minister stated in the House and at the Standing Committee on the Environment and Sustainable Development that if we do not curb global warming much of Prince Edward Island will be completely under water. The minister has stated that if action is not taken immediately thousands upon thousands of jobs could be lost.

I still have a lot of questions on the whole issue of global warming in relation to greenhouse gases, as do many Canadians. In the reading I have done on the topic lately I have discovered that according to scientists the biggest contributors to greenhouse gases are carbon dioxide, methane and nitrous oxides, NOx.

Since we are dealing specifically with MMT we should concentrate on the NOx emissions. I do not believe anyone will deny that the additive MMT does reduce NOx emissions. However, I suppose the only argument may come as to how much NOx emissions are reduced with MMT in gasoline. It may also be important to point out that at the 1988 international treaty Canada committed itself to freezing NOx emissions at the 1988 level. This was all part of Environment Canada's NOx VOC_2 management plan.

Since the minister's own department feels it is necessary to reduce these emissions it would be important for us to better understand how much MMT actually reduces NOx emissions and helps the environment.

This past June a month long cleaner air campaign was launched in Toronto after results showed the outrageous levels of smog in certain Canadian centres. The campaign was put together by pollution probe and included some major sponsors: Canadian Tire Corporation, Consumers Gas, Petro–Canada, the Ontario Ministry of the Environment and Environment Canada, to name a few.

B.C.'s lower mainland, where I come from, parts of New Brunswick and the Windsor–Quebec corridor were found to be the three worst areas in the country for smog pollution. The people of Hamilton East, part of the Windsor–Quebec corridor, need to know their member of Parliament, who happens to be the Minister of the Environment, is banning a substance which would help to reduce urban smog. The minister needs to be

accountable to the well–being of Canada's environment. She should also be accountable to those who elected her to office.

Ethyl Canada claims that removing MMT from Canadian gasoline would increase NOx emission levels by up to 20 per cent. The CPPI has added to this and made the claim that removing MMT would be the equivalent of adding over a million cars to Canadian roads. Those are pretty substantial numbers for the environment.

On the other hand, Environment Canada did its own testing on MMT and found that removing it from gasoline would increase NOx emissions by only 5 per cent; again, two evaluations, two substantially different numbers. Which one is correct?

I want to look at how Environment Canada came to its conclusion of 5 per cent. Environment Canada used an EPA NOx benefit of .08 grams per mile, based on John Holly's 1994 analysis of all Ethyl and Ford testing data. Therefore the .08 grams per mile was divided by the average of summer and winter predicted emissions for a typical Canadian gasoline without MMT.

(2120)

I point out something very important. John Holly's analysis is based on MMT testing data for late model passenger cars only, with vehicles accruing no more than 75,000 miles. Again Environment Canada is taking data based on U.S. gasoline which has completely different properties, most of which will affect NOx emissions. This was something I explained earlier when I referred to the testing done by the MVMA. We are relatively clear that our gasoline is different than that in the U.S. and that this would no doubt skew the results.

I am not a technical expert and so reading scientific data and making interpretations could only be general in nature. When we look at some of the ways MMT was tested it is clear there are many intervening factors and uncontrolled variables, the number one factor being the type of gasoline used in each of the tests.

Each side has an argument about what the other side did wrong, how its test design was inadequate or how unwarranted conclusions were made from the available evidence. I am sure if we were to bring both the MVMA and Ethyl together to debate their individual cases each would have no problem finding fault with each other's data and making circular arguments.

I now bring another player into this whole debate. All we have heard about so far are the auto makers and Ethyl. However, another key component to the equation is the refineries. Studies show the removal of MMT would significantly add to refinery costs for reformulating gasoline and increase the cost of the refining processes.

Refineries are required to achieve cleaner burning fuels but removal of MMT will cause refineries to increase refinery emissions and consume a greater amount of fuel which would require an expensive retrofitting process.

The Saskatchewan Ministry of the Environment and Resource Management stated in a May 1995 letter to Environment Canada:

> We are also concerned with the impact this decision will have on Consumers' Co–Operative Refineries Limited in Regina. CCRL has Advised us that refining costs will increase in the order of $500,000 annually if MMT is banned. We have difficulty rationalizing this cost with no identifiable benefit to air quality by this action.

This is a dollar amount from only one refinery. If we take into account other refineries the number would be extremely high. In the recent Kilborn study, which I understand the environment department has still not released, it is estimated the cost to refiners of replacing MMT in Canada would be approximately $100,000 million in capital and tens of millions of dollars for operating. Perhaps the minister will release this report as soon as possible so all Canadians can see the real cost of the implication of this legislation.

The Canadian Petroleum Products Institute, which represents the majority of the petroleum refining and marketing industry in Canada in the same way that the MVMA represents the Canadian Automobile Manufacturers, states:

> The MMT controversy is a technical issue between the auto industry and the petroleum industry that should be decided on the basis of science—The CPPI has repeatedly offered to participate in either a joint testing program or an independent scientific evaluation program, and to abide by the results, but all offers have been rebuffed.

Why should they when there is the appearance that the minister is in the pocket of the MVMA?

I learned on Friday that the American Automobile Manufacturers' Association is considering doing third party testing. Apparently the recent decision by the U.S. court of appeals has made it think twice. The Minister of the Environment should put an immediate stop to her legislation and let the key players work this out among themselves. I do not believe anyone would consider the Minister of the Environment a key player. Putting it simply, she appears to be an all too willing politician at the behest of the MVMA.

I want to point out to the minister there is still time left before she may become rather embarrassed. If all goes well for Ethyl the United States may have MMT included in its gasoline by the fall. If the minister decides to scrap the bill in the fall, she will appear as the minister who has been hasty and not on top of her responsibility to protect the public interest rather than the interest of those who contribute to her election campaigns. There will be no way of making amends at that time.

My suggestion is for the government to scrap this legislation and begin immediately with independent third party testing. The Reform Party would support the minister if she decided to do this and would support subsequent government regulations when science so indicates.

(2125)

It is time for the minister to be wise. However if the minister continues the stubborn course and proceeds with Bill C–94 we will have no choice but to oppose this legislation.

If the bill passes second reading the House standing committee must hear witnesses and provide a public forum for the scientific evidence to be displayed, not inside arguments made within ministries but out in the open. The merits of the bill must stand on their own. The bill must not be rammed through to respond to the government's friends and against available scientific evidence.

Mr. Ovid L. Jackson (Bruce—Grey, Lib.): Madam Speaker, I am pleased to participate in this debate tonight but I am dismayed with what I heard from the Reform Party and from the BQ. The fact they are not supporting our current producers of ethanol is very sad.

Both members accused our minister of not doing a proper job. I will probably clarify a lot of incorrect inferences they made about our minister. I will speak to the BQ critic of the environment from Laurentides. Are any cars produced in Quebec?

She talked about the lack of consistency with ethanol. Ethanol is a hydrocarbon. Petroleum comes from the Latin word petra, which means rock, and oleum, oil. These substances are extracted from the ground and cracked in refineries. My colleagues from the west would know all about that since they produce energy.

It has been said that one gallon of gasoline could actually take an automobile 460 miles if all the energy were utilized during that combustion process. We are moving closer to that kind of situation as on board diagnostic equipment kicks in, knowing how much fuel is coming in, exactly how to time the spark and exactly how to control the combustion in the engine.

With reference to ethanol discussed by the member for Laurentides, she was confusing an octane enhancer with a fuel. The member accused the Minister of the Environment of not acting in the best interest of the environment, which is exactly the opposite of what the minister is doing. The minister is protecting the environment. She is actually protecting customers. She is protecting humans from contaminants.

Contaminants from automobiles in places like Los Angeles, California, which is in a valley, are noticeable when there is a temperature inversion that causes photochemical smog. Photochemical smog is caused by an interaction of NOx gases from automobile tailpipes and certain atmospheric conditions with some sunlight.

If members opposite want to ask me a question I will be glad to answer any and all, including technical questions. I would be glad to tell them how a car works or exactly what the banning of MMT means.

I will explain to the House why we are taking action against MMT. It is a manganese based fuel additive used to increase the octane rating of gasoline. It has been used in Canada since 1977 as a replacement for lead in unleaded gasolines. The lead was phased out in virtually all Canadian gasoline engines by 1990. Octane rating is a unit of measurement established by the automative industry to determine the antiknock quality of a fuel.

When we talk about compression ratios in race cars it may be up to 10:1 or 11:1. In diesels it is about 20:1. In a diesel the air is compressed until it gets extremely hot, about 1000 degrees Fahrenheit, then fuel is introduced into that engine. In an automotive engine a spark plug is used to ignite fuel. In the case of a high compression engine the fuel becomes very unstable and will self–ignite.

(2130)

If a car engine continues to run after the ignition has been turned off, it is called dieseling. The reason it diesels is that maybe a spark other than the gasoline in the combustion chamber triggers it and allows it to run. It becomes very unpredictable. In order to stop the unpredictability an octane enhancer is used. That is partially what an octane enhancer does.

Who uses MMT? Just about every Canadian motorist does because Canadian refineries use it. The exact amount of MMT used may vary depending on the batch of gasoline. However, premium grade gasolines generally contain a higher dosage than regular grade gasoline. Canada is the only country that uses MMT. The United States for example banned it from unleaded gasoline in 1978.

The automobile industry is convinced that gasoline containing MMT adversely impacts the operation of sophisticated on board diagnostic systems. These OBD systems are important because they monitor the performance of emission control components in vehicles.

The automotive industry has made the decision that it will not accept the risk of increased warranty repair costs caused by MMT related damage. Some companies have even indicated they will disconnect the OBD systems in whole or in part and may reduce Canadian vehicle warranty coverage starting in the 1996 model year if MMT continues to be used in Canadian gasoline.

The cost of maintaining these systems are to be passed directly on to Canadian consumers. This is where the federal government comes in. Last October the Minister of the Environment urged both industries to voluntarily resolve the issue of MMT in Canada by the end of 1994 otherwise the government would take action. This deadline was subsequently extended into February of this year to review the automobile petroleum industry proposals.

The matter was not resolved so the federal government had to step in. This action is Bill C–94. The MMT issue is no longer an industry dispute. Its outcome can affect the vehicle emission programs we are putting into place. In the long term it could also negatively impact the automotive sector.

Successful resolution of the MMT issue will ensure that the environmental benefits are realized through the use of the most advanced emission control technologies. It will ensure that Canadians are offered the same warranty coverage as in the United States and will ensure that Canadian motor vehicle emissions control programs do not diverge from those in the United States.

This means that Canadians continue to benefit from the cost and technological advances in North American harmonized fleets. It means good news to Canadians and jobs for Canadians in the Canadian automotive sector. That is because diverging emission standards and differing anti–pollution equipment on Canadian cars will negatively impact the marketplace and decrease the competitiveness of the automotive sector.

We would also be faced with a situation where cars built in Canada that go south of the border could have more advanced equipment than those sold in Canada with better pollution controls on them giving better atmospheric conditions. That clearly is not acceptable.

Let us be clear about the economic impact of removing MMT. It will be small for the entire petroleum industry. Estimates for the cost of MMT removal provided by the industry range from $50 million to $83 million per year. Yes, it costs a little bit of money to clean up the environment. It means an additional .1 or .24 cents per litre increase at the pump. I may add that the on board diagnostic equipment gives better mileage so that may not necessarily affect the car. In fact the car may give better mileage because the systems are designed to do that.

Permit me now to take a few moments to explain some key highlights of the bill. Bill C–94 would prohibit the import or interprovincial trade for a commercial purpose of MMT or anything containing MMT. It will give the minister the power to authorize exceptions for MMT that would not be used in unleaded gasoline, subject to the monitoring requirement.

Coverage of the act can be expanded by an order in council to cover other manganese based substances. The act is binding on all persons and entities, including the federal and provincial governments. The enforcement tools are similar to the ones in the Canadian Environmental Protection Act.

(2135)

The penalties are strict. For the unauthorized import or interprovincial trade of MMT, the maximum penalty on summary conviction is a $300,000 fine and/or six months in jail and on indictment the maximum fine is $1 million and/or three years in jail. For knowingly providing false or misleading information on the importation or interprovincial trade of MMT, the penalties are the same but with a maximum of five years in jail instead of three on indictment. On conviction, as in the CEPA, a court can also order an additional fine equal to the monetary benefits resulting from the offence, prohibit conduct that may lead to a repeat offence and direct the offender to notify third parties about the contravention.

That gives members of the House an idea of what the government is proposing in Bill C–94. What does all this mean to our constituents?

I do not mind saying that I come from one of the most beautiful parts of Canada, the riding of Bruce—Grey. Thousands of others have said they enjoy driving up to beautiful Georgian Bay and visiting Owen Sound, Wiarton, Hanover, Walkerton, Flesherton or going across to South Baymouth on the *Chi–cheemaun* throughout the year. As happy as we are with the tourism that our region attracts, we are also very concerned with the toll increasing motor traffic is having on the fragile environment.

The people of Bruce—Grey want the government and the industry to take all necessary measures to make sure the thousands and thousands of cars and trucks that travel our highways and roads are operating as cleanly as possible. They want us to make sure that increased tourism and increased vehicular activity does not lead to an increase in environmental degradation. In Bruce—Grey we want to protect all we have, not just for our children but for their children, our economy and future generations of Canadian visitors.

The views and concerns of my constituents are no different from those expressed by other Canadians in all parts of Canada. Canadians expect us to do what we can to preserve the environment. They also expect us to protect jobs, consumers and Canadian automotive technology. That is what Bill C–94 does.

I would be glad and willing to answer any questions. There are no dumb questions on this subject because I know we are right to protect the environment. We are protecting our plants and animals. We are providing jobs in a sector that is extremely important to us and we are protecting the environment. We are protecting the air we breathe.

In California weather forecasting they talk about temperature inversions and harmful emissions from automobiles. In many forecasts people are told to stay off the streets because they could

actually suffer from eye irritation. This will not happen here if we allow these new technologies to be fed into the computer.

Just to recap, when we go into our modern cars and turn on the ignition we have these on board diagnostic systems that function. We have exhaust gas recirculation and a charcoal container that captures the hydrocarbons. At a gas station when someone puts the hose in the gas tank and drops of gas fall out, that is hydrocarbon emission. In the old cars there was a vent so they had to put in charcoal to stop it from getting into the atmosphere. They have PCV valves. They have catalytic converters. A catalyst is a device that will change the substances so we can manipulate what comes out of the tailpipe.

We are trying to protect the environment with the best technologies possible. We are trying to protect Canadian jobs. That is what the minister is trying to do.

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ELECTORAL BOUNDARIES READJUSTMENT ACT, 1995

NOTICE OF CLOSURE MOTION

Hon. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons, Lib.): Madam Speaker, I rise on a point of order. I wish to give notice that with respect to the consideration of Senate amendments stage of Bill C–69, an act to provide for the establishment of electoral boundaries commissions and the readjustment of electoral boundaries, at the next sitting of the House I shall move, pursuant to Standing Order 57, that the debate be not further adjourned.

* * *

(2140)

MANGANESE BASED FUEL ADDITIVES ACT

The House resumed consideration of the motion that Bill C–94, an act to regulate interprovincial trade in and the importation for commercial purposes of certain managese based substances, be read the second time and referred to a committee.

Mr. Bill Gilmour (Comox—Alberni, Ref.): Madam Speaker, the member gave a very eloquent dialogue on MMT. He based most of his discussion on the environmental aspects of MMT and said that it was banned in the United States.

Last week the United States district court of appeals issued its mandate ordering the Environmental Protection Agency to grant a waiver to permit the use of MMT in unleaded gas in the United States because it is clearly not an environmental hazard. What does the member for Bruce—Grey have to say about that?

Mr. Jackson: Madam Speaker, I am not a lawyer and lawyers have fun with these topics. This will be in the courts forever.

I do know that in the United States the EPA reasons are that MMT will cause certain medical problems. That is the major thing it is going with now. We have to understand that billions of dollars are involved. I am sure there will be campaigns, full page ads and what have you. It is the scientific community that has to deal with this. Sure there will be things going back and forth. The jury is still out on it. This dispute has been around for a long time. It is a legal one and I do not have an answer to it. I am sure that in the end the United States EPA will win out.

Mr. Paul E. Forseth (New Westminster—Burnaby, Ref.): Madam Speaker, the member for Bruce—Grey talked about a number of issues. He talked about standards and harmonization. He talked about MMT being banned. I think he also touched on the issue that Canada is the only country that uses it.

Our industry minister said in April: ''The member will know that MMT is not permitted in the United States by legislation. It is crucial that we have uniformity of standards''. The U.S. court of appeals has now ordered the U.S. EPA to grant Ethyl Corporation's application for a waiver, paving the way for the use of MMT in unleaded gasoline in the United States. Several U.S. refiners have provided written notice of their intention to use MMT. Uniformity of gasoline additives within North America would now require Canada to maintain rather than restrict MMT.

The member also talked about it being banned. The environment minister on May 5, 1995 said: ''The United States Environmental Protection Agency banned MMT in 1977 and since that time Ethyl Corporation has consistently tried to turn around the ban by court case after court case in which it continues to fail''.

MMT was not banned by the EPA. It is still used in the United States in leaded gasoline and after market products. It was used in unleaded gasoline during the crude oil shortages of the 1970s. In 1977 the U.S. Clean Air Act established a process requiring new fuel additives not substantially similar to gasoline to obtain a waiver by demonstrating compatibility with vehicle emission systems.

Ethyl of course undertook the largest fuel additives testing program in history which resulted in the EPA's conclusion in December 1993 that MMT will not cause or contribute to the failure of any emission control device or system. Contrary to the minister's statements in May the U.S. court of appeals ordered the EPA to grant a waiver approval to Ethyl Corporation on April 14, 1995. The minister was fully informed of this decision but did not say anything to this House.

Another comment was made by an Environment Canada news release on May 19: ''Canada is currently the only country in the world tht permits the use of MMT in unleaded gasoline''. MMT is approved for use in Canada, Argentina, Bulgaria and Ukraine. It is being actively considered for introduction in Australia, New Zealand and other countries in southeast Asia and around the world. These countries have closely monitored Ethyl's EPA fleet testing program and have noted the U.S. court of appeals ruling ordering the U.S. EPA to grant Ethyl's waiver application. Several U.S. refiners have confirmed their interest in using MMT in the United States.

If MMT is considered bad for automobiles and the environment, why then does the minister not ban the substance under the schedule in the Canadian Environmental Protection Act? Why can we not use CEPA to ban MMT?

(2145)

Mr. Jackson: Madam Speaker, first I would like to make a point of clarification. I forgot that I was sharing my time with the member for Simcoe North.

Some of the comments by the member for New Westminster—Burnaby were contradictory. He said that in the United States there is a court case going on with regard to the banning of MMT, yet he says that MMT is used. If MMT is used then we do not have a problem. I suspect that there are times when we would have to do that. There probably are old fashioned cars that do not use the highways as much. Certain facilities are made in order for those people to operate their vehicles. That may be one of the reasons they are using MMT.

The basic thing we are looking at here is as the member for Davenport explained, there are 18 automotive manufacturers that say that MMT will foul up the onboard diagnostic equipment. We are talking about Canadian consumers, and we must understand that the on board diagnostic equipment sends messages to the computer. These are all little electronic devices. If they become plugged and turn on the on board diagnostic lights, it will cause these cars to be taken in for repair. The manufacturer is going to get fed up with it and pull the plug, which they said they would do, and stop using the light, which is so important for these vehicles as the technology advances to the stage where you know when your car is starting to pollute the environment.

In the United States they have stickers and at certain times cars go in to be fixed. But the on board diagnostics show right away when there is a problem. The MMT will foul them up and render them useless. By doing that it impairs the pollution device it impairs the fuel economy of the car sputter, and it makes the car sputter and not function properly. It takes away that protection from the consumer.

That is what we are trying to do. The hon. member does not want to spend any money. If the manufacturers of MMT want to push this product and make it acceptable to the automobile manufactuers then let them get their scientists to make sure it works in a way that it does not do that. Let them do that, but the Government of Canada should not be spending money for that kind of stuff.

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Madam Speaker, I would like to ask the hon. member for Bruce—Grey to comment on the fact that in 1991 auto research laboratories did a study on various fuel formulations and tests showed that an addition of a small amount of MMT to a 10 per cent ethanol blend will significantly enhance environmental benefits by reducing emissions that contribute to ground level ozone and urban smog. The test demonstrated that with an industry average fuel MMT and the 10 per cent ethanol it reduced NOx emissions by more than 30 per cent. How would the member respond to that piece of evidence?

Mr. Jackson: Madam Speaker, basically by using exhaust gas recirculation. NOx emissions are caused by high combustion chamber temperatures. Therefore by using exhaust gas recirculation, which is triggered by the computer, it drops the temperature in the combustion chamber and we can regulate NOx that way through the standards that EPA expects.

[*Translation*]

Mr. Roger Pomerleau (Anjou—Rivière–des–Prairies, BQ): Madam Speaker, Bill C–94, as most of my colleagues have already well pointed out, is intended to prohibit the use of the product MMT in the production of gasoline. This product is a manganese–based additive used in practically all unleaded gasolines in Canada since 1977.

Before I start, I think I should point out that the research done by Health Canada indicates that the fears expressed by a number of groups regarding the harmful effects MMT may have on health are unfounded. On its own, this product does not harm the environment. However, and this is the crux of the matter and the reason the minister is putting Bill C–94 before us today, automobile manufacturers claim that MMT in gasoline clogs the anti–pollution devices, impeding their effectiveness and thus, indirectly, of course, harming the environment.

I listened earlier to my colleague for Davenport say that the only people with any interest in opposing the bill were MMT producers or distributors. This, however, is not quite the case. The major oil producers also have an interest in opposing it, and we will see why in due course.

(2150)

The oil producers claim in response to the automobile manufacturers that MMT means gasoline can be produced at a considerably lower cost in environmental terms at the refining stage. MMT requires less intensive processing and this means

less carbon dioxide, nitrous oxide, carbon monoxide and sulphur dioxide from the smokestacks of gasoline manufacturing plants.

In addition, MMT allows refineries to reduce the aromatic cycles in gas and thus benzene emissions. Caught between these two industry giants, the automobile manufacturers and the big oil companies, which are fighting each other, is the product distributor, Ethyl Canada, which, according to several analyses, has passed all the required tests and is said to be ready to put its product on the market in the United States where it was, as my hon. colleague from the Reform Party put it, partly banned.

In fact, on April 14, 1995, the United States of America Court of Appeal for the district of Columbia, rendered its decision in the case involving Ethyl Corporation and the Environmental Protection Agency, in which Ethyl contested the refusal of the agency, on July 13, 1994, to meet its request to put an end to the banning of MMT in unleaded gas.

The court decided and I quote: ''The administrator of the Environmental Protection Agency has broken the clearly stipulated conditions of clause 211 by rejecting the request of Ethyl to put an end to the banning of MMT for public health reasons''. The court added that since Congress had given the agency the mandate to evaluate, only in terms of emissions, what is implied by some of the requests to stop banning a product, and since Ethyl had met the requirements concerning the emissions, the administrator of the agency had exceeded his powers by rejecting the request made by Ethyl. Because of these facts, the court sent a direct order to the agency which will, as the court said, have to grant Ethyl its request to remove the ban on its additive.

Therefore we can see that, in any event, the United States is getting ready to put MMT back in circulation in a few months. The court's explanation was as follows: ''As regards the arguments made by the American Automobile Manufacturers Association against the opinion of the Environmental Protection Agency according to which MMT does not affect in whole or in part the proper operation of the emission control system in vehicles, the American court ruled that those arguments had no value at all. First of all, the court emphasized that the agency had established that ethyl used as an additive had easily passed tests required in all the most stringent studies ever conducted''. The court is referring here to statistics.

The court also noted that ''the Environment Protection Agency has examined, using more restrictive criteria, Ethyl's data on the use of the additive in more technologically advanced vehicles'', and the court found that the agency had detected no significant emission increase, that is no increase which could reasonably be attributed to a sampling error.

As for the allegation by automotive manufacturers that MMT interferes with the operation of OBD–II systems, the court said in its ruling that ''the EPA had reasonably refuted the doubts of the three automotive manufacturers concerning the effect of MMT on these systems''. The court went on to say that ''under the Clean Air Act, the EPA still has the authority needed to establish these facts''.

(2155)

As a result, Ethyl intends to reintroduce MMT on the U.S. market very soon, once registration matters have been settled.

Faced with this, the Canadian Petroleum Products Institute has recommended—as have the hon. member from Davenport and my colleague from the Reform Party—that a committee of independent experts be asked to settle the issue.

Not too long ago, Claude Brouillard, president of the institute, said, and I quote: ''We have solid scientific and technical data supporting MMT and its use in Canada''. However, as some players question these facts, we are prepared to submit this issue to an independent committee of experts and to abide by their decision. We hope that the federal government, the automakers and the product manufacturer will endorse this proposal''. This comes from the Canadian Petroleum Products Institute. Therefore, the manufacturer of MMT is not the only one dissatisfied with the decisions which are being made.

As well, Mr. Fisher, chairman of the board of this institute, sent the following letter to the Prime Minister. I will read some paragraphs in English. Mr. Fisher wrote this:

[*English*]

''The Canadian Petroleum Products Institute, which represents the vast majority of the petroleum refining and marketing industry in Canada, is strongly opposed to the announced plan of the government to legislate a ban on imports of the gasoline additive MMT.''

''We understand that the proposed legislation will be presented to Cabinet soon. This proposal is being justified under the banner of harmonization with the United States, but actions currently under way in the U.S. are leading towards the probable reintroduction of MMT into unleaded gasolines.''

''The MMT controversy is a technical issue between the auto industry and the petroleum industry''—he is quite right—''an issue that should be decided on the basis of sound science. It does not require a legislative solution and it is not appropriate for your government''—the letter was addressed to the Prime Minister—''to be taking the action at this time. We submit that the process followed by your government has been seriously flawed.'' So wrote the petroleum producers, not the company producing MMT.

''When the Minister of Environment first spoke publicly on the issue, she prbably stated that the issue should be resolved by the two industries. The minister then went on, however, to declare that in the absence of an agreement she would legislate MMT out of gasoline. By declaring the outcome, any incentive for the auto industry to cooperate in a joint scientifically based testing program was removed.''

''The CPPI has repeatedly offered to participate in either a joint testing program or independent scientific evaluation program and to abide by the results''.

The chairman went on as follows:

''There are demonstrated environmental, economic, and energy efficiency benefits from the use of MMT. We do not believe these benefits should be lost to Canada without a sound database on information to demonstrate that the allegations of the automakers against MMT are valid. To date, this information has not been forthcoming. Indeed, as the U.S. Court of Appeals recently decided, the U.S. Environmental Protection Agency has accepted that automakers have not demonstrated their case against MMT.''

''Given the probability of MMT being reintroduced in the U.S., the lack of a sound scientific case against MMT, the benefits of the additive and the flawed process of political development, we strongly urge the government to not proceed with the proposed legislation to ban imports of MMT.''

(2200)

[*Translation*]

Clearly, it is not only refining and marketing companies that find this bill premature, at least in its present state, as is now being submitted to us today.

In spite of all the adverse opinions, the minister is still presenting her bill which settles, or tries to settle the question by banning MMT. I think, as my colleague the member for Laurentides said earlier, that they want to give a chance to the ethanol program.

On December 21, 1994, the federal government announced a new program that would promote the extraction of ethanol from biomass. According to the Minister of the Environment, in accordance with her policy on agriculture and with the government's will to develop an innovative economy, the government will implement the national program on biomass ethanol to promote private sector investment in that industry.

Again according to the environment minister, the national program on biomass ethanol shows that the government is quite determined to encourage the production and the utilization of renewable fuels wherever it is advantageous from an environmental and an economical standpoint. Apparently, that would be a step forward in setting up, in Canada, a renewable energy industry. The program provides for the establishment of a reimbursable line of credit guaranteed by the federal government, to which a limited number of eligible applicants would have access. A total amount of $70 million would then be offered under certain specific conditions between the years 1999 and 2005. We can see that there is a real desire on the government's part to promote ethanol in any way possible.

However, my colleague from the Laurentides asked a very relevant question. What would be the point of banning MMT if we are to spend money to use ethanol as a new gasoline additive? I think that question deserves to be studied in committee. Indeed, this little bill, apparently quite simple and quite insignificant, might have an extremely serious and complex impact.

I was listening to my hon. colleague opposite who was telling us about technical considerations behind this project. The fact is that there is a complex technical problem with various consequences. My colleague was remarking that ''there are billions behind this'', and he is absolutely right. When billions of dollars are at stake, we should at least think about the reason why the bill is put forward.

The Bloc will reluctantly support this bill at second reading, with so many reservations that it will not be real support. We hope to review it thoroughly in committee.

I hope the committee, both the staff and the members, will take the time to make a careful study of this issue, as my colleague from the Reform Party was asking for.

We will conduct a study that will be as exhaustive as the government will allow, because there are too many different interests at stake in addition to technical points about which decisions must be made. To do so, we will need complete explanations from some players who are independent, in some way, in the analysis itself, because they are not part of it.

But during the whole time this bill is studied in committee, we will keep in mind that Quebec as a whole has often been a loser to date, in terms of investment in the energy sector, and in all possible ways.

I would like to give the establishment of the Borden line as an example. Those who sat in the House, or were interested in politics at the time, remember very clearly that, in the early 1960s, international oil prices dropped so dramatically after worldwide overproduction, that western Canadian oil prices far exceeded oil prices on foreign markets. Refineries in the east end of Montreal, almost all of which are in my riding or very close to it, refused to buy oil from western Canada because it was so expensive.

(2205)

At that point, western oil producers complained and asked the federal government to find a solution to their problem. The government appointed the Borden commission. That commission, which had no representative from Quebec, decided that a line would be set, the Borden line, giving western Canada a captive market, that is the region west of the Ottawa River, and that a pipeline would come to Sarnia. It also decided that eastern refiners, that is Quebec refiners, would have to get their oil from that pipeline. Consequently, within a few years, the whole petrochemical industry was transferred from eastern Montreal to Ontario. Quebecers, who were refiners and sellers of finished oil products, became buyers of refined products from Ontario.

This is a clear case, in the energy sector, of Quebec being deprived of an economic activity which it had developed.

This morning, I was listening to the hon. member for Longueuil. He was quite right when he said that all the major investments made in recent years in the energy sector, including CANDU research, amount to about $12 billion. Indeed, billions of dollars are invested in projects such as Hibernia, but not one penny was ever spent on hydro projects in Quebec.

Before concluding, I want to remind this House that 23 per cent of the money invested elsewhere than Quebec comes from Quebecers. We want to look at every side of the issue, and we hope that the committee will give us the opportunity to meet all those concerned with this issue.

[*English*]

Mr. Paul DeVillers (Simcoe North, Lib.): Madam Speaker, the hon. member made reference to the District of Columbia circuit court decision, as have previous speakers.

I have a fax statement I would like to read and ask the member a question. It is fax from the EPA to Environment Canada that reads:

> EPA has just learned of the D.C. circuit's decision requiring the agency to grant a fuel additive waiver for the manganese–based gasoline additive MMT. The agency is disappointed in the court's decision that EPA cannot consider health effects in deciding whether or not to grant these waivers.
>
> This decision does not mean that unleaded gasoline containing MMT can now be sold. The Clean Air Act also requires that all new fuel additives, including MMT, must be tested and their health effects studied before they can be registered for use.
>
> In 1994 EPA issued rules implementing this requirement that will govern the testing of MMT. MMT is not currently registered for use in unleaded gasoline. The agency will therefore require the testing concerning potential health effects of MMT be completed prior to its approval for this use.

[*Translation*]

I would like to know whether the hon. member is aware that tests will have to be completed before MMT can be used in the United States.

Mr. Pomerleau: Madam Speaker, I was not aware of that. A Health Canada study showed that MMT is not a threat to health and the environment. We will find that report for my colleague. Mind you, reports coming out of Health Canada are not always reliable.

For example, UFFI was supposed to be fabulous. People had to spend billions of dollars to remove the stuff from their homes. Let us remember also the thalidomide and silicone breast implant problems. I always take what comes out of Health Canada with a grain of salt. Health Canada tells us that MMT is not a health hazard.

My colleague's question underscores an obvious fact. We are dealing here with an extremely complex issue that has implications in health, technology, and chemistry. Those who will examine this issue in committee will have to rely on experts to understand all the aspects of it.

(2210)

Mr. Jean–Paul Marchand (Québec–Est, BQ): Madam Speaker, I would like to mention a rather interesting phenomenon. Listening to this discussion in the House concerning additives to the gas used in cars is a reminder of where the federal government is at compared to Quebec. In Quebec the electric car has been invented. An inventor in Montreal by the name of Couture has reinvented the wheel.

He has developed an electrical system by equipping each wheel with a motor, making this car the car of the future. Pollutants will be eliminated because, as we know, the whole discussion around MMT involves whether or not it pollutes, whether or not it is detrimental to health. In Quebec, we will eliminate pollutants. We will eliminate exhaust pipes. This will be a car without an engine. This electronic car is a major step forward for the entire world, and it began in Quebec.

Once again, this shows how Quebec has made progress in this field, as it has in many others, in trying to come up with the best, environmentally friendly solution for a healthier society. I was curious to know if the hon. member agreed with me that Quebec is already a frontrunner in the search for a solution to all these questions of gas and pollutants.

Mr. Pomerleau: Madam Speaker, I found my colleague's remarks most interesting, as I was just speaking about this this morning. In fact, whenever we look at gas and additives to it such as MMT, ethanol or whatever, we are looking at chemical roducts, all of which, in one way or another, pollute. Take ethanol, which is not supposed to be a pollutant. Its manufacture from corn and fertilizers will damage the soil.

So the electric car, which needs no gas or other fuel, is an unprecedented opportunity for Quebec to take the lead in technology that does not exist anywhere else. I think that the people who are asking us for our vision of society see this as part of that vision. We could very well decide to electrify all our public transportation in Quebec, the buses travelling between cities and, gradually, all cars, and develop our own technology, which we could eventually export, especially now that we are the largest producers of electricity.

So I think my colleague is right, it is a key to the future, one which, in our case, will mean that in a few years we will no longer be wondering about chemical products, with their inevitable repercussions.

[*English*]

Mr. Ovid L. Jackson (Bruce—Grey, Lib.): Madam Speaker, my colleague from Anjou—Rivière–des–Prairies poses an interesting question. I would like to ask him a question.

It is said that energy cannot be created or destroyed, it can only be changed from one form to the next. Nothing is free. Electric technology is still in its infancy. Battery technology is getting better but only for short runs. However, when we build hydro dams there is environmental damage. If we move to nuclear, there are costs as well. There are no free rides. We cannot say that electric cars are a panacea. They may become part of the mix of transportation systems but there are costs.

For instance, in the 1960s the demand for hydro power was doubling every 10 years. There are costs. Nothing is free. The automobile will still be there and we will still have to contend with the way it performs and try to improve it.

Mr. Bill Gilmour (Comox—Alberni, Ref.): Madam Speaker, I am pleased to speak to this bill today. Bill C–94 proposes to regulate interprovincial trade in and the importation for commercial purposes of certain manganese based substances.

(2215)

Before I go any further, let me clarify for the House what MMT is. MMT or methylcyclopentadienyl manganese tricarbonyl is a fuel additive. I am really pleased I had my two years of organic chemistry in order to be able to fumble through that. I will be using MMT for the rest of my speech.

MMT is a fuel additive which boosts the octane of gasoline and increases its efficiency. It has been used since 1977 in almost all Canadian unleaded gasoline.

MMT was introduced as an additive to gasoline when lead was banned and its addition has proven to enhance the effectiveness of fuel and has shown environmental benefits. This bill is designed to eliminate the use of MMT which is a lead replacement in unleaded fuels.

Bill C–94 allows the minister to authorize an exception for MMT. It will not be used in unleaded gasoline subject to monitoring requirements. Coverage of the bill can also be expanded by order in council to cover other manganese based substances and the bill will be binding on all persons, including the federal and provincial governments.

The penalties for unauthorized import or interprovincial trade of MMT are harsh and range from a $300,000 to $1 million fine and six months to three years in jail. That is pretty stiff.

I have several concerns with the bill. I am concerned about the government initiative in this matter in the first place. The government should not be interfering into private disputes between businesses. That is what this is. It should be resolved between the concerned parties and not by government legislation.

I am also concerned about the lack of research behind the bill. The government has refused to conduct an independent technical reviews to address the issues in dispute, as suggested by several provinces, gasoline refiners and the manufacturers of MMT. Instead the government is legislating a ban on a product without any proper investigation.

This is a technical industry issue which can only be resolved through an independent technical review, not by subjective government action. Reform has been very clear that it does not want to take sides on the issue. It has met with both sides, Ethyl and the Motor Vehicle Manufacturers Associations, MVMA, and both sides appear to have credible arguments. Both sides have run exhaustive tests and come up with two different and contradictory results. This is why Reform feels that there is a need to run a third party independent test on the product before any conclusions are reached.

I am concerned that the bill is going ahead despite the fact that government does not have any conclusive evidence that MMT has an adverse effect on the environment. The minister's claim that MMT has been linked to increasing vehicle repair costs to the engine and emission control systems are unfounded. There is no external evidence to support any claim that the removal of MMT will decrease repair costs to the motorists.

The minister also claims that MMT causes on board diagnostic units to malfunction in the new 1996 cars. There is no evidence to support this either. The MVMA claims to have data to support this claim, but Ethyl says that test results from the largest EPA approved fuel additives testing program in history demonstrate that contrary to claims by the MVMA, MMT in Canadian gasoline is fully compatible with the new on board diagnostic catalyst monitoring systems.

Again, no independent third party testing has been conducted in Canada on MMT and the 1996 on board diagnostics. There is also no evidence to support claims that MMT damages the life of

emission control equipment or that the use of MMT in gas increases fuel consumption or pollution.

This legislatio is based solely on the evidence developed and put forward by the Motor Vehicle Manufacturers' Association, one of the parties directly involved in the dispute. Again, none of the evidence has been subject to third party analysis.

The Motor Vehicle Manufacturers' Associations has not made their evidence available to the general public. One has to ask why. Of what are they afraid?

(2220)

When asked in the House of Commons for evidence to support this legislation, the minister side stepped the issue, refusing to bring the evidence into the open. Why? Clearly because the minister does not have sufficient evidence.

In fact there is evidence that appears to point to the contrary. Health Canada conducted a study in December 1994 which concluded that the current use of MMT does not harm Canadians. The report stated: ''All analyses indicate that the combustion products of MMT in gasoline do not represent an added health risk to the Canadian population''. Evidence provided by Ethyl Corporation, the manufacturer of MMT, also contradicts the conclusions of the MVMA.

It is important to note the method the government is using to implement this ban. The legislation proposes to ban MMT through a trade restriction, not an environmental ban. It is important. Why? Because the government has no legislative grounds to remove MMT for health, environmental or technical reasons. If there is something environmentally wrong with MMT then use the Canadian Environmental Protection Act. Do not use a trade ban. There is something wrong with this picture. If the government is going to ban a substance it should have conclusive evidence that will support the ban which it does not have.

I am concerned about the precedent set by this bill of government interfering in business. The two concerned parties, industry and Ethyl, are both making contradictory claims and have been unable to smooth out their differences on their own.

Before the environment minister stepped in, the two sides were close to negotiating an understanding to bring in third party testing, which is what we want. However, the minister's interference in this issue has brought matters to a standstill. As soon as one side felt the minister was on its side, all talks were broken off. Rather than helping the situation the minister's interference hindered the course of events.

I am also concerned that Bill C–94 sets a precedent for business to drive the government agenda. The MVMA has threatened to raise automobile prices and to withdraw automobile manufacturers across the border if these companies do not get their way. This bill is clearly the response.

Government should not be responding to unfounded threats from the business community with legislation. This is no way to run the country, although it may now be the new way of Liberals doing business.

My concern with Bill C–94 is not who is right or wrong. I do not feel I can take a position on the issue because at this point there is not enough evidence to support one side or the other. My concern with the bill is the manner in which decisions are being made by government. Government should not be making decisions until there is clear third party, unbiased evidence on the table. There needs to be a fair and independent technical review of the facts.

Given that most automobile manufacturers are based in Ontario it is clear why the government has chosen to support the Motor Vehicle Manufacturers' Association in this dispute. Lobbying is the issue here, not MMT.

Government should not base its legislative decisions on lobbying or on where it feels its election interests may lie. MMT is the only gasoline additive available in Canada that is capable of reducing nitrogen oxide emissions by as much as 20 per cent. Nitrogen oxide emissions cause urban smog. A ban on MMT could have the equivalent effect of adding one million cars to Canadian roads by the year 2000 if we do not have an equivalent replacement.

If a replacement for MMT is not identified, its removal from gasoline will prove to be more environmentally detrimental than leaving it there in the first place. This should be of concern because it appears that environment department officials do not know what will replace MMT. This bill only allows six months for its ban to be effective. Six months does not allow enough time for industry to adjust.

Canadians should also be concerned about the cost of the legislation on the individual consumer. It is estimated that taking MMT out of gasoline will cost an estimated $109 million in capital costs and tens of millions of dollars for operating costs. These costs will be dumped on the consumer which will mean an increase in gas prices.

(2225)

Several provinces have voiced their opposition to this bill. I wonder how the government justifies the restriction of import and interprovincial trade of MMT with Bill C–88 which proposes to remove interprovincial barriers to trade. Again it does not fit.

The spirit and intent of Bill C–94 represents a unilateral interference into provincial affairs. The province of Alberta has stated that Bill C–94 contradicts the energy chapter of the agreement on internal trade. Article 1209, section 1 states that

no party shall restrict, prohibit or hinder access to its petroleum markets or its petroleum products markets.

Alberta has questioned the environmental benefits of removing MMT and has demanded a fair and timely process to resolve the dispute. Saskatchewan's deputy minister of environment has stated the MVMA has not convinced Saskatchewan and the majority of provinces that there is any evidence to show MMT has an adverse effect on the on board diagnostic systems.

Why is the Minister of the Environment ignoring these concerns shared by Alberta, Saskatchewan, Nova Scotia and New Brunswick? Could it be that perhaps she is in the pocket of the auto industry?

I am also concerned that the environment minister's actions directly contradict what is currently taking place in the United States. The Americans have recently overturned the Motor Vehicle Manufacturers Association's evidence, the same evidence on which the proposed legislation is based.

Let me repeat that because it is important. The Americans have recently overturned the MVMA evidence, the same evidence on which the proposed legislation is based. The 19–year prohibition of MMT was recently lifted by an U.S. appeals court because the evidence of its effect on the environment has been shown to be inconclusive. Last week the United States district court of appeals issued its mandate ordering the Environmental Protection Agency to grant a waiver to permit the use of MMT in unleaded gasoline in the United States.

This reaffirms the findings that MMT does not cause or contribute to the failure of any emission control system or damage the environment. The order to grant a waiver follows from extensive program testing of the fuel additive.

I am concerned that the minister is jumping the gun with the bill. It appears that MMT will probably be reintroduced into the United States this fall. At the same time, the minister is taking action to ban the product in Canada. It simply does not make any sense.

Actions in the United States put a large question mark on the efforts of the environment minister to ban MMT in Canada. We have to ask again, why?

In conclusion, I would like to make it clear that I do not support this legislation. I do not support legislation based on lobbying and threats, and I do not support legislation that fails to obtain a fair and independent technical review of the facts.

If this legislation is to go forward, I agree with my colleague that it must go to the environment committee. Extensive witnesses from both sides should be called. The only way that this can be solved is a clear third party independent study to find out what are the basics.

Mr. Paul DeVillers (Simcoe North, Lib.): Madam Speaker, I would like to ask the hon. member a question. The hon. member for Westminster—Burnaby before him made the allegation that the minister is in the pocket of the motor vehicle manufacturers.

If that is the case, I would like to ask the hon. member why it is that MMT has been disallowed for use in leaded gasoline in the United States since 1978? Was the EPA in the pocket of the motor vehicle manufacturers as well?

Did he not hear the statement that was read containing the facts from the EPA to the effect that the granting of the waiver does not permit the use of MMT in unleaded gasoline? It was simply a technical decision made by the District of Columbia circuit court to the effect that the EPA could not consider health effects in deciding whether or not to grant these waivers. The issue of using MMT still will be the subject matter of extensive testing on health effects.

(2230)

Mr. Gilmour: Madam Speaker, on the first point, about the minister being in the automakers' pocket, clearly this whole process is coming forth through pressure from the automakers, many of whom are in southern Ontario. The pressure is there. The minister has bowed to the pressure, and that is unfortunate.

In terms of the waiver, the minister is making my point, in that what we require is a third party independent look at this situation. I will go back to my former life and use 2,4–D as an example. The member for Davenport will understand the background. No matter which side of the issue, whether the banning of 2,4–D or the use of it, either side could get as big a pile as they wanted of the evidence. It was very difficult to get a clear, independent, middle of the road decision. This is what is required. I believe this is what the Americans are fighting for on this waiver. Again they are just bowing to saying this is exactly what we want.

Hon. Charles Caccia (Davenport, Lib.): Madam Speaker, to the hon. member for Comox—Alberni, for whom I have the greatest respect, no matter where the automotive industry is located, the industry serves Canadians from coast to coast, regardless of their location.

Here we are talking, among other things, of meeting the requirements of the customers in terms of warranty and in terms of the ability of the car owner to determine whether through the diagnostic system the anti–pollution devices can work or not.

The hon. member is shaking his head, but that is a fact. If he has more information to add, I would be glad to listen to him in this debate.

The member for Comox—Alberni spoke about the importance of independent testing. I am told that independent testing has been carried out by both sides of the debate, by the car manufacturers as well as by the petroleum industry. How much more independent testing does the member for Comox—Alberni want? Does he realize that testing is expensive, that it takes

time? And while further tests are taking place, as proposed by him, the manufacturing industry is in the process of producing the diagnostic devices, which will then not be switched on or connected if the MMT additive is not removed from gasoline. Therefore everybody will be losing in the process.

Has the member for Comox—Alberni given any thought to all the consequences of his suggestion flowing from further independent testing?

Mr. Gilmour: Madam Speaker, I thank the member for Davenport. We are on the same committee and I have a great amount of respect for the member.

In terms of the diagnostics and the unit that is already being made, I view this as industrial blackmail in that the automakers are saying they already have it on board and since it is already made we have to change the legislation. That is just absolutely wrong. We cannot have the automakers or any industry in Canada ruling the government which is what they are attempting to do here.

Again I will go back to my independent study. The member says that both sides have their studies. I agree but where is the independent study that is in the middle?

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Madam Speaker, if some months ago someone had come to me saying that a political party in this House with a strong rural base is going to be advocating a position in favour of prolonging the use of MMT in Canada, I would have said to such a person that obviously they were wrong, that could not possibly be true.

(2235)

Tonight we have in this debate something rather unusual happening. I submit this to the House and invite my colleague to respond.

I represent an agricultural constituency where corn is produced. With the use of ethanol there is little or no need for MMT. I understand there are other substitutes as well that produce octane enhancement.

The member opposite was challenging the hon. member for Davenport a moment ago in advocating that we need further independent tests. What kind of a reason do we have to prolong this product, which is largely if not totally made outside of the country, banned in the country where it is manufactured, used in this country principally because it is banned where it comes from, and furthermore damages motor vehicles, the health of Canadians, and does no good for the agricultural industry in Canada on top of that? With that kind of evidence, how much more independent testing do we need before we realize there is damage being done to cars, the health of Canadians and the agricultural industry? Why is the member supporting it given that kind of evidence?

Mr. Gilmour: Madam Speaker, the member simply backs up my point. There is a U.S. ban that has been overturned by the court of appeal and members on the other side fail to recognize that. They just seem to think that it will go away, and here we have an industry that is pushing forward.

The member was pushing the ethanol industry. Ethanol is fine. It is one of the additions, but it is not the answer. It takes more energy to make ethanol than it does to make gasoline. It is certainly part of the formula, but it is not the answer.

The hon. member was saying that he was surprised to see a member opposite stand up with this point of view. Again, it simply shows that the other side knows very little about where the Reform Party is coming from. They are going to see an awful lot more of the Reform Party. I am putting them on notice.

Mr. Boudria: Madam Speaker, if there is still time I want the hon. member to respond to the following.

Last year I was forced to replace my car. As part of the new car warranty I was told by the dealer that in Canada the oil in that particular model has to be changed every 6,000 kilometres, versus every 18,000 in the United States. I asked the dealer why. The only reason I was given was that the gasoline additives we use in Canada cause damage to motor vehicles.

I ask the hon. member how he could possibly be promoting and supporting the production and sale of a product that has been banned in the United States and somehow is still legal in Canada, given the damage it does to cars as well as to all the other things I mentioned previously? Does he not see that this product is not desirable for our environment, for motor vehicles, or for the health of Canadians? It does all this harm and the member opposite, for reasons I do not understand, says that all of this does not matter. It has not been used for years and years in the United States, and now, just because there has been a recent court decision, notwithstanding the fact that it has not been used in heaven knows how long, all of a sudden he takes a position in favour of this particular product which was banned south of the border.

(2240)

The Acting Speaker (Mrs. Maheu): A very brief answer, the hon. member for Comox—Alberni. Your time has expired.

Mr. Gilmour: Very briefly, Madam Speaker, I will just sum up. What can we expect from a member who is going to take his advice from a used car salesman?

Mr. Paul DeVillers (Simcoe North, Lib.): Madam Speaker, I am pleased to have the privilege to speak to this Chamber about Bill C–94, the Manganese–based Fuel Additives Act.

[*Translation*]

Before addressing specific elements of Bill C–94, I would like to say a few words about some environmental concerns of mine regarding what the government has already done and, more importantly, what it is going to do in this area.

Allow me to underline a few facts supporting my concerns. World population is increasing at the rate of about 90 million people every year. In the last 150 years, it has climbed from 1 billion to 6 billion. According to projections, it will reach between 10 billion and 14 billion in the years 2000 to 2050. From 1960 to 1990, economic activity grew at a compounded annual rate of 3.8 per cent. The growth rate in any given year exceeded in absolute terms the global economic activity in Europe in 1939.

[*English*]

Clearly at the heart of our environmental concerns lies the historical trend of unprecedented expansion and acceleration of human activities that now threaten vital components of the earth's ecology. Major impacts include forests vanishing at the rate of 17 million hectares per year, 6 million hectares of productive dry land turning to desert each year, 140 plant and animal species becoming extinct each day, and air and water quality on a global scale is declining at an equally alarming rate.

The bottom line of all this is that the combined impacts of population and these other pressures cause environmental capacity limits to be exceeded locally, regionally, and globally. It is now clear that without some major shifts in policies and practices a continuation of these trends is ecologically unsustainable.

Clearly with our current transportation practices we are not winning the war. Canada has launched a number of initiatives to limit pollution from motor vehicles. We have eliminated the use of lead additives in gasoline. No longer will we have to worry about the potential threat to health, especially to the health of our young children, that the presence of lead in gasoline posed.

As of last fall we have reduced the sulphur content of diesel fuel, which when used with more technologically advanced engines will reduce the emission of particulates and black smoke emanating from large trucks and buses.

[*Translation*]

In the red book, the Prime Minister supported the development of renewable energy technologies. To this end, the government has launched the national bio–ethanol program. Announced last December, this program will support the development of ethanol production through a refundable line of credit to qualified candidates who want to establish bio–ethanol fuel production plants in Canada.

The program, which will be managed by the Farm Credit Corporation, will guarantee up to $70 million in loans between 1999 and 2005. In other words, the government will help only those renewable energy companies that initially invest their own capital and resources. There will be no subsidy, no megaproject. The government will lend its assistance only after the private sector has invested its own capital for five years.

[*English*]

This is the fiscally responsible way to help turn wood chips, straw, grain, and other biomass waste into energy that can be used to fuel our vehicles.

Properly blended ethanol gasoline can reduce carbon monoxide emissions, which degrade urban air quality, can reduce carbon dioxide emissions, which are the primary source of greenhouse gases, and can also reduce benzene emissions, a substance declared toxic under CEPA, into the atmosphere. The program is targeted to encourage ethanol production in every region of the country.

(2245)

This is a sound example of the concept of sustainable development. We can deal with an environmental problem and create jobs at the same time.

Our standards for exhaust coming out of the tailpipes of our cars and trucks are among the most stringent in the world. These standards set strict limits of nitrogen oxides which contribute to acid rain and are a key component in the formation of smog. They also set limits on the amount of hydrocarbons, another major contributor to smog, cars can emit and on carbon monoxide.

[*Translation*]

While pollution created by individual cars and trucks has gone down significantly, these vehicles are still a major source of air pollution, since their number has increased considerably. They are said to be responsible for 60 per cent of carbon monoxide emissions in Canada, 35 per cent of nitrogen oxide emissions, and 20 per cent of emissions of carbon dioxide, the greenhouse gas primarily responsible for climatic changes.

This is why my colleague, the Deputy Prime Minister and Minister of the Environment, is going ahead with a number of initiatives, including a comprehensive program designed to control pollution caused by motor vehicles. To that end, the federal government is pursuing a strategy to control motor vehicle emissions. That strategy includes, among other measures, the implementation of more rigorous standards to control exhaust emissions. This requires advanced technology, such as the sophisticated systems developed by Diagnostic Inc.

[E*nglish*]

However there remains one obstacle to the introduction in Canada of the next generation of emission control technologies, the continued presence of MMT, an octane enhancer presently used in unleaded gasoline. Bill C–94 calls for a ban on the import and interprovincial trade of MMT. MMT is not manufactured in Canada but imported from the U.S.

In Canada the use of MMT as an octane enhancer is allowed in unleaded gasoline up to the maximum of 18 milligrams of manganese per litre. In the United States the use of MMT in unleaded gasoline has not been allowed since 1978. We have heard much discussion this evening about the case in the District of Columbia where the waiver has been ordered to be issued by the EPA to the manufacturers of MMT, but this does not allow the use of MMT in unleaded gasoline in the United States.

The automobile industry is convinced MMT adversely affects the operation of these advanced emission control technologies. All the domestic manufacturers and automobile importers agree that MMT adversely affects their sophisticated on board diagnostic systems.

These systems are planned for introduction on new Canadian vehicles starting in the 1996 model year vehicles. On board diagnostic systems will monitor the emission control components and alert the driver to a malfunction. This equipment could ensure that automobiles are properly maintained, resulting in decreased tailpipe emissions and improved fuel economy. In other words this is one more important tool to help us address pollution, including urban smog and climate change.

[*Translation*]

Clearly, reducing motor vehicle pollution requires a concerted effort on two fronts: first, improvements in motor vehicle emission control technology such as those allowed by the advanced systems used by Diagnostic Incorporated, and second, improvements in the composition and properties of fuels.

[*English*]

Therefore the government cannot allow MMT to compromise the ability of Canada's auto industry to design and deliver vehicles to Canadians that can achieve important pollution reductions. Canada's environment and Canadian consumers have the right to the latest emission control technology available. This is especially apparent when this same technology will be offered to American consumers starting with the 1996 model year because the United States presently has MMT free fuel.

(2250)

[*Translation*]

To repeat what the Deputy Prime Minister stated, we cannot wait any longer. It is now time for action. Any additional delay would threaten the federal emission control programs.

[*English*]

In summary, this action is pro–consumer, pro–business and pro–environment. Therefore, I urge all members to support this action.

Mr. Paul E. Forseth (New Westminster—Burnaby, Ref.): Madam Speaker, I have listened to a number of speakers from the government side and to their rationalizations and explanations. I want to further respond because a lot of questions remain unanswered. In my questions and comments I will put some more questions and maybe we will get some answers. I have a dozen questions.

Why has the government refused to conduct an independent technical review to address issues in dispute as suggested by Ethyl, Canada's gasoline refiners and several provinces?

Having refused an independent technical review, how can the government justify removing MMT when the claims and concerns of the MVMA about MMT and vehicle emission systems, including the new OBD systems, have been considered and rejected by the U.S. EPA and the U.S. court of appeals?

Why would Canada ban the import of MMT as it is about to be reintroduced into unleaded gasoline in the United States? Why would the environment minister have chosen to address this issue by restricting trade?

How does the government square the restrictions of import and interprovincial trade of MMT with legislation currently before the House of Commons to remove interprovincial trade barriers?

Why is the government ignoring opposition and concerns expressed about this unilateral federal action by the provinces of Alberta, Saskatchewan, Nova Scotia and New Brunswick?

How can the Minister of the Environment support an action which studies conclude will result in an annual 50,000 to 60,000 tonne increase in smog causing NOx from Canadian vehicles?

If MMT is replaced, what will the replacement be and what will the cost to consumers and refiners be? What are the environmental and health impacts of potential replacements? Why have the Minister of the Environment and all major automobile manufacturers refused to meet with Ethyl Canada?

What pre–1996 models have been impacted by these alleged MMT related problems and what specific MMT related warranty claims have been made and why have the manufacturers not notified consumers before?

Why did the MVMA turn down a specific proposal for a technical review of alleged MMT related problems made by key executives representing petroleum refiners and automobile makers at the joint industry task force in 1993?

How can the Minister of the Environment explain her statement if vehicle manufacturers carry through on threats to remove OBD systems? This would result in a tenfold increase in vehicle emissions; lots of questions and no answers.

Mr. DeVillers: Madam Speaker, the hon. member is correct, there are lots of questions. I will give him several answers. I do not think I will be able to list them all because I could not write them down quickly enough.

In answer to the first question about the government's not ordering independent testing, for a party constantly telling us there should not be government intervention in the business affairs of the country, I find it very difficult to understand. This is an issue motor vehicle manufacturers and petroleum producers have been working on for quite some time. They have not been able to come to an agreement or to an understanding on it. Consequently the government is forced to act and I think that is appropriate.

The hon. member asks why the ministry is acting on a trade basis. It is not. It is on a consumer protection basis. CEPA is not being used. The hon. member is a member of the environment committee and knows the environment committee is completing and will be tabling tomorrow its report on the five year review of CEPA so that it is seen by many to be inadequate for the purpose and a very long and protracted reason. That is why the minister has chosen to take the course she has taken here.

Reference was made to the court case in the District of Columbia, and several speakers have referred to it this evening. The case does not guarantee or permit the reuse of MMT in the United States. That was a decision on a technical basis as it was read from the fax sent from the EPA on the technicality that the EPA could not use health considerations. It could use only the testing of the equipment in refusing to issue that waiver. Under the Clean Air Act there is still much testing to be done on the health issue. It is far from a given that MMT will pass all those tests.

(2255)

On the question of substitutes, ethanol is a very acceptable substitute to MMT. The government has taken the initiative to assist with some tax considerations with the establishment of ethanol plants throughout the country, including in areas represented by our hon. friends in the Reform Party. That is a very reasonable substitute and the government is acting properly in allowing it.

Hon. Charles Caccia (Davenport, Lib.): Madam Speaker, I have four questions which I was able to jot down while the member for New Westminster—Burnaby made his intervention. If MMT is replaced, what will happen then? Nothing different than what happened—

Mr. Hermanson: Madam Speaker, on a point of order, I believe it was the hon. member from the government side who was speaking. The hon. member for Davenport is asking the hon. member from—

The Acting Speaker (Mrs. Maheu): The hon. member for Kindersley—Lloydminster is correct. The person we should be asking our questions of or making our comments to is the hon. member for Simcoe North.

Mr. Caccia: I would be glad to ask the member for Simcoe North whether he would agree that the answer to the question posed to him by the member for New Westminster—Burnaby in relation to the removal of MMT has not been answered already in the United States by the fact that it has happily functioned in a very responsible way since 1978, the date when MMT was removed. Therefore there would be no difference in Canada to the pattern already established south of the border.

The question was also raised, and I ask again my hon. colleague whether he would agree, as to CEPA. That is a very legitimate question. The member for New Westminster—Burnaby is a member of our committee. The CEPA legislation does not permit at the present time to deal with substances like MMT. An amendment would be required to CEPA. He may want to take that initiative.

The other question was why move now when MMT is being reintroduced. This is the strange notion tonight that has emerged as a result of various interventions across the aisle. MMT is not being reintroduced. There is only a technical procedure in the courts that has been somehow upheld by way of a waiver. It has nothing to do with reintroducing MMT.

It was asked why the Ethyl corporation was refused a hearing by the government or by the minister. I can understand very well why Ethyl would not be given an interview. It is one of the most regressive and litigious corporations in North America. It has never taken to heart public interest or public health. In that respect Ethyl is out of luck with any good government.

Mr. DeVillers: Madam Speaker, out of deference and respect for the hon. member for Davenport, I agree with all of his statements.

(2300)

Mr. Jay Hill (Prince George—Peace River, Ref.): Madam Speaker, despite the late hour of 11 p.m., it is somewhat of a pleasure to rise to address Bill C–94, the Manganese based Fuel Additives Act.

For those members who have been told they must vote for this bill and have therefore decided that they do not need to understand the whole issue, I would like to give them a few of the facts surrounding this lobby effort by the powerful auto industry.

MMT has been used in Canada in unleaded fuel since 1977. Contrary to some disinformation in the papers, MMT has also been used in the United States since 1978 in leaded gas. Congress passed laws that said that all additives for unleaded fuels had to get a waiver from the Environmental Protection Agency before they could be used—all additives, not just MMT.

In their previous applications to use MMT, petroleum companies were unable to provide sufficient evidence to demonstrate that MMT should be given a waiver. In the last application the EPA reviewed evidence from both sides. Auto manufacturers contend that MMT should be banned because they believe that MMT gums up the new anti–pollution systems mandated for all cars in 1996. The onboard diagnostic systems, or OBD as they are called, apparently get coated with manganese and the car companies claim this results in inaccurate readings. They state: ''Manganese based additives precipitate the degradation and failure of vehicle emission systems''.

The petroleum companies ran their own tests and did not find MMT adversely affected the performance of the OBDs. Further, they point out that the auto companies' own tests prove that MMT does not adversely affect the detection of emission failures. When the system detected a problem, the failure light went on.

This finding is important, because now Canadian auto manufacturers are threatening to disable the dashboard light that signals the control system is not operating at optimum. By disabling the detection system, the car companies are deliberately, and spitefully I might add, preventing Canada from achieving pollution and emission targets.

The EPA, with its very strict standards, reviewed the evidence from both sides. It found no reason to refuse a waiver for MMT based on its effects on the emissions control equipment. The EPA administrator first noted that ''use of Ethol's product in unleaded gasoline at the specified concentration will not cause or contribute to a failure to achieve compliance with vehicle emission standards''.

However, she went on to cover other factors beyond her mandate with respect to the waiver application. She found that ''there is a reasonable basis for concern about the effects on public health that could result if EPA were to approve the use of MMT in unleaded gasoline''. On those grounds the administrator again denied the waiver. However, on April 14 the U.S. Court of Appeals overturned this decision, noting that the reasonable basis for concern that she applied was not consistent with section 211(c) of the act, which deals with health factors. Specifically there must be ''significant risk to public health'', which was not found in this case.

I would like to know why the Minister of the Environment has not addressed this aspect of MMT. It would seem to be her duty to protect Canadians against airborne pollutants, which will negatively impact on their health. Instead of pursuing this, the main objection by the EPA administrator, she is passing legislation to ban the importation or movement of MMT across borders.

Why does the government not have the gumption to stand up to blatant threats by the auto industry? It has warned that it would slap an extra $3,000 on the price of all 1996 model cars, void all exhaust system warranties and simply disconnect the new anti–pollution devices if Ottawa did not act by August. I want to know what the $3,000 would be used for. Is it going to research and development to make slightly different pollution control systems for Canada? Or, is it a fearmongering tactic by the car companies?

We have had MMT additives since 1977 in Canada. Why were the effects of MMT not built into the OBD tests over the last several years?

Another reason the auto industry has given for its position is to harmonize the North American market. It does not want to invest in technology to meet Canada's requirements, only those of the U.S.

(2305)

Harmonizing the North American market sounds like a great plan during this age of NAFTA and free trade, except for one thing: the EPA has been ordered to give a waiver to American petroleum producers to start using MMT in unleaded gas. The appeal date on that decision expired last week without an appeal by the auto manufacturers or the EPA. If they felt their facts were so solid, why did they not appeal?

Mr. Forseth: No evidence.

Mr. Hill (Prince George—Peace River): Even more important for Canada, it appears that as a result auto manufacturers are now considering a joint testing program between the U.S. and Canada because MMT may be on the U.S. unleaded gas market within the year. And note I said ''may be''.

What will Canada be doing as MMT fills gas stations across the border? Preventing its movement to appease the current whims of the auto industry. While the government commits itself to eliminating internal trade barriers in Bill C–88, the

Minister of the Environment is busy erecting them in Bill C–94. Not only does this demonstrate the hypocrisy of the Liberal commitment to freer trade between the provinces. It also demonstrates the inability of the Minister of the Environment to act decisively and responsibly on an important issue. Lacking the hard evidence to defend the outright elimination of MMT in fuels, she is caving in to the lobbying efforts of one group. Instead of making her decision based on technical information regarding the problems with the use of MMT, she is completely sidestepping the issue.

Bill C–94 means MMT can still be sold and used wherever it is produced. So petroleum producers could produce MMT in southern Ontario, where most cars are driven, and they would not be prohibited from selling it at the pumps. Somehow I do not see how this addresses the real issue of whether or not MMT contributes to pollution or should be used at all in Canada. This merely prevents the transport of MMT across borders but does not prevent its use.

If I were a suspicious and cynical westerner I might question the regional economic impacts of this bill, which seem to far outweigh any environmental concerns the minister might have. I might wonder why the minister refuses to consider studies by petroleum producers in western Canada or the United States. I might wonder if she represents the interests of all Canadians in all industries or merely a select few in Liberal territory in central Canada.

If I were really cynical I might wonder at the timing of the introduction of this bill, during the Ontario election campaign, in the province most dependent on the auto industry. When faced with an ultimatum by the auto companies to ban MMT use by August, what did the government do? Did it get tough and try to determine what the truth is regarding its effects? No, that would be too much to expect.

The government has a very bad track record when it comes to standing up for Canadians in the face of pressure from big industry. Remember the powerful tobacco lobby last year, when the government refused to look at a real solution to the smuggling problem. Instead of raising export tariffs or beefing up our anti–smuggling patrols, it gave the tobacco companies what they wanted: lower taxes to add new teenage smokers to their growing list of the addicted.

Instead of finding out the truth about MMT, the government is acceding to the demands of the car lobby without independent proof of its claims. What is more, possibly because they cannot prove the harmful effects of MMT, the environment minister is not actually banning it, just restricting its movement.

Something is not quite right here. Why is the Minister of the Environment championing a bill that says and does absolutely nothing about protecting the environment? Until we have an independent study, the only things being protected here are the interests of the auto industry.

What will some of the consequences of this legislation be? For one thing, increased pollution from sulphur emissions in western Canada, where the refineries must change their processing. If MMT cannot be moved interprovincially, producers will spend an additional $100 million to switch over to another fuel additive and will have to refine the gas more for higher octane levels, thereby increasing sulphur emissions. Is that increase in pollution included in the minister's calculations?

There will be up to a 20 per cent increase in nitrogen oxide levels emitted by cars if we ban MMT. Of course now the car manufacturers dispute the 20 per cent figure because of the changes they have been forced to make with the new pollution controls.

(2310)

Kicking and screaming, the auto industry finally started to invest some research and development dollars into eliminating pollution. Suddenly it has found that it can reduce nitrogen oxide levels substantially. It does not dispute that MMT would decrease nitrogen oxide levels further, only that it will not be as much as 20 per cent because it has finally started producing more efficient cars. However, no one has calculated how much nitrogen oxide levels will go up once a final balance is reached between more efficient cars and less efficient alternate fuel additives.

Let us look at the other side of the equation. How much would it cost auto manufacturers to develop a flushing system or technology to deal with the effects of MMT? I think $100 million seems a little steep, but I am not a scientist or a chemist. I do not pretend to understand why research to solve the problem would cost more than $100 million. Either way, it is the Canadian driver who is going to lose.

MMT has been in use in Canada for 18 years. There is no guarantee that it will not be around for another 18 years. If the auto industry had such grave concern about the effect of MMT on emission systems, why was that not built into the original R and D? Why should the federal government legislate a ban on the movement of MMT because the auto industry did not deem the Canadian fuel market important enough to consider it while it was developing its OBD systems?

On the one hand, if we do not use MMT we have the potential for increasing hydrocarbons, nitrogen oxides, and other smog ingredients, with their various negative health effects. On the other hand, if we keep MMT no one will know if or when the emission systems fail because the detection systems will be disabled.

I want to turn now to the second part of the debate, which seems to have been buried in Canada but was the reason the EPA initially denied the waiver for MMT in unleaded gas in the U.S. That is the issue of airborne manganese and its effects on the health of Canadians.

We have known for more than a hundred years that airborne manganese is harmful and results in neurological disorders similar to Parkinson's disease. It has been an occupational hazard in manganese mines, where workers breathe in an extremely high level of manganese dust.

One would think that the Minister of the Environment would want to ban MMT if it contributed to unsafe manganese levels in our air. In light of the EPA statements, one would think she would want to conduct tests to see whether Canada should control airborne manganese. Why does she not? Why instead does she go through a ridiculous loop to ban the interprovincial trade of manganese based substances? Should she not as Minister of the Environment be more concerned about emissions?

Although Environment Canada has not conducted studies on this issue, Health Canada has. Its findings are very interesting and refute the EPA administrator's reasonable concerns about the health risks of MMT with hard evidence. The Health Canada study attempted to determine a safe daily intake of airborne manganese. Our bodies can handle ingested manganese much better than airborne manganese. It is an essential part of our diet. However excessive intake of manganese can result in an accumulation in the brain, which will cause the neurological problems I mentioned. Infants and older people are particularly susceptible to the negative effects.

What did Health Canada discover? After establishing a safe daily intake level it studied airborne manganese, particularly that related to MMT. Even garage mechanics fell well inside the acceptable range of manganese inhalation. The major findings regarding MMT are as follows, and I quote from the study:

> Levels of respirable manganese in major Canadian urban centres have remained constant or decreased from 1986 to 1992, and do not reflect major changes in MMT use during that time, suggesting that MMT does not contribute substantially to manganese concentrations.

The part of the study I found most enlightening was with respect to why the minister might be reluctant to initiate a study on the effects of MMT related specifically to airborne manganese in particular industrial towns. The study reads:

> Inhalation exposure to manganese has been assessed for residents of cities with large manganese–emitting industries such as steel mills. Current mean ambient air manganese levels are at, or substantially above, the acceptable daily intake. Inhalation uptake from all age groups approaches or exceeds the total daily uptake. This raises concern regarding chronic exposure to manganese for residents in these cities and recommendations are made regarding this issue.

(2315)

If we had an environment minister truly concerned about the effect of emissions on Canadian health one she would be right on top of trying to control manganese emissions from steel plants in towns like Hamilton. Perhaps that is expecting a bit too much.

Obviously we need an independent review or study to determine the truth. Each side has studies supporting its particular view. The petroleum industry has been pushing for such an independent study but the auto industry has balked. I wonder why that would be. Why has the Minister of the Environment not proposed an independent study? A number of reasons come to mind.

One reason might be the power of the auto industry in southern Ontario, a veritable Liberal stronghold. Maybe she does not think we need an independent study because she only believes the studies by the auto industry and not the ones by the petroleum producers.

Before putting this ban in place, the Minister of the Environment must act responsibly and commission an independent investigation into the environmental effects of MMT and its use in cars. This must include pollutants such as the expected increase in sulphur and other emissions at refineries and the increase in nitrogen oxide levels estimated at the equivalent of one million additional cars on the road.

Then it should look at the other side of the equation that might result from the removal of MMT, at the increase in airborne manganese levels, verification of a Health Canada study which indicated there was not a health risk linked to MMT use, the failure of emission control systems and the overall failure rate. Car manufacturers have not provided such numbers to my knowledge.

When all these factors are considered perhaps the government could make a rational decision based on hard evidence rather than just cave in to the auto industry and the jobs and votes they represent in Liberal ridings.

The main objective of the car companies appears to be to standardize fuels in North America. They could not care less about pollution or emissions in Canada. Because they cannot change the American market, they will get their wish by coercing the Canadian government. Do we not have a right to our own standards in this country? Why should any industry be able to dictate terms to us?

In conclusion, the Minister of the Environment by passing this bill to block the interprovincial trade of MMT is not acting in the best interests of the Canadian people. If there are significant health risks and pollution problems associated with the use of MMT, I would be the first to stand behind her, back her up and support her. However she refuses to conduct an independent study.

A reduction in nitrogen oxide levels for every car may far outstrip any potential pollution from a few failed OBD systems. It is time the minister starts acting like the Minister of the Environment for Canada, not the minister of the Motor Vehicle Manufacturers Association.

The minister should do the right thing and order an independent study.

Mr. Paul DeVillers (Simcoe North, Lib.): Madam Speaker, the hon. member, as did the other two speakers on behalf of the Reform Party, called for an independent study. I am a little bit at a loss to understand what is going to be accomplished by this independent study.

The Motor Vehicle Manufacturers Association issues warranties. It is to the benefit of consumers that we have warranties with our motor vehicles when they are purchased. If an independent study was done and the petroleum industry was proven right, what would that do toward compelling the auto industry to change its opinion and issue warranties? As far as I am aware, this is done strictly as a business decision by the manufacturers. There is no legislation compelling them.

What would be accomplished by the result of an independent study favouring the opinion of the petroleum industry?

(2320)

Mr. Hill (Prince George—Peace River): Madam Speaker, I thank the member for his question.

It is my understanding that the OBD systems on these vehicles were requested by the American government, obviously to control pollution.

One of the biggest problems with the whole issue has been the inability of the petroleum industry on one side and the car manufacturers on the other side to get together and develop something that would benefit both industries and all Canadians and Americans. I hope that would be the outcome of an independent study. If the two sides could agree who should conduct the study and to abide by the results of the study, that is the kind of thing Canadians are looking for.

Suffice it to say that the two sides should be brought together, which has not been the case in the past. We have been getting these constantly conflicting statements from one side versus the other.

[*Translation*]

Mrs. Monique Guay (Laurentides, BQ): Mr. Speaker, I imagine that the Reform Party had the same experience as us last week. The Minister of the Environment came to our offices to brief us on MMT.

As the official opposition critic on environmental issues, I asked to see the studies conducted by car makers to find out why they oppose the use of MMT. We were told that these studies were not available because they were secret.

It is very difficult to take a stand on an issue when we cannot have access to documents and when we are not informed. It is true that the department's position was explained to us and that officials from Ethyl Canada also came to present their own position. Yet, we cannot get a clear picture of the real situation.

I certainly understand the position of the member for Simcoe, as well as that of the chairman of my committee, who are environmentalists, but they are also members of the Liberal government. What we are asking for—and I agree with Reform Party members, this is a rare event, but it sometimes happens—is a clear, independent study, conducted according to the rules of ethics.

I want to ask the hon. member if he agrees with that and if he had access to the studies by auto manufacturers to the effect that MMT is really harmful to the anti–pollution system in cars?

[*English*]

Mr. Hill (Prince George—Peace River): Mr. Speaker, it is quite an occasion for me to completely agree with a member from the Bloc Quebecois. I thank her for the kind comments on this subject.

It is indicative of the difficulty that Canadians and industries have trying to deal with the issue. We agree that we require a neutral third party to look at the issue rather than forge ahead based on the information on one side of the argument.

It is interesting to note her comments about the studies the automobile industry says it has done and yet these studies are a secret. If the studies support their side of the argument, why would they not bring them forward? To me that would be obvious.

I support the position of the Reform member for Comox—Alberni who earlier said that at the very least if the government is intent on forging ahead and ramming through the legislation as it has done with so many others in the past month. I would hope, following the vote at second reading, that the issue would be referred to the environment committee with a mandate to do a very intensive study and hear the various sides.

(2325)

I certainly prefer, as does the Bloc obviously, to see an independent neutral study done but at the very least the environment committee should be given the mandate to look at this issue.

Hon. Charles Caccia (Davenport, Lib.): Mr. Speaker, it is fascinating to hear the member for Prince George—Peace River insisting on this question of an independent study.

Mr. Hermanson: Mr. Speaker, I rise on a point of order. Is the hon. member on questions and comments or is this on debate?

The Speaker: It is questions and comments.

Mr. Caccia: I will make it short. The member admits that there are conflicting opinions on this matter. They are conflicting because these are industries with diverging if not conflicting interests. Therefore the study would have to be carried out by an independent source.

Is the hon. member willing to have these studies, which are rather expensive, conducted by the government at the expense of the taxpayer? That is my first question.

My second question has to do with the statement he made earlier about the cars costing $3,000 extra. This is a cost, assuming the figure is correct, that would be levied on the Canadian consumer in his riding as well. Would it not make sense to the hon. member to support a measure that would prevent an additional cost being charged to the consumers in his own riding?

Mr. Hill (Prince George—Peace River): Mr. Speaker, I feel the premise is that we just assume this $3,000 figure. I have not seen evidence to support it. That is fear mongering on the part of the auto industry to get its way with the government.

I have not seen the evidence that would support the $3,000. I used it because it was a threat that the automobile industry used to get its way with the government and the government bowed to that pressure.

[*Translation*]

Mrs. Monique Guay (Laurentides, BQ): Mr. Speaker, I know we are running out of time, but I cannot stand by when threats such as these are made. I must say these threats that we would have to pay an additional $3,000 in insurance are somewhat ludicrous when we are talking about the environment. Quite frankly, a great environmentalist like the hon. member for Davenport should not even mention things like that.

I have a great deal of respect for the hon. member for Davenport, because I think he has done some excellent work on our committee, but if it is a matter of politics, and I have a feeling this is strictly political, a conflict between the industry and the auto makers. It involves Ethyl Canada and the new ethanol plants in which the minister is about to invest $70 million. A number of levels are involved here, and it is very political.

Now, I want to see this matter discussed at the environmental level, starting today, and for heaven's sake, let us get serious and start considering the environment, once and for all. The government got rid of the Green Plan, and in its stead, we got a commissioner for the environment. The government eliminated a number of things that were very important for the environment.

We should stop digging in our heels about a matter that is purely political. I would like to see this referred to committee, with as many witnesses as possible, so that we can get a really clear picture of what is at stake here. Right now, the amount of lobbying going on is incredible. I have never seen this with other bills, especially not on the environment.

I think the environment comes first. I hope all members in this House who work on environmental issues will get together and make an environmental decision, not a political one just because the minister has decided to invest in a certain issue.

(2330)

[*English*]

Mr. Hill (Prince George—Peace River): Mr. Speaker, the hon. member from the Bloc is quite right: We have to depoliticize the whole process and get it back on sound technical grounds. That is what the opposition in unity is calling for.

On who should pay for the independent review, the two conflicting positions should equally pay for the independent review.

* * *

ELECTORAL BOUNDARIES READJUSTMENT ACT, 1995

The House resumed from June 15 consideration of the motion in relation to the amendments made by the Senate to Bill C–69, an act to provide for the establishment of electoral boundaries commissions and the readjustment of electoral boundaries; and of the amendment.

The Speaker: Pursuant to Standing Order 45(5)(a), the House will now proceed to the taking of the deferred division on the amendment to the amendment of the hon. member for Calgary North relating to Senate amendments to Bill C–69, an act to provide for the establishment of electoral boundaries commissions and the readjustment of electoral boundaries.

Call in the members.

(2345)

And the bells having rung:

Mr. Boudria: Mr. Speaker, I believe you would find unanimous consent that the division on Bill S–7 and Bill C–295 be taken after the other votes we will be proceeding with; in other words that they be taken out of sequence and at the completion of other votes.

The Speaker: Is it agreed?

Some hon. members: Agreed.

The Speaker: The question is on the amendment to the amendment.

(The House divided on the amendment to the amendment, which was negatived on the following division:)

(*Division No. 300*)

YEAS

Members

Abbott	Ablonczy
Althouse	Benoit
Blaikie	Breitkreuz (Yellowhead)

Breitkreuz (Yorkton—Melville)
Brown (Calgary Southeast)
Duncan
Forseth
Gilmour
Grey (Beaver River)
Hanrahan
Harper (Simcoe Centre)
Hart
Hermanson
Hill (Prince George—Peace River)
Johnston
Manning
Mayfield
McLaughlin
Mills (Red Deer)
Penson
Ringma
Silye
Stinson
Thompson
Williams—49

Bridgman
Cummins
Epp
Frazer
Gouk
Hanger
Harper (Calgary West)
Harris
Hayes
Hill (Macleod)
Hoeppner
Kerpan
Martin (Esquimalt—Juan de Fuca)
McClelland (Edmonton Southwest)
Meredith
Morrison
Ramsay
Schmidt
Solberg
Strahl
White (Fraser Valley West)

NAYS

Members

Adams
Anawak
Arseneault
Assadourian
Augustine
Baker
Barnes
Bellehumeur
Bergeron
Bethel
Bodnar
Bouchard
Brien
Brushett
Bélair
Caccia
Campbell
Caron
Cauchon
Chan
Clancy
Collenette
Copps
Crête
Dalphond–Guiral
de Savoye
DeVillers
Dingwall
Dromisky
Duceppe
Dumas
Easter
English
Fillion
Finlay
Fontana
Gagliano
Gagnon (Québec)
Gauthier (Roberval)
Godin
Graham
Grose
Guay
Harb
Hickey
Hubbard
Irwin
Jacob
Keyes
Knutson
Lalonde
Lastewka
Lavigne (Beauharnois—Salaberry)
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lee
Leroux (Richmond—Wolfe)
Loney
MacAulay
MacLaren
Malhi
Manley

Allmand
Anderson
Assad
Asselin
Axworthy (Winnipeg South Centre)
Bakopanos
Beaumier
Bellemare
Bernier (Mégantic—Compton—Stanstead)
Bevilacqua
Bonin
Boudria
Brown (Oakville—Milton)
Bryden
Bélisle
Calder
Cannis
Catterall
Chamberlain
Chrétien (Frontenac)
Cohen
Comuzzi
Cowling
Culbert
Daviault
Deshaies
Dhaliwal
Discepola
Dubé
Duhamel
Dupuy
Eggleton
Fewchuk
Finestone
Flis
Fry
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Gallaway
Godfrey
Goodale
Gray (Windsor West)
Guarnieri
Guimond
Harvard
Hopkins
Ianno
Jackson
Jordan
Kirkby
Kraft Sloan
Landry
Laurin
Lebel
Leblanc (Longueuil)
Lefebvre
Leroux (Shefford)
Loubier
MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)
Maloney
Marchand

Marchi
Martin (LaSalle—Émard)
McCormick
McKinnon
McTeague
Mercier
Milliken
Mitchell
Murray
Nault
O'Reilly
Paradis
Paré
Payne
Peters
Phinney
Pickard (Essex—Kent)
Plamondon
Reed
Rideout
Robichaud
Rock
Scott (Fredericton—York—Sunbury)
Shepherd
Simmons
St–Laurent
Steckle
Stewart (Northumberland)
Telegdi
Torsney
Tremblay (Rosemont)
Valeri
Verran
Walker
Whelan
Young —193

Marleau
Massé
McGuire
McLellan (Edmonton Northwest)
McWhinney
Mifflin
Minna
Murphy
Ménard
Nunez
Pagtakhan
Parrish
Patry
Peric
Peterson
Picard (Drummond)
Pillitteri
Pomerleau
Richardson
Ringuette–Maltais
Rocheleau
Sauvageau
Serré
Sheridan
Speller
St. Denis
Stewart (Brant)
Szabo
Thalheimer
Tremblay (Rimouski—Témiscouata)
Ur
Vanclief
Volpe
Wells
Wood

PAIRED MEMBERS

Bernier (Gaspé)
Bélanger
Debien
Langlois

Bertrand
Canuel
Gaffney
Patry

(2355)

The Speaker: I declare the amendment to the amendment lost.

* * *

CN COMMERCIALIZATION ACT

The House resumed from June 15 consideration of Bill C–89, an act to provide for the continuance of the Canadian National Railway Company under the Canada Business Corporations Act and for the issuance and sale of shares of the company to the public, as reported (without amendment) from the committee.

The Speaker: Pursuant to Standing Order 45(5)(a), the House will now proceed to the taking of the deferred divisions at report stage on Bill C–89, an act to provide for the continuance of the Canadian National Railway Company under the Canada Business Corporations Act and for the issuance and sale of shares of the company to the public.

(2400)

We will now vote on Group No. 1. The first question is on Motion No. 4.

Mr. Boudria: Mr. Speaker, if you were to seek it, I believe you would find unanimous consent that all members of Parliament who voted on the previous motion be recorded as having voted on the motion now before the House and in the following manner. Liberal MPs will be voting nay.

[*Translation*]

Mr. Duceppe: Bloc Quebecois members will vote yea, Mr. Speaker.

[*English*]

Mr. Silye: Mr. Speaker, the Reform Party members will vote no, except for those members who wish to vote otherwise.

Mr. Blaikie: Mr. Speaker, the NDP will vote yes, except for those who wish to vote otherwise.

(The House divided on Motion No. 4, which was negatived on the following division:)

(*Division No. 301*)

YEAS

Members

Althouse
Bellehumeur
Bernier (Mégantic—Compton—Stanstead)
Bouchard
Bélisle
Chrétien (Frontenac)
Dalphond–Guiral
de Savoye
Dubé
Dumas
Gagnon (Québec)
Godin
Guimond
Lalonde
Laurin
Lebel
Lefebvre
Leroux (Shefford)
Marchand
Mercier
Nunez
Picard (Drummond)
Pomerleau
Sauvageau
Tremblay (Rimouski—Témiscouata)
Asselin
Bergeron
Blaikie
Brien
Caron
Crête
Daviault
Deshaies
Duceppe
Fillion
Gauthier (Roberval)
Guay
Jacob
Landry
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Leroux (Richmond—Wolfe)
Loubier
McLaughlin
Ménard
Paré
Plamondon
Rocheleau
St–Laurent
Tremblay (Rosemont)—50

NAYS

Members

Abbott
Adams
Anawak
Arseneault
Ablonczy
Allmand
Anderson
Assad
Assadourian
Axworthy (Winnipeg South Centre)
Bakopanos
Beaumier
Benoit
Bevilacqua
Bonin
Breitkreuz (Yellowhead)
Bridgman
Brown (Oakville—Milton)
Bryden
Caccia
Campbell
Catterall
Chamberlain
Clancy
Collenette
Copps
Culbert
DeVillers
Dingwall
Dromisky
Duncan
Easter
English
Fewchuk
Finlay
Fontana
Frazer
Gagliano
Gallaway
Godfrey
Gouk
Gray (Windsor West)
Grose
Hanger
Harb
Harper (Simcoe Centre)
Hart
Hayes
Hickey
Hill (Prince George—Peace River)
Hopkins
Ianno
Jackson
Jordan
Keyes
Knutson
Lastewka
Lee
MacAulay
MacLaren
Malhi
Manley
Marchi
Martin (Esquimalt—Juan de Fuca)
Massé
McClelland (Edmonton Southwest)
McGuire
McLellan (Edmonton Northwest)
McWhinney
Mifflin
Mills (Red Deer)
Mitchell
Murphy
Nault
Pagtakhan
Parrish
Payne
Peric
Peterson
Pickard (Essex—Kent)
Ramsay
Richardson
Ringma
Robichaud
Schmidt
Serré
Sheridan
Simmons
Speller
Augustine
Baker
Barnes
Bellemare
Bethel
Bodnar
Boudria
Breitkreuz (Yorkton—Melville)
Brown (Calgary Southeast)
Brushett
Bélair
Calder
Cannis
Cauchon
Chan
Cohen
Comuzzi
Cowling
Cummins
Dhaliwal
Discepola
Duhamel
Dupuy
Eggleton
Epp
Finestone
Flis
Forseth
Fry
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Gilmour
Goodale
Graham
Grey (Beaver River)
Guarnieri
Hanrahan
Harper (Calgary West)
Harris
Harvard
Hermanson
Hill (Macleod)
Hoeppner
Hubbard
Irwin
Johnston
Kerpan
Kirkby
Kraft Sloan
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Loney
MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)
Maloney
Manning
Marleau
Martin (LaSalle—Émard)
Mayfield
McCormick
McKinnon
McTeague
Meredith
Milliken
Minna
Morrison
Murray
O'Reilly
Paradis
Patry
Penson
Peters
Phinney
Pillitteri
Reed
Rideout
Ringuette–Maltais
Rock
Scott (Fredericton—York—Sunbury)
Shepherd
Silye
Solberg
St. Denis

Steckle	Stewart (Brant)
Stewart (Northumberland)	Stinson
Strahl	Szabo
Telegdi	Thalheimer
Thompson	Torsney
Ur	Valeri
Vanclief	Verran
Volpe	Walker
Wells	Whelan
White (Fraser Valley West)	Williams
Wood	Young—192

PAIRED MEMBERS

Bernier (Gaspé)	Bertrand
Bélanger	Canuel
Debien	Gaffney
Langlois	Patry

The Speaker: I declare Motion No. 4 lost.

Mr. Boudria: Mr. Speaker, in an effort to co–operate and perhaps accelerate things here, you might find unanimous consent to apply the vote just taken to Motions Nos. 8, 9, 10 and 17. For Motions Nos. 14 and 15 you might find that same consent, but I understand that New Democratic Party members might be voting otherwise on Motions Nos. 14 and 15.

Mr. Duceppe: Agreed.

Mr. Silye: Agreed.

Mr. Blaikie: Mr. Speaker, we would give unanimous consent to applying the vote just taken to Motions 8, 9, 10 and 17. On Motions Nos. 14 and 15 the NDP votes no. On Motion No. 11 we vote yes.

[*Editor's Note: See list under Division No. 301.*]

Mr. Speaker: I declare Motions Nos. 8, 9 and 10 lost.

We have it all straightened out. The only thing we had not talked about in the last series was Motion No. 11. The question is on Motion No. 11.

[*Translation*]

Mr. Boudria: Mr. Speaker, I think you will find there is unanimous consent for applying the result of the vote just taken on the previous motion to the motion now before the House. Members of the Liberal Party will vote against Motion No. 11.

Mr. Duceppe: Bloc Quebecois members will vote in favour of the motion, Mr. Speaker.

Mr. Silye: Mr. Speaker, Reform Party members will vote yea, with the exception of members who wish to vote otherwise.

(2405)

[*English*]

Mr. Blaikie: Mr. Speaker, the NDP votes yea on this motion.

Mrs. Maheu: I would like to add my vote to that of the Liberal members on Motion No. 11.

(The House divided on Motion No. 11, which was negatived on the following division:)

(*Division No. 302*)

YEAS

Members

Abbott	Ablonczy
Althouse	Asselin
Bellehumeur	Benoit
Bergeron	Bernier (Mégantic—Compton—Stanstead)
Blaikie	Bouchard
Breitkreuz (Yellowhead)	Breitkreuz (Yorkton—Melville)
Bridgman	Brien
Brown (Calgary Southeast)	Bélisle
Caron	Chrétien (Frontenac)
Crête	Cummins
Dalphond–Guiral	Daviault
de Savoye	Deshaies
Dubé	Duceppe
Dumas	Duncan
Epp	Fillion
Forseth	Frazer
Gagnon (Québec)	Gauthier (Roberval)
Gilmour	Godin
Gouk	Grey (Beaver River)
Guay	Guimond
Hanger	Hanrahan
Harper (Calgary West)	Harper (Simcoe Centre)
Harris	Hart
Hayes	Hermanson
Hill (Macleod)	Hill (Prince George—Peace River)
Hoeppner	Jacob
Johnston	Kerpan
Lalonde	Landry
Laurin	Lavigne (Beauharnois—Salaberry)
Lebel	Leblanc (Longueuil)
Lefebvre	Leroux (Richmond—Wolfe)
Leroux (Shefford)	Loubier
Manning	Marchand
Martin (Esquimalt—Juan de Fuca)	Mayfield
McClelland (Edmonton Southwest)	McLaughlin
Mercier	Meredith
Mills (Red Deer)	Morrison
Ménard	Nunez
Paré	Penson
Picard (Drummond)	Plamondon
Pomerleau	Ramsay
Ringma	Rocheleau
Sauvageau	Schmidt
Silye	Solberg
St–Laurent	Stinson
Strahl	Thompson
Tremblay (Rimouski—Témiscouata)	Tremblay (Rosemont)
White (Fraser Valley West)	Williams—96

NAYS

Members

Adams	Allmand
Anawak	Anderson
Arseneault	Assad
Assadourian	Augustine
Axworthy (Winnipeg South Centre)	Baker
Bakopanos	Barnes
Beaumier	Bellemare
Bethel	Bevilacqua
Bodnar	Bonin
Boudria	Brown (Oakville—Milton)
Brushett	Bryden
Bélair	Caccia
Calder	Campbell
Cannis	Catterall

Cauchon
Chan
Cohen
Comuzzi
Cowling
DeVillers
Dingwall
Dromisky
Dupuy
Eggleton
Fewchuk
Finlay
Fontana
Gagliano
Gallaway
Goodale
Gray (Windsor West)
Guarnieri
Harvard
Hopkins
Ianno
Jackson
Keyes
Knutson
Lastewka
Lee
MacAulay
MacLaren
Maheu
Maloney
Marchi
Martin (LaSalle—Émard)
McCormick
McKinnon
McTeague
Mifflin
Minna
Murphy
Nault
Pagtakhan
Parrish
Payne
Peters
Phinney
Pillitteri
Richardson
Ringuette–Maltais
Rock
Serré
Sheridan
Speller
Steckle
Stewart (Northumberland)
Telegdi
Torsney
Valeri
Verran
Walker
Whelan
Young —147

Chamberlain
Clancy
Collenette
Copps
Culbert
Dhaliwal
Discepola
Duhamel
Easter
English
Finestone
Flis
Fry
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Godfrey
Graham
Grose
Harb
Hickey
Hubbard
Irwin
Jordan
Kirkby
Kraft Sloan
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Loney
MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)
Malhi
Manley
Marleau
Massé
McGuire
McLellan (Edmonton Northwest)
McWhinney
Milliken
Mitchell
Murray
O'Reilly
Paradis
Patry
Peric
Peterson
Pickard (Essex—Kent)
Reed
Rideout
Robichaud
Scott (Fredericton—York—Sunbury)
Shepherd
Simmons
St. Denis
Stewart (Brant)
Szabo
Thalheimer
Ur
Vanclief
Volpe
Wells
Wood

PAIRED MEMBERS

Bernier (Gaspé)
Bélanger
Debien
Langlois

Bertrand
Canuel
Gaffney
Patry

The Speaker: I declare Motion No. 11 lost.

(The House divided on Motion No. 14, which was negatived on the following division:)

(*Division No. 303*)

YEAS

Members

Asselin
Bergeron
Bouchard
Bélisle
Chrétien (Frontenac)
Dalphond–Guiral
de Savoye
Dubé
Dumas
Gagnon (Québec)
Godin
Guimond
Lalonde
Laurin
Lebel
Lefebvre
Leroux (Shefford)
Marchand
Ménard
Paré
Plamondon
Rocheleau
St–Laurent
Tremblay (Rosemont)—47

Bellehumeur
Bernier (Mégantic—Compton—Stanstead)
Brien
Caron
Crête
Daviault
Deshaies
Duceppe
Fillion
Gauthier (Roberval)
Guay
Jacob
Landry
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Leroux (Richmond—Wolfe)
Loubier
Mercier
Nunez
Picard (Drummond)
Pomerleau
Sauvageau
Tremblay (Rimouski—Témiscouata)

NAYS

Members

Abbott
Adams
Althouse
Anderson
Assad
Augustine
Baker
Barnes
Bellemare
Bethel
Blaikie
Bonin
Breitkreuz (Yellowhead)
Bridgman
Brown (Oakville—Milton)
Bryden
Caccia
Campbell
Catterall
Chamberlain
Clancy
Collenette
Copps
Culbert
DeVillers
Dingwall
Dromisky
Duncan
Easter
English
Fewchuk
Finlay
Fontana
Frazer
Gagliano
Gallaway
Godfrey
Gouk
Gray (Windsor West)
Grose
Hanger

Ablonczy
Allmand
Anawak
Arseneault
Assadourian
Axworthy (Winnipeg South Centre)
Bakopanos
Beaumier
Benoit
Bevilacqua
Bodnar
Boudria
Breitkreuz (Yorkton—Melville)
Brown (Calgary Southeast)
Brushett
Bélair
Calder
Cannis
Cauchon
Chan
Cohen
Comuzzi
Cowling
Cummins
Dhaliwal
Discepola
Duhamel
Dupuy
Eggleton
Epp
Finestone
Flis
Forseth
Fry
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Gilmour
Goodale
Graham
Grey (Beaver River)
Guarnieri
Hanrahan

Harb
Harper (Simcoe Centre)
Hart
Hayes
Hickey
Hill (Prince George—Peace River)
Hopkins
Ianno
Jackson
Jordan
Keyes
Knutson
Lastewka
Lee
MacAulay
MacLaren
Malhi
Manley
Marchi
Martin (Esquimalt—Juan de Fuca)
Massé
McClelland (Edmonton Southwest)
McGuire
McLaughlin
McTeague
Meredith
Milliken
Minna
Morrison
Murray
O'Reilly
Paradis
Patry
Penson
Peters
Phinney
Pillitteri
Reed
Rideout
Ringuette–Maltais
Rock
Scott (Fredericton—York—Sunbury)
Shepherd
Silye
Solberg
St. Denis
Stewart (Brant)
Stinson
Szabo
Thalheimer
Torsney
Valeri
Verran
Walker
Whelan
Williams
Young—195

Harper (Calgary West)
Harris
Harvard
Hermanson
Hill (Macleod)
Hoeppner
Hubbard
Irwin
Johnston
Kerpan
Kirkby
Kraft Sloan
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Loney
MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)
Maloney
Manning
Marleau
Martin (LaSalle—Émard)
Mayfield
McCormick
McKinnon
McLellan (Edmonton Northwest)
McWhinney
Mifflin
Mills (Red Deer)
Mitchell
Murphy
Nault
Pagtakhan
Parrish
Payne
Peric
Peterson
Pickard (Essex—Kent)
Ramsay
Richardson
Ringma
Robichaud
Schmidt
Serré
Sheridan
Simmons
Speller
Steckle
Stewart (Northumberland)
Strahl
Telegdi
Thompson
Ur
Vanclief
Volpe
Wells
White (Fraser Valley West)
Wood

PAIRED MEMBERS

Bernier (Gaspé)
Bélanger
Debien
Langlois

Bertrand
Canuel
Gaffney
Patry

The Speaker: I declare Motion No. 14 lost.

[*Editor's Note: See list under Division No. 303*]

The Speaker: I declare Motion No. 15 lost.

[*Editor's Note: See list under Division No. 301*]

The Speaker: I declare Motion No. 17 lost.

Hon. Douglas Young (Minister of Transport, Lib.) moved that the bill be concurred in.

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

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

The Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Speaker: In my opinion the yeas have it.

And more than five members having risen:

Mr. Boudria: Mr. Speaker, if you were to seek it, I believe you would find consent to apply the vote taken on report stage Motion No. 4 in reverse to the motion now before the House.

The Speaker: Is there unanimous consent?

Some hon. members: No.

The Speaker: There not being unanimous consent, there will be a recorded division.

(The House divided on the motion, which was agreed to on the following division:)

(*Division No. 304*)

YEAS

Members

Abbott
Adams
Anawak
Arseneault
Assadourian
Axworthy (Winnipeg South Centre)
Bakopanos
Beaumier
Benoit
Bevilacqua
Bonin
Breitkreuz (Yellowhead)
Bridgman
Brown (Oakville—Milton)
Bryden
Caccia
Campbell
Catterall
Chamberlain
Clancy
Collenette
Copps
Culbert
DeVillers
Dingwall
Dromisky
Duncan
Easter
English
Fewchuk
Finlay
Fontana
Frazer
Gagliano
Gallaway
Godfrey
Gouk
Gray (Windsor West)

Ablonczy
Allmand
Anderson
Assad
Augustine
Baker
Barnes
Bellemare
Bethel
Bodnar
Boudria
Breitkreuz (Yorkton—Melville)
Brown (Calgary Southeast)
Brushett
Bélair
Calder
Cannis
Cauchon
Chan
Cohen
Comuzzi
Cowling
Cummins
Dhaliwal
Discepola
Duhamel
Dupuy
Eggleton
Epp
Finestone
Flis
Forseth
Fry
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Gilmour
Goodale
Graham
Grey (Beaver River)

Grose
Hanger
Harb
Harper (Simcoe Centre)
Hart
Hayes
Hickey
Hill (Prince George—Peace River)
Hopkins
Ianno
Jackson
Jordan
Keyes
Knutson
Lastewka
Lee
MacAulay
MacLaren
Maheu
Maloney
Manning
Marleau
Martin (LaSalle—Émard)
Mayfield
McCormick
McKinnon
McTeague
Meredith
Milliken
Minna
Morrison
Murray
O'Reilly
Paradis
Patry
Penson
Peters
Phinney
Pillitteri
Reed
Rideout
Ringuette–Maltais
Rock
Scott (Fredericton—York—Sunbury)
Shepherd
Silye
Solberg
St. Denis
Stewart (Brant)
Stinson
Szabo
Thalheimer
Torsney
Valeri
Verran
Walker
Whelan
Williams
Young—193

Guarnieri
Hanrahan
Harper (Calgary West)
Harris
Harvard
Hermanson
Hill (Macleod)
Hoeppner
Hubbard
Irwin
Johnston
Kerpan
Kirkby
Kraft Sloan
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Loney
MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)
Malhi
Manley
Marchi
Martin (Esquimalt—Juan de Fuca)
Massé
McClelland (Edmonton Southwest)
McGuire
McLellan (Edmonton Northwest)
McWhinney
Mifflin
Mills (Red Deer)
Mitchell
Murphy
Nault
Pagtakhan
Parrish
Payne
Peric
Peterson
Pickard (Essex—Kent)
Ramsay
Richardson
Ringma
Robichaud
Schmidt
Serré
Sheridan
Simmons
Speller
Steckle
Stewart (Northumberland)
Strahl
Telegdi
Thompson
Ur
Vanclief
Volpe
Wells
White (Fraser Valley West)
Wood

NAYS

Members

Althouse
Bellehumeur
Bernier (Mégantic—Compton—Stanstead)
Bouchard
Bélisle
Chrétien (Frontenac)
Dalphond–Guiral
de Savoye
Dubé
Dumas
Gagnon (Québec)
Godin
Guimond

Asselin
Bergeron
Blaikie
Brien
Caron
Crête
Daviault
Deshaies
Duceppe
Fillion
Gauthier (Roberval)
Guay
Jacob

Lalonde
Laurin
Lebel
Lefebvre
Leroux (Shefferd)
Marchand
Mercier
Nunez
Picard (Drummond)
Pommerleau
Sauvageau
Tremblay (Rimouski—Témiscouata)

Landry
Lavigne (Beauharnois—Sallaberry)
Leblanc (Longueuil)
Leroux (Richmond—Woolfe)
Loubier
McLaughlin
Ménard
Paré
Plamondon
Rocheleau
St–Laurent
Tremblay (Rosemont)—50

PAIRED MEMBERS

Bernier (Gaspé)
Bélanger
Debien
Langlois

Bertrand
Canuel
Gaffney
Patry

(2415)

The Speaker: I declare the motion carried and the bill read the second time.

* * *

MEMBERS OF PARLIAMENT RETIRING ALLOWANCES ACT

The House resumed from June 16 consideration of Bill C–85, an act to amend the Members of Parliament Retiring Allowances Act and to provide for the continuation of a certain provision, as reported (without amendment) from the committee.

The Speaker: Pursuant to Standing Order 45(6), the House will now proceed to the taking of the deferred divisions at report stage of Bill C–85, an act to amend the Members of Parliament Retiring Allowances Act and to provide for the continuation of a certain provision.

We are dealing with Group No. 1. The first question is on Motion No. 1.

[*Translation*]

Mr. Boudria: Mr. Speaker, I believe you will find there is unanimous consent that members who have just voted be recorded as having voted on the motion now before the House. Liberal members will vote nay.

Mr. Duceppe: Mr. Speaker, Bloc Quebecois members will vote in favour of this motion.

[*English*]

Mr. Silye: Mr. Speaker, Reform Party members vote yea, except for those who wish to vote otherwise.

Mr. Blaikie: Mr. Speaker, the NDP will be abstaining on all the report stage motions on Bill C–85.

(The House divided on Motion No. 1, which was negatived on the following division:)

(*Division No. 305*)

YEAS

Members

Abbott
Asselin
Benoit
Bernier (Mégantic—Compton—Stanstead)
Breitkreuz (Yellowhead)
Bridgman
Brown (Calgary Southeast)
Caron
Crête
Dalphond–Guiral
de Savoye
Dubé
Dumas
Epp
Forseth
Gagnon (Québec)
Gilmour
Gouk
Guay
Hanger
Harper (Calgary West)
Harris
Hayes
Hill (Macleod)
Hoeppner
Johnston
Lalonde
Laurin
Lebel
Lefebvre
Leroux (Shefford)
Manning
Martin (Esquimalt—Juan de Fuca)
McClelland (Edmonton Southwest)
Meredith
Morrison
Nunez
Penson
Plamondon
Ramsay
Rocheleau
Schmidt
Solberg
Stinson
Thompson
Tremblay (Rosemont)
Williams—93

Ablonczy
Bellehumeur
Bergeron
Bouchard
Breitkreuz (Yorkton—Melville)
Brien
Bélisle
Chrétien (Frontenac)
Cummins
Daviault
Deshaies
Duceppe
Duncan
Fillion
Frazer
Gauthier (Roberval)
Godin
Grey (Beaver River)
Guimond
Hanrahan
Harper (Simcoe Centre)
Hart
Hermanson
Hill (Prince George—Peace River)
Jacob
Kerpan
Landry
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Leroux (Richmond—Wolfe)
Loubier
Marchand
Mayfield
Mercier
Mills (Red Deer)
Ménard
Paré
Picard (Drummond)
Pomerleau
Ringma
Sauvageau
Silye
St–Laurent
Strahl
Tremblay (Rimouski—Témiscouata)
White (Fraser Valley West)

NAYS

Members

Adams
Anawak
Arseneault
Assadourian
Axworthy (Winnipeg South Centre)
Bakopanos
Beaumier
Bethel
Bodnar
Boudria
Brushett
Bélair
Calder
Cannis
Cauchon
Chan
Cohen
Comuzzi
Cowling
DeVillers
Dingwall
Dromisky
Dupuy
Eggleton
Fewchuk
Finlay
Fontana
Gagliano
Gallaway
Goodale
Gray (Windsor West)
Guarnieri
Harvard
Hopkins
Ianno
Jackson
Keyes
Knutson
Lastewka
Lee
MacAulay
MacLaren
Maheu
Maloney
Marchi
Martin (LaSalle—Émard)
McCormick
McKinnon
McTeague
Mifflin
Minna
Murphy
Nault
Pagtakhan
Parrish
Payne
Peters
Phinney
Pillitteri
Richardson
Ringuette–Maltais
Rock
Serré
Sheridan
Speller
Steckle
Stewart (Northumberland)
Telegdi
Torsney
Valeri
Verran
Walker
Whelan
Young —147

Allmand
Anderson
Assad
Augustine
Baker
Barnes
Bellemare
Bevilacqua
Bonin
Brown (Oakville—Milton)
Bryden
Caccia
Campbell
Catterall
Chamberlain
Clancy
Collenette
Copps
Culbert
Dhaliwal
Discepola
Duhamel
Easter
English
Finestone
Flis
Fry
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Godfrey
Graham
Grose
Harb
Hickey
Hubbard
Irwin
Jordan
Kirkby
Kraft Sloan
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Loney
MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)
Malhi
Manley
Marleau
Massé
McGuire
McLellan (Edmonton Northwest)
McWhinney
Milliken
Mitchell
Murray
O'Reilly
Paradis
Patry
Peric
Peterson
Pickard (Essex—Kent)
Reed
Rideout
Robichaud
Scott (Fredericton—York—Sunbury)
Shepherd
Simmons
St. Denis
Stewart (Brant)
Szabo
Thalheimer
Ur
Vanclief
Volpe
Wells
Wood

PAIRED MEMBERS

Bernier (Gaspé)
Bélanger
Debien
Langlois
Bertrand
Canuel
Gaffney
Patry

The Speaker: I declare the Motion No. 1 lost.

Mr. Boudria: Mr. Speaker, I believe you would find unanimous consent to apply the same result to report stage Motions Nos. 6 and 40.

(2420)

Mr. Duceppe: Oui.

Mr. Silye: Agreed.

The Speaker: I understand the New Democratic Party will be abstaining.

Mr. Blaikie: Yes, Mr. Speaker.

[*Editor's Note: See list under Division No. 305*]

The Speaker: I declare Motions Nos. 6 and 40 lost.

The next question is on Motion No. 2. A vote on this motion also applies to Motion No. 3.

Mr. Boudria: Mr. Speaker, I believe you would find unanimous consent for the members who voted on the previous motion to be recorded as having voted on the motion now before the House, with Liberal members voting nay.

I believe the same result could also be applied to Motions Nos. 2, 4, 5, 7, 10, 11, 35 and 39.

[*Translation*]

Mr. Duceppe: Mr. Speaker, Bloc Quebecois members will vote against this motion and agree to have the votes apply to the motions mentioned by the government whip.

[*English*]

Mr. Silye: Mr. Speaker, the Reform Party will vote yea to all the report stage motions as outlined by the government whip.

(The House divided on Motion No. 2, which was negatived on the following division:)

(*Division No. 306*)

YEAS

Members

Abbott
Benoit
Breitkreuz (Yorkton—Melville)
Brown (Calgary Southeast)
Duncan
Forseth
Gilmour
Grey (Beaver River)
Hanrahan
Harper (Simcoe Centre)
Hart
Hermanson
Hill (Prince George—Peace River)
Johnston
Manning
Mayfield
Meredith
Morrison
Ramsay
Schmidt
Solberg
Strahl
White (Fraser Valley West)
Ablonczy
Breitkreuz (Yellowhead)
Bridgman
Cummins
Epp
Frazer
Gouk
Hanger
Harper (Calgary West)
Harris
Hayes
Hill (Macleod)
Hoeppner
Kerpan
Martin (Esquimalt—Juan de Fuca)
McClelland (Edmonton Southwest)
Mills (Red Deer)
Penson
Ringma
Silye
Stinson
Thompson
Williams—46

NAYS

Members

Adams
Anawak
Arseneault
Assadourian
Augustine
Baker
Barnes
Bellehumeur
Bergeron
Bethel
Bodnar
Bouchard
Brien
Brushett
Bélair
Caccia
Campbell
Caron
Cauchon
Chan
Clancy
Collenette
Copps
Crête
Dalphond–Guiral
de Savoye
DeVillers
Dingwall
Dromisky
Duceppe
Dumas
Easter
English
Fillion
Finlay
Fontana
Gagliano
Gagnon (Québec)
Gauthier (Roberval)
Godin
Graham
Grose
Guay
Harb
Hickey
Hubbard
Irwin
Jacob
Keyes
Knutson
Lalonde
Lastewka
Lavigne (Beauharnois—Salaberry)
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lee
Leroux (Richmond—Wolfe)
Loney
MacAulay
MacLaren
Maheu
Maloney
Marchand
Marleau
Massé
McGuire
McLellan (Edmonton Northwest)
McWhinney
Mifflin
Minna
Murphy
Ménard
Nunez
Pagtakhan
Parrish
Patry
Peric
Peterson
Picard (Drummond)
Pillitteri
Pomerleau
Richardson
Ringuette–Maltais
Rocheleau
Sauvageau
Allmand
Anderson
Assad
Asselin
Axworthy (Winnipeg South Centre)
Bakopanos
Beaumier
Bellemare
Bernier (Mégantic—Compton—Stanstead)
Bevilacqua
Bonin
Boudria
Brown (Oakville—Milton)
Bryden
Bélisle
Calder
Cannis
Catterall
Chamberlain
Chrétien (Frontenac)
Cohen
Comuzzi
Cowling
Culbert
Daviault
Deshaies
Dhaliwal
Discepola
Dubé
Duhamel
Dupuy
Eggleton
Fewchuk
Finestone
Flis
Fry
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Gallaway
Godfrey
Goodale
Gray (Windsor West)
Guarnieri
Guimond
Harvard
Hopkins
Ianno
Jackson
Jordan
Kirkby
Kraft Sloan
Landry
Laurin
Lebel
Leblanc (Longueuil)
Lefebvre
Leroux (Shefford)
Loubier
MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)
Malhi
Manley
Marchi
Martin (LaSalle—Émard)
McCormick
McKinnon
McTeague
Mercier
Milliken
Mitchell
Murray
Nault
O'Reilly
Paradis
Paré
Payne
Peters
Phinney
Pickard (Essex—Kent)
Plamondon
Reed
Rideout
Robichaud
Rock
Scott (Fredericton—York—Sunbury)

Serré
Sheridan
Speller
St. Denis
Stewart (Brant)
Szabo
Thalheimer
Tremblay (Rimouski—Témiscouata)
Ur
Vanclief
Volpe
Wells
Wood
Shepherd
Simmons
St–Laurent
Steckle
Stewart (Northumberland)
Telegdi
Torsney
Tremblay (Rosemont)
Valeri
Verran
Walker
Whelan
Young —194

PAIRED MEMBERS

Bernier (Gaspé)
Bélanger
Debien
Langlois
Bertrand
Canuel
Gaffney
Patry

The Speaker: I declare Motions Nos. 2 and 3 lost.

[*Editor's Note: See list under Division No. 306*]

The Speaker: I also declare Motions Nos. 4, 5, 7, 10, 11, 35 and 39 lost.

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.) moved that the bill be concurred in.

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

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

The Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Speaker: In my opinion the yeas have it.

And more than five members having risen:

(The House divided on the motion, which was agreed to on the following division:)

(*Division No. 307*)

YEAS

Members

Adams
Anawak
Arseneault
Assadourian
Augustine
Baker
Barnes
Bellehumeur
Bergeron
Bethel
Bodnar
Bouchard
Brien
Brushett
Bélair
Caccia
Campbell
Allmand
Anderson
Assad
Asselin
Axworthy (Winnipeg South Centre)
Bakopanos
Beaumier
Bellemare
Bernier (Mégantic—Compton—Stanstead)
Bevilacqua
Bonin
Boudria
Brown (Oakville—Milton)
Bryden
Bélisle
Calder
Cannis
Caron
Cauchon
Chan
Clancy
Collenette
Copps
Crête
Dalphond–Guiral
de Savoye
DeVillers
Dingwall
Dromisky
Duceppe
Dumas
Easter
English
Fillion
Finlay
Fontana
Gagliano
Gagnon (Québec)
Gauthier (Roberval)
Godin
Graham
Grose
Guay
Harb
Hickey
Hubbard
Irwin
Jacob
Keyes
Knutson
Lalonde
Lastewka
Lavigne (Beauharnois—Salaberry)
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lee
Leroux (Richmond—Wolfe)
Loney
MacAulay
MacLaren
Maheu
Maloney
Marchand
Marleau
Massé
McGuire
McLellan (Edmonton Northwest)
Mercier
Milliken
Mitchell
Murray
Nault
O'Reilly
Paradis
Paré
Payne
Peters
Phinney
Pickard (Essex—Kent)
Plamondon
Reed
Rideout
Robichaud
Rock
Scott (Fredericton—York—Sunbury)
Shepherd
Simmons
St–Laurent
Steckle
Stewart (Northumberland)
Telegdi
Torsney
Tremblay (Rosemont)
Valeri
Verran
Walker
Whelan
Young —193
Catterall
Chamberlain
Chrétien (Frontenac)
Cohen
Comuzzi
Cowling
Culbert
Daviault
Deshaies
Dhaliwal
Discepola
Dubé
Duhamel
Dupuy
Eggleton
Fewchuk
Finestone
Flis
Fry
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Gallaway
Godfrey
Goodale
Gray (Windsor West)
Guarnieri
Guimond
Harvard
Hopkins
Ianno
Jackson
Jordan
Kirkby
Kraft Sloan
Landry
Laurin
Lebel
Leblanc (Longueuil)
Lefebvre
Leroux (Shefford)
Loubier
MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)
Malhi
Manley
Marchi
Martin (LaSalle—Émard)
McCormick
McKinnon
McWhinney
Mifflin
Minna
Murphy
Ménard
Nunez
Pagtakhan
Parrish
Patry
Peric
Peterson
Picard (Drummond)
Pillitteri
Pomerleau
Richardson
Ringuette–Maltais
Rocheleau
Sauvageau
Serré
Sheridan
Speller
St. Denis
Stewart (Brant)
Szabo
Thalheimer
Tremblay (Rimouski—Témiscouata)
Ur
Vanclief
Volpe
Wells
Wood

NAYS

Members

Abbott
Benoit
Breitkreuz (Yellowhead)
Bridgman
Cummins
Epp
Frazer
Gouk
Hanger
Harper (Calgary West)
Harris
Hayes
Hill (Macleod)
Hoeppner
Kerpan
Martin (Esquimalt—Juan de Fuca)
McClelland (Edmonton Southwest)
Mills (Red Deer)
Penson
Ringma
Silye
Stinson
Thompson
Williams—47

Ablonczy
Blaikie
Breitkreuz (Yorkton—Melville)
Brown (Calgary Southeast)
Duncan
Forseth
Gilmour
Grey (Beaver River)
Hanrahan
Harper (Simcoe Centre)
Hart
Hermanson
Hill (Prince George—Peace River)
Johnston
Manning
Mayfield
Meredith
Morrison
Ramsay
Schmidt
Solberg
Strahl
White (Fraser Valley West)

PAIRED MEMBERS

Bernier (Gaspé)
Bélanger
Debien
Langlois

Bertrand
Canuel
Gaffney
Patry

(2430)

The Speaker: I declare the motion carried.

* * *

INCOME TAX ACT

The House resumed from June 16 consideration of the motion that Bill C–70, an act to amend the Income Tax Act, the Income Tax Application Rules and related acts, be read the third time and passed.

The Speaker: Pursuant to Standing Order 45(6), the House will now proceed to the taking of the deferred division at the third reading stage of Bill C–70.

Mr. Boudria: Mr. Speaker, if you were to seek it, I believe you would find unanimous consent that the vote taken on report stage Motion No. 11 of Bill C–89 be applied in reverse to the motion now before the House.

The Speaker: Is it agreed?

Mr. Silye: Agreed.

Mr. Taylor: Agreed.

(The House divided on the motion, which was agreed to on the following division:)

(*Division No. 308*)

YEAS

Members

Adams
Anawak
Arseneault
Assadourian
Axworthy (Winnipeg South Centre)
Bakopanos
Beaumier
Bethel
Bodnar
Boudria
Brushett
Bélair
Calder
Cannis
Cauchon
Chan
Cohen
Comuzzi
Cowling
DeVillers
Dingwall
Dromisky
Dupuy
Eggleton
Fewchuk
Finlay
Fontana
Gagliano
Gallaway
Goodale
Gray (Windsor West)
Guarnieri
Harvard
Hopkins
Ianno
Jackson
Keyes
Knutson
Lastewka
Lee
MacAulay
MacLaren
Maheu
Maloney
Marchi
Martin (LaSalle—Émard)
McCormick
McKinnon
McTeague
Mifflin
Minna
Murphy
Nault
Pagtakhan
Parrish
Payne
Peters
Phinney
Pillitteri
Richardson
Ringuette–Maltais
Rock
Serré
Sheridan
Speller
Steckle
Stewart (Northumberland)
Telegdi
Torsney
Valeri
Verran
Walker
Whelan
Young —147

Allmand
Anderson
Assad
Augustine
Baker
Barnes
Bellemare
Bevilacqua
Bonin
Brown (Oakville—Milton)
Bryden
Caccia
Campbell
Catterall
Chamberlain
Clancy
Collenette
Copps
Culbert
Dhaliwal
Discepola
Duhamel
Easter
English
Finestone
Flis
Fry
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Godfrey
Graham
Grose
Harb
Hickey
Hubbard
Irwin
Jordan
Kirkby
Kraft Sloan
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Loney
MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)
Malhi
Manley
Marleau
Massé
McGuire
McLellan (Edmonton Northwest)
McWhinney
Milliken
Mitchell
Murray
O'Reilly
Paradis
Patry
Peric
Peterson
Pickard (Essex—Kent)
Reed
Rideout
Robichaud
Scott (Fredericton—York—Sunbury)
Shepherd
Simmons
St. Denis
Stewart (Brant)
Szabo
Thalheimer
Ur
Vanclief
Volpe
Wells
Wood

NAYS

Members

Abbott	Ablonczy
Althouse	Asselin
Bellehumeur	Benoit
Bergeron	Bernier (Mégantic—Compton—Stanstead)
Blaikie	Bouchard
Breitkreuz (Yellowhead)	Breitkreuz (Yorkton—Melville)
Bridgman	Brien
Brown (Calgary Southeast)	Bélisle
Caron	Chrétien (Frontenac)
Crête	Cummins
Dalphond–Guiral	Daviault
de Savoye	Deshaies
Dubé	Duceppe
Dumas	Duncan
Epp	Fillion
Forseth	Frazer
Gagnon (Québec)	Gauthier (Roberval)
Gilmour	Godin
Gouk	Grey (Beaver River)
Guay	Guimond
Hanger	Hanrahan
Harper (Calgary West)	Harper (Simcoe Centre)
Harris	Hart
Hayes	Hermanson
Hill (Macleod)	Hill (Prince George—Peace River)
Hoeppner	Jacob
Johnston	Kerpan
Lalonde	Landry
Laurin	Lavigne (Beauharnois—Salaberry)
Lebel	Leblanc (Longueuil)
Lefebvre	Leroux (Richmond—Wolfe)
Leroux (Shefford)	Loubier
Manning	Marchand
Martin (Esquimalt—Juan de Fuca)	Mayfield
McClelland (Edmonton Southwest)	McLaughlin
Mercier	Meredith
Mills (Red Deer)	Morrison
Ménard	Nunez
Paré	Penson
Picard (Drummond)	Plamondon
Pomerleau	Ramsay
Ringma	Rocheleau
Sauvageau	Schmidt
Silye	Solberg
St–Laurent	Stinson
Strahl	Thompson
Tremblay (Rimouski—Témiscouata)	Tremblay (Rosemont)
White (Fraser Valley West)	Williams—96

PAIRED MEMBERS

Bernier (Gaspé)	Bertrand
Bélanger	Canuel
Debien	Gaffney
Langlois	Patry

The Speaker: I declare the motion carried.

(Bill read the third time and passed.)

* * *

(2435)

CODE OF CONDUCT

The House resumed from June 16 consideration of the motion.

Government Orders

The Speaker: Pursuant to Standing Order 45(6), the House will now proceed to the taking of the deferred division on the motion of Mr. Gray under Government Business No. 24.

[*Translation*]

Mr. Boudria: Mr. Speaker, if you were to seek it, I believe you would find unanimous consent that all members who voted on the previous motion be recorded as having voted on the motion now before the House, with Liberal members voting yea.

Mr. Duceppe: Mr. Speaker, Bloc Quebecois members oppose the motion.

[*English*]

Mr. Silye: Mr. Speaker, Reform Party members vote no, except for those members who wish to vote otherwise. I would like to be recorded as voting yea on this motion.

Mr. Blaikie: Mr. Speaker, the NDP votes yea on this motion.

(The House divided on the motion, which was agreed to on the following division:)

(*Division No. 309*)

YEAS

Members

Adams	Allmand
Althouse	Anawak
Anderson	Arseneault
Assad	Assadourian
Augustine	Axworthy (Winnipeg South Centre)
Baker	Bakopanos
Barnes	Beaumier
Bellemare	Bethel
Bevilacqua	Blaikie
Bodnar	Bonin
Boudria	Brown (Oakville—Milton)
Brushett	Bryden
Bélair	Caccia
Calder	Campbell
Cannis	Catterall
Cauchon	Chamberlain
Chan	Clancy
Cohen	Collenette
Comuzzi	Copps
Cowling	Culbert
DeVillers	Dhaliwal
Dingwall	Discepola
Dromisky	Duhamel
Dupuy	Easter
Eggleton	English
Fewchuk	Finestone
Finlay	Flis
Fontana	Fry
Gagliano	Gagnon (Bonaventure—Îles–de–la–Madeleine)
Gallaway	Godfrey
Goodale	Graham
Gray (Windsor West)	Grose
Guarnieri	Harb
Harvard	Hickey
Hopkins	Hubbard
Ianno	Irwin
Jackson	Jordan
Keyes	Kirkby
Knutson	Kraft Sloan
Lastewka	LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lee	Loney
MacAulay	MacDonald
MacLaren	MacLellan (Cape/Cap-Breton—The Sydneys)
Maheu	Malhi
Maloney	Manley

Marchi
Martin (LaSalle—Émard)
McClelland (Edmonton Southwest)
McGuire
McLaughlin
McTeague
Mifflin
Minna
Murphy
Nault
Pagtakhan
Parrish
Payne
Peters
Phinney
Pillitteri
Richardson
Ringuette–Maltais
Rock
Serré
Sheridan
Simmons
St. Denis
Stewart (Brant)
Szabo
Thalheimer
Ur
Vanclief
Volpe
Wells
White (Fraser Valley West)
Young —153

Marleau
Massé
McCormick
McKinnon
McLellan (Edmonton Northwest)
McWhinney
Milliken
Mitchell
Murray
O'Reilly
Paradis
Patry
Peric
Peterson
Pickard (Essex—Kent)
Reed
Rideout
Robichaud
Scott (Fredericton—York—Sunbury)
Shepherd
Silye
Speller
Steckle
Stewart (Northumberland)
Telegdi
Torsney
Valeri
Verran
Walker
Whelan
Wood

NAYS

Members

Abbott
Asselin
Benoit
Bernier (Mégantic—Compton—Stanstead)
Breitkreuz (Yellowhead)
Bridgman
Brown (Calgary Southeast)
Caron
Crête
Dalphond–Guiral
de Savoye
Dubé
Dumas
Epp
Forseth
Gagnon (Québec)
Gilmour
Gouk
Guay
Hanger
Harper (Calgary West)
Harris
Hayes
Hill (Macleod)
Hoeppner
Johnston
Lalonde
Laurin
Lebel
Lefebvre
Leroux (Shefford)
Manning
Martin (Esquimalt—Juan de Fuca)
Mercier
Mills (Red Deer)
Ménard
Paré
Picard (Drummond)
Pomerleau
Ringma
Sauvageau
Solberg
Stinson
Thompson
Tremblay (Rosemont)

Ablonczy
Bellehumeur
Bergeron
Bouchard
Breitkreuz (Yorkton—Melville)
Brien
Bélisle
Chrétien (Frontenac)
Cummins
Daviault
Deshaies
Duceppe
Duncan
Fillion
Frazer
Gauthier (Roberval)
Godin
Grey (Beaver River)
Guimond
Hanrahan
Harper (Simcoe Centre)
Hart
Hermanson
Hill (Prince George—Peace River)
Jacob
Kerpan
Landry
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Leroux (Richmond—Wolfe)
Loubier
Marchand
Mayfield
Meredith
Morrison
Nunez
Penson
Plamondon
Ramsay
Rocheleau
Schmidt
St–Laurent
Strahl
Tremblay (Rimouski—Témiscouata)
Williams—90

PAIRED MEMBERS

Bernier (Gaspé)
Bélanger
Debien
Langlois

Bertrand
Canuel
Gaffney
Patry

The Speaker: I declare the motion carried.

* * *

CANADIAN DAIRY COMMISSION ACT

The House resumed consideration of Bill C–86, an act to amend the Canadian Dairy Commission Act, as reported (with amendments) from the committee.

The Speaker: Pursuant to Standing Order 45(5)(a), the House will now proceed to the deferred division at report stage of Bill C–86, an act to amend the Canadian Dairy Commission Act.

The question is on Motion No. 1.

Mr. Boudria: Mr. Speaker, I believe you would find unanimous consent for the members who voted on the previous motion to be recorded as having voted on the motion now before the House. Liberal members will be voting nay on this motion.

(2440)

[*Translation*]

Mr. Duceppe: Mr. Speaker, Bloc Quebecois members oppose the motion.

[*English*]

Mr. Silye: Reform Party members will be voting yea, except for those members who wish to vote otherwise.

Mr. Blaikie: Mr. Speaker, the NDP will vote yea on this.

(The House divided on Motion No. 1, which was negatived on the following division:)

(*Division No. 310*)

YEAS

Members

Abbott
Althouse
Blaikie
Breitkreuz (Yorkton—Melville)
Brown (Calgary Southeast)
Duncan
Forseth
Gilmour
Grey (Beaver River)
Hanrahan
Harper (Simcoe Centre)
Hart
Hermanson
Hill (Prince George—Peace River)
Johnston
Manning
Mayfield
McLaughlin
Mills (Red Deer)

Ablonczy
Benoit
Breitkreuz (Yellowhead)
Bridgman
Cummins
Epp
Frazer
Gouk
Hanger
Harper (Calgary West)
Harris
Hayes
Hill (Macleod)
Hoeppner
Kerpan
Martin (Esquimalt—Juan de Fuca)
McClelland (Edmonton Southwest)
Meredith
Morrison

Penson
Ringma
Silye
Stinson
Thompson
Williams—49

Ramsay
Schmidt
Solberg
Strahl
White (Fraser Valley West)

NAYS

Members

Adams
Anawak
Arseneault
Assadourian
Augustine
Baker
Barnes
Bellehumeur
Bergeron
Bethel
Bodnar
Bouchard
Brien
Brushett
Bélair
Caccia
Campbell
Caron
Cauchon
Chan
Clancy
Collenette
Copps
Crête
Dalphond–Guiral
de Savoye
DeVillers
Dingwall
Dromisky
Duceppe
Dumas
Easter
English
Fillion
Finlay
Fontana
Gagliano
Gagnon (Québec)
Gauthier (Roberval)
Godin
Graham
Grose
Guay
Harb
Hickey
Hubbard
Irwin
Jacob
Keyes
Knutson
Lalonde
Lastewka
Lavigne (Beauharnois—Salaberry)
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lee
Leroux (Richmond—Wolfe)
Loney
MacAulay
MacLaren
Maheu
Maloney
Marchand
Marleau
Massé
McGuire
McLellan (Edmonton Northwest)
McWhinney
Mifflin

Allmand
Anderson
Assad
Asselin
Axworthy (Winnipeg South Centre)
Bakopanos
Beaumier
Bellemare
Bernier (Mégantic—Compton—Stanstead)
Bevilacqua
Bonin
Boudria
Brown (Oakville—Milton)
Bryden
Bélisle
Calder
Cannis
Catterall
Chamberlain
Chrétien (Frontenac)
Cohen
Comuzzi
Cowling
Culbert
Daviault
Deshaies
Dhaliwal
Discepola
Dubé
Duhamel
Dupuy
Eggleton
Fewchuk
Finestone
Flis
Fry
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Gallaway
Godfrey
Goodale
Gray (Windsor West)
Guarnieri
Guimond
Harvard
Hopkins
Ianno
Jackson
Jordan
Kirkby
Kraft Sloan
Landry
Laurin
Lebel
Leblanc (Longueuil)
Lefebvre
Leroux (Shefford)
Loubier
MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)
Malhi
Manley
Marchi
Martin (LaSalle—Émard)
McCormick
McKinnon
McTeague
Mercier
Milliken
Minna
Murphy
Ménard
Nunez
Pagtakhan
Parrish
Patry
Peric
Peterson
Picard (Drummond)
Pillitteri
Plamondon
Reed
Rideout
Robichaud
Rock
Scott (Fredericton—York—Sunbury)
Shepherd
Simmons
St–Laurent
Steckle
Stewart (Northumberland)
Telegdi
Torsney
Tremblay (Rosemont)
Valeri
Verran
Walker
Whelan
Young —194

Mitchell
Murray
Nault
O'Reilly
Paradis
Paré
Payne
Peters
Phinney
Pickard (Essex—Kent)
Pomerleau
Richardson
Ringuette–Maltais
Rocheleau
Sauvageau
Serré
Sheridan
Speller
St. Denis
Stewart (Brant)
Szabo
Thalheimer
Tremblay (Rimouski—Témiscouata)
Ur
Vanclief
Volpe
Wells
Wood

PAIRED MEMBERS

Bernier (Gaspé)
Bélanger
Debien
Langlois

Bertrand
Canuel
Gaffney
Patry

The Speaker: I declare the Motion No. 1 lost.

Hon. Ralph E. Goodale (Minister of Agriculture and Agri–Food, Lib.) moved that the bill, as amended, be concurred in.

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

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

The Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Speaker: I declare the motion carried.

(Motion agreed to.)

The Speaker: When shall the bill be read a third time? By unanimous consent now?

Some hon. members: Agreed.

[*Translation*]

Mr. Gauthier: Mr. Speaker, are you asking for consent for third reading of Bill C–86?

The Speaker: Yes.

Mr. Gauthier: Mr. Speaker, we support this bill. However, we feel that the next few days should provide ample time for third reading. Our critic on agricultural issues would like to speak in support of the bill.

The Speaker: Now?

Some hon. members: No.

The Speaker: At the next sitting of the House.

* * *

[*English*]

AGREEMENT ON INTERNAL TRADE IMPLEMENTATION ACT

The House resumed consideration of the motion that Bill C–88, an act to implement the Agreement on Internal Trade, be read the second time and referred to a committee.

The Speaker: Pursuant to Standing Order 45(5)(a), the House will now proceed to the taking of the deferred division on the amendment of the member for Simcoe Centre to Bill C–88, an act to implement the Agreement on Internal Trade.

The question is on the amendment.

[*Translation*]

Mr. Boudria: Mr. Speaker, if you were to seek it, I believe you would find unanimous consent that all members who voted on the previous motions be recorded as having voted on the motion now before the House, with Liberal members voting nay.

Mr. Duceppe: Mr. Speaker, Bloc Quebecois members are opposed to the motion.

Mr. Silye: Mr. Speaker, the Reform Party members will vote yes, except for those members who wish to vote otherwise.

[*English*]

Mr. Blaikie: Mr. Speaker, the NDP votes no.

(The House divided on the amendment, which was negatived on the following division:)

(*Division No. 311*)

YEAS

Members

Abbott
Benoit
Breitkreuz (Yorkton—Melville)
Brown (Calgary Southeast)
Duncan
Forseth
Gilmour
Grey (Beaver River)
Hanrahan
Harper (Simcoe Centre)
Hart
Hermanson
Hill (Prince George—Peace River)
Johnston
Manning
Mayfield
Meredith
Morrison
Ramsay
Schmidt
Solberg
Strahl
White (Fraser Valley West)
Ablonczy
Breitkreuz (Yellowhead)
Bridgman
Cummins
Epp
Frazer
Gouk
Hanger
Harper (Calgary West)
Harris
Hayes
Hill (Macleod)
Hoeppner
Kerpan
Martin (Esquimalt—Juan de Fuca)
McClelland (Edmonton Southwest)
Mills (Red Deer)
Penson
Ringma
Silye
Stinson
Thompson
Williams—46

NAYS

Members

Adams
Althouse
Anderson
Assad
Asselin
Axworthy (Winnipeg South Centre)
Bakopanos
Beaumier
Bellemare
Bernier (Mégantic—Compton—Stanstead)
Bevilacqua
Bodnar
Bouchard
Brien
Brushett
Bélair
Caccia
Campbell
Caron
Cauchon
Chan
Clancy
Collenette
Copps
Crête
Dalphond–Guiral
de Savoye
DeVillers
Dingwall
Dromisky
Duceppe
Dumas
Easter
English
Fillion
Finlay
Fontana
Gagliano
Gagnon (Québec)
Gauthier (Roberval)
Godin
Graham
Grose
Guay
Harb
Hickey
Hubbard
Irwin
Jacob
Keyes
Knutson
Lalonde
Lastewka
Lavigne (Beauharnois—Salaberry)
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lee
Leroux (Richmond—Wolfe)
Loney
MacAulay
MacLaren
Maheu
Maloney
Marchand
Marleau
Massé
McGuire
McLaughlin
McTeague
Mercier
Milliken
Mitchell
Murray
Nault
O'Reilly
Paradis
Paré
Payne
Peters
Phinney
Pickard (Essex—Kent)
Plamondon
Reed
Rideout
Robichaud
Allmand
Anawak
Arseneault
Assadourian
Augustine
Baker
Barnes
Bellehumeur
Bergeron
Bethel
Blaikie
Bonin
Boudria
Brown (Oakville—Milton)
Bryden
Bélisle
Calder
Cannis
Catterall
Chamberlain
Chrétien (Frontenac)
Cohen
Comuzzi
Cowling
Culbert
Daviault
Deshaies
Dhaliwal
Discepola
Dubé
Duhamel
Dupuy
Eggleton
Fewchuk
Finestone
Flis
Fry
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Gallaway
Godfrey
Goodale
Gray (Windsor West)
Guarnieri
Guimond
Harvard
Hopkins
Ianno
Jackson
Jordan
Kirkby
Kraft Sloan
Landry
Laurin
Lebel
Leblanc (Longueuil)
Lefebvre
Leroux (Shefford)
Loubier
MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)
Malhi
Manley
Marchi
Martin (LaSalle—Émard)
McCormick
McKinnon
McLellan (Edmonton Northwest)
McWhinney
Mifflin
Minna
Murphy
Ménard
Nunez
Pagtakhan
Parrish
Patry
Peric
Peterson
Picard (Drummond)
Pillitteri
Pomerleau
Richardson
Ringuette–Maltais
Rocheleau

Rock
Scott (Fredericton—York—Sunbury)
Shepherd
Simmons
St–Laurent
Steckle
Stewart (Northumberland)
Telegdi
Torsney
Tremblay (Rosemont)
Valeri
Verran
Walker
Whelan
Young —197

Sauvageau
Serré
Sheridan
Speller
St. Denis
Stewart (Brant)
Szabo
Thalheimer
Tremblay (Rimouski—Témiscouata)
Ur
Vanclief
Volpe
Wells
Wood

PAIRED MEMBERS

Bernier (Gaspé)
Bélanger
Debien
Langlois

Bertrand
Canuel
Gaffney
Patry

(2445)

The Speaker: I declare the amendment lost.

PRIVATE MEMBERS' BUSINESS

[*English*]

ALTERNATIVE FUELS ACT

The House resumed from June 16 consideration of Bill S–7, an act to accelerate the use of alternative fuels for motor vehicles, as reported (with amendments) from the committee.

The Speaker: This vote will be a bit different and I will tell you why. It is on Bill S–7 and we are going to be voting by row.

Pursuant to Standing Order 45(6), the House will now proceed to the deferred divisions at report stage on Bill S–7, an act to accelerate the use of alternative fuels for motor vehicles.

The question is on Motion No. 2. A vote on this motion also applies to Motions 3, 5, and 6.

As is the practice, the division will be taken row by row, as I said, starting with the mover and then proceeding with those in favour of the motion sitting on the same side of the House as the mover. Then those in favour of the motion sitting on the other side of the House will be called. Those opposed to the motion will be called in the same order.

(The House divided on Motion No. 2, which was negatived on the following division:)

(*Division No. 312*)

YEAS

Members

Abbott
Benoit
Breitkreuz (Yorkton—Melville)
Brown (Calgary Southeast)
Duncan
Forseth
Gilmour
Grey (Beaver River)
Hanrahan
Harper (Simcoe Centre)
Hayes
Hill (Macleod)
Hoeppner
Kerpan
Martin (Esquimalt—Juan de Fuca)
Mills (Red Deer)
Penson
Schmidt
Solberg
Strahl
White (Fraser Valley West)

Ablonczy
Breitkreuz (Yellowhead)
Bridgman
Cummins
Epp
Gallaway
Gouk
Hanger
Harper (Calgary West)
Harris
Hermanson
Hill (Prince George—Peace River)
Johnston
Manning
Mayfield
Morrison
Ramsay
Silye
Stinson
Thompson
Williams—42

NAYS

Members

Adams
Althouse
Anderson
Assad
Asselin
Axworthy (Winnipeg South Centre)
Bakopanos
Beaumier
Bellemare
Bernier (Mégantic—Compton—Stanstead)
Bevilacqua
Bodnar
Bouchard
Brien
Brushett
Bélair
Caccia
Campbell
Caron
Cauchon
Chan
Clancy
Collenette
Copps
Crête
Dalphond–Guiral
de Savoye
DeVillers
Dingwall
Dromisky
Duceppe
Dumas
Easter
English
Fillion
Finlay
Fontana
Fry
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Gauthier (Roberval)
Godin
Graham
Grose
Guay
Harb
Harvard
Hopkins

Allmand
Anawak
Arseneault
Assadourian
Augustine
Baker
Barnes
Bellehumeur
Bergeron
Bethel
Blaikie
Bonin
Boudria
Brown (Oakville—Milton)
Bryden
Bélisle
Calder
Cannis
Catterall
Chamberlain
Chrétien (Frontenac)
Cohen
Comuzzi
Cowling
Culbert
Daviault
Deshaies
Dhaliwal
Discepola
Dubé
Duhamel
Dupuy
Eggleton
Fewchuk
Finestone
Flis
Frazer
Gagliano
Gagnon (Québec)
Godfrey
Goodale
Gray (Windsor West)
Guarnieri
Guimond
Hart
Hickey
Hubbard

Ianno	Irwin
Jackson	Jacob
Jordan	Keyes
Kirkby	Kraft Sloan
Lalonde	Landry
Lastewka	Laurin
Lavigne (Beauharnois—Salaberry)	Lebel
LeBlanc (Cape/Cap-Breton Highlands—Canso)	Leblanc (Longueuil)
Lee	Lefebvre
Leroux (Richmond—Wolfe)	Leroux (Shefford)
Loney	Loubier
MacAulay	MacLaren
MacLellan (Cape/Cap-Breton—The Sydneys)	Maheu
Malhi	Maloney
Manley	Marchand
Marchi	Marleau
Martin (LaSalle—Émard)	Massé
McClelland (Edmonton Southwest)	McCormick
McGuire	McKinnon
McLaughlin	McLellan (Edmonton Northwest)
McTeague	McWhinney
Mercier	Meredith
Mifflin	Minna
Mitchell	Murphy
Murray	Ménard
Nault	Nunez
O'Reilly	Pagtakhan
Paradis	Parrish
Paré	Patry
Payne	Peric
Peters	Peterson
Phinney	Picard (Drummond)
Pickard (Essex—Kent)	Pillitteri
Plamondon	Pomerleau
Reed	Richardson
Rideout	Ringma
Ringuette–Maltais	Robichaud
Rocheleau	Rock
Sauvageau	Scott (Fredericton—York—Sunbury)
Serré	Shepherd
Sheridan	Speller
St–Laurent	St. Denis
Steckle	Stewart (Brant)
Stewart (Northumberland)	Szabo
Telegdi	Thalheimer
Torsney	Tremblay (Rimouski—Témiscouata)
Tremblay (Rosemont)	Ur
Valeri	Vanclief
Verran	Volpe
Wells	Whelan
Wood	Young —196

PAIRED MEMBERS

Bernier (Gaspé)	Bertrand
Bélanger	Canuel
Debien	Gaffney
Langlois	Patry

(2455)

The Speaker: I declare Motion No. 2 lost. I therefore declare Motions Nos. 3, 5 and 6 lost.

Mrs. Jane Stewart (Brant, Lib.) moved that the bill, as amended, be concurred in.

She said: Mr. Speaker, I would respectfully request that you ask the House to consider applying the vote just taken in reverse on concurrence.

The Speaker: Is it agreed?

Some hon. members: Agreed.

Mr. Silye: Mr. Speaker, most members of the Reform Party will vote no except for those members who wish to vote otherwise.

The Speaker: Those in the Reform Party who are going to vote please stand. We have Mr. McClelland and the clerk will record the following: Mr. White, Mr. Ringma, Mr. Frazer and Mr. Hart will vote yea.

Mr. Blaikie: Mr. Speaker, the New Democratic Party votes yes on concurrence at report stage.

(The House divided on the motion, which was agreed to on the following division:)

(*Division No. 313*)

YEAS

Members

Adams	Allmand
Althouse	Anawak
Anderson	Arseneault
Assad	Assadourian
Asselin	Augustine
Axworthy (Winnipeg South Centre)	Baker
Bakopanos	Barnes
Beaumier	Bellehumeur
Bellemare	Bergeron
Bernier (Mégantic—Compton—Stanstead)	Bethel
Bevilacqua	Blaikie
Bodnar	Bonin
Bouchard	Boudria
Brien	Brown (Oakville—Milton)
Brushett	Bryden
Bélair	Bélisle
Caccia	Calder
Campbell	Cannis
Caron	Catterall
Cauchon	Chamberlain
Chan	Chrétien (Frontenac)
Clancy	Cohen
Collenette	Comuzzi
Copps	Cowling
Crête	Culbert
Dalphond–Guiral	Daviault
de Savoye	Deshaies
DeVillers	Dhaliwal
Dingwall	Discepola
Dromisky	Dubé
Duceppe	Duhamel
Dumas	Dupuy
Easter	Eggleton
English	Fewchuk
Fillion	Finestone
Finlay	Flis
Fontana	Frazer
Fry	Gagliano
Gagnon (Bonaventure—Îles–de–la–Madeleine)	Gagnon (Québec)
Gauthier (Roberval)	Godfrey
Godin	Goodale
Graham	Gray (Windsor West)
Grose	Guarnieri
Guay	Guimond
Harb	Hart
Harvard	Hickey
Hopkins	Hubbard
Ianno	Irwin
Jackson	Jacob
Jordan	Keyes
Kirkby	Kraft Sloan
Lalonde	Landry
Lastewka	Laurin
Lavigne (Beauharnois—Salaberry)	Lebel
LeBlanc (Cape/Cap-Breton Highlands—Canso)	Leblanc (Longueuil)
Lee	Lefebvre
Leroux (Richmond—Wolfe)	Leroux (Shefford)
Loney	Loubier
MacAulay	MacLaren
MacLellan (Cape/Cap-Breton—The Sydneys)	Maheu
Malhi	Maloney
Manley	Marchand
Marchi	Marleau
Martin (LaSalle—Émard)	Massé
McClelland (Edmonton Southwest)	McCormick
McGuire	McKinnon
McLaughlin	McLellan (Edmonton Northwest)
McTeague	McWhinney

Mercier	Meredith
Mifflin	Minna
Mitchell	Murphy
Murray	Ménard
Nault	Nunez
O'Reilly	Pagtakhan
Paradis	Parrish
Paré	Patry
Payne	Peric
Peters	Peterson
Phinney	Picard (Drummond)
Pickard (Essex—Kent)	Pillitteri
Plamondon	Pomerleau
Reed	Richardson
Rideout	Ringma
Ringuette–Maltais	Robichaud
Rocheleau	Rock
Sauvageau	Scott (Fredericton—York—Sunbury)
Serré	Shepherd
Sheridan	Speller
St–Laurent	St. Denis
Steckle	Stewart (Brant)
Stewart (Northumberland)	Szabo
Telegdi	Thalheimer
Torsney	Tremblay (Rimouski—Témiscouata)
Tremblay (Rosemont)	Ur
Valeri	Vanclief
Verran	Volpe
Wells	Whelan
Wood	Young —196

NAYS

Members

Abbott	Ablonczy
Benoit	Breitkreuz (Yellowhead)
Breitkreuz (Yorkton—Melville)	Bridgman
Brown (Calgary Southeast)	Cummins
Duncan	Epp
Forseth	Gallaway
Gilmour	Gouk
Grey (Beaver River)	Hanger
Hanrahan	Harper (Calgary West)
Harper (Simcoe Centre)	Harris
Hayes	Hermanson
Hill (Macleod)	Hill (Prince George—Peace River)
Hoeppner	Johnston
Kerpan	Manning
Martin (Esquimalt—Juan de Fuca)	Mayfield
Mills (Red Deer)	Morrison
Penson	Ramsay
Schmidt	Silye
Solberg	Stinson
Strahl	Thompson
White (Fraser Valley West)	Williams—42

PAIRED MEMBERS

Bernier (Gaspé)	Bertrand
Bélanger	Canuel
Debien	Gaffney
Langlois	Patry

(2500)

The Speaker: I declare the motion carried.

Private Members' Business

Mrs. Stewart (Brant) moved that the bill be read the third time and passed.

She said: Mr. Speaker, I respectfully request that you take the vote just taken and apply it to the motion for third reading.

The Speaker: Is it agreed?

Mr. Boudria: Agreed.

Mr. Duceppe: Agreed.

Mr. Silye: Mr. Speaker, I think you will find the vote we just had can be applied in the same way. If members of the party agree, I agree.

Mr. Taylor: Agreed.

[*Editor's Note: See list under Division No. 313*]

The Speaker: I declare the motion carried.

(Bill read the third time and passed.)

* * *

PEACEKEEPING ACT

The House resumed consideration of the motion that Bill C–295, an act to provide for the control of Canadian peacekeeping activities by Parliament and to amend the National Defence Act in consequence thereof, as amended, be read the second time and referred to a committee.

The Speaker: Pursuant to an order made Friday, June 16, the House will now proceed to the taking of the deferred division on Bill C–295, an act to provide for the control of Canadian peacekeeping activities by Parliament and to amend the National Defence Act in consequence thereof.

As this is a private member's motion, we will proceed as we did with the other private member's motion. We will begin on my left.

(The House divided on the motion, which was negatived on the following division:)

(*Division No. 314*)

YEAS

Members

Abbott	Ablonczy
Asselin	Bellehumeur
Benoit	Bergeron
Bernier (Mégantic—Compton—Stanstead)	Bouchard
Breitkreuz (Yellowhead)	Breitkreuz (Yorkton—Melville)
Bridgman	Brien
Brown (Calgary Southeast)	Bélisle
Caron	Chrétien (Frontenac)
Crête	Cummins
Dalphond–Guiral	Daviault
de Savoye	Deshaies
Dubé	Duceppe
Dumas	Duncan
Epp	Fillion
Forseth	Frazer
Gagnon (Québec)	Gauthier (Roberval)
Gilmour	Godin
Gouk	Grey (Beaver River)

Guay
Hanger
Harper (Calgary West)
Harris
Hayes
Hill (Macleod)
Hoeppner
Johnston
Lalonde
Laurin
Lebel
Lefebvre
Leroux (Shefford)
Manning
Martin (Esquimalt—Juan de Fuca)
McClelland (Edmonton Southwest)
Meredith
Morrison
Nunez
Penson
Plamondon
Ramsay
Rocheleau
Schmidt
Solberg
Stinson
Thompson
Tremblay (Rosemont)
Williams—93

Guimond
Hanrahan
Harper (Simcoe Centre)
Hart
Hermanson
Hill (Prince George—Peace River)
Jacob
Kerpan
Landry
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Leroux (Richmond—Wolfe)
Loubier
Marchand
Mayfield
Mercier
Mills (Red Deer)
Ménard
Paré
Picard (Drummond)
Pomerleau
Ringma
Sauvageau
Silye
St–Laurent
Strahl
Tremblay (Rimouski—Témiscouata)
White (Fraser Valley West)

NAYS

Members

Adams
Althouse
Anderson
Assad
Augustine
Baker
Barnes
Bellemare
Bevilacqua
Bodnar
Boudria
Brushett
Bélair
Calder
Cannis
Cauchon
Chan
Cohen
Comuzzi
Cowling
DeVillers
Dingwall
Dromisky
Dupuy
Eggleton
Fewchuk
Finlay
Fontana
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Godfrey
Graham
Grose
Harb
Hickey
Hubbard
Irwin
Jordan
Kirkby
Kraft Sloan
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Loney
MacLaren
Maheu
Maloney
Marchi
Martin (LaSalle—Émard)
McCormick

Allmand
Anawak
Arseneault
Assadourian
Axworthy (Winnipeg South Centre)
Bakopanos
Beaumier
Bethel
Blaikie
Bonin
Brown (Oakville—Milton)
Bryden
Caccia
Campbell
Catterall
Chamberlain
Clancy
Collenette
Copps
Culbert
Dhaliwal
Discepola
Duhamel
Easter
English
Finestone
Flis
Fry
Gallaway
Goodale
Gray (Windsor West)
Guarnieri
Harvard
Hopkins
Ianno
Jackson
Keyes
Knutson
Lastewka
Lee
MacAulay
MacLellan (Cape/Cap-Breton—The Sydneys)
Malhi
Manley
Marleau
Massé

McGuire
McLaughlin
McTeague
Mifflin
Mitchell
Murray
O'Reilly
Paradis
Patry
Peric
Peterson
Pickard (Essex—Kent)
Reed
Rideout
Robichaud
Scott (Fredericton—York—Sunbury)
Shepherd
Speller
Steckle
Stewart (Northumberland)
Telegdi
Torsney
Valeri
Verran
Wells
Wood

McKinnon
McLellan (Edmonton Northwest)
McWhinney
Minna
Murphy
Nault
Pagtakhan
Parrish
Payne
Peters
Phinney
Pillitteri
Richardson
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Rock
Serré
Sheridan
St. Denis
Stewart (Brant)
Szabo
Thalheimer
Ur
Vanclief
Volpe
Whelan
Young —145

PAIRED MEMBERS

Bernier (Gaspé)
Bélanger
Debien
Langlois

Bertrand
Canuel
Gaffney
Patry

(2510)

The Speaker: I declare the motion lost.

Mr. Young: Mr. Speaker, I rise on a point of order. I have paid close attention to the number of votes taken tonight with members of the House participating and I want to check with the Chair to see if we could be informed why the Progressive Conservative Party of Canada has not participated in the voting tonight.

ADJOURNMENT PROCEEDINGS

[*Translation*]

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

POSTAL SERVICES

Mr. Paul Crête (Kamouraska—Rivière–du–Loup, BQ): Mr. Speaker, on May 5, 1995, I put a question to the Minister of Canadian Heritage about budget cuts affecting a program designed to subsidize the distribution of magazines and publications. At the time the minister told me he would check with his officials and find out how effective the cuts were.

However, I may recall for the benefit of the minister that cutting a job in the cultural sector has a more significant impact than it would in other sectors. For instance, it is said it costs about $20,000 to create a job in the cultural sector. Reducing subsidies for magazines and publications would have a far more significant impact in terms of jobs lost than similar cuts in other sectors.

The cultural sector is very sensitive to reductions in subsidies. In the current context it is clear the government must make cuts. However, one always wonders whether the cuts are appropriate and if it would have been possible to avoid them by raising additional taxes in some way, to avoid having to cut this kind of program.

In this particular case the current government's decision is not one with which we can feel comfortable, considering the impact this decision will have on cultural industries. Furthermore, this decision adversely affects the dissemination of Canadian and Quebec culture. The publications and magazines that receive these subsidies tend to have a fairly low circulation and may as a result of this decision be forced to stop publishing, which is a far more drastic impact than what the minister had in mind.

I would like to know whether since my question was put, the government received additional information it could use to analyse the situation or perhaps find alternatives so that the cultural sector would not be penalized by the government's decision.

Mr. Mac Harb (Parliamentary Secretary to Minister of International Trade, Lib.): Mr. Speaker, I am pleased to respond to the concerns of the hon. member.

As announced in the finance minister's February budget, the postal subsidy will be reduced. This cut follows earlier cuts already announced in the previous government's December 1992 economic statement and in the finance minister's April 1994 budget.

These cuts have been planned as follows: 10 per cent in 1993–94; 10 per cent in 1994–95; 15 per cent in 1995–96; and 20 per cent in 1996–97.

This breakdown explains the difference between the 8 per cent reduction reported in the latest budget and a 24 per cent reduction mentioned in some newspaper articles.

Despite the extent of these cuts, we are happy to point out once again that the postal rate increases for 1995–96 have been restricted to 5 per cent for paid circulation periodicals and to 10 per cent for small community weekly newspapers.

Also, we have successfully participated in the effort to reduce the deficit while protecting minority language weekly newspapers and ethnic newspapers. It is a success that deserves special recognition.

With regard to the overall evolution of the budget for the postal subsidy, it was first reduced from $220 million to $110 million by the previous government by excluding certain categories of beneficiaries and by moderately increasing the rates for the existing beneficiaries.

The previous government had decided to eliminate all foreign publications, periodicals distributed free of charge and dailies from the program. In April 1993, $25 million was devoted to the creation of a replacement program for the Canadian book trade. Access to the postal subsidy is now reserved for paid circulation periodicals, for library books and for small community weeklies.

I hope this response will reassure the hon. member for Kamouraska—Rivière–du–Loup regarding the short and medium term future of the postal subsidy.

The Speaker: Pursuant to Standing Order 38(5), the motion to adjourn the House is now deemed adopted. Accordingly, the House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

(The House adjourned at 1.19 a.m.)

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