



House of Commons Debates

VOLUME 133

NUMBER 060

1st SESSION

35th PARLIAMENT

OFFICIAL REPORT
(HANSARD)

Friday, April 29, 1994

Speaker: The Honourable Gilbert Parent

HOUSE OF COMMONS

Friday, April 29, 1994

The House met at 10 a.m.

Prayers

GOVERNMENT ORDERS

[*English*]

PEARSON INTERNATIONAL AIRPORT AGREEMENTS ACT

The House resumed from April 26 consideration of the motion that Bill C-22, an act respecting certain agreements concerning the redevelopment and operation of terminals 1 and 2 at Lester B. Pearson International airport, be read the second time and referred to a committee; and of the amendment; and of the amendment to the amendment.

Mr. John Williams (St. Albert): Mr. Speaker, I rise to speak on Bill C-22 which is the Liberal government response to the Pearson airport fiasco it inherited from the previous government.

We all know that over the last number of years the previous government tried to address itself to the cost and administration of regional airports in this country. One of the things it tried to do was follow through on a different policy regarding its budget management by setting up local airport authorities and quasi-independent authorities.

The administration and financing of airports were moved off the government's balance sheet and therefore away from the government's deficit. This allowed these independent authorities to borrow on their own although the loans were guaranteed by the federal government. Because the federal government guarantees a loan it allows them to avoid bringing forth documents to show that the budget would have been that much larger, yet the amount of money borrowed by the government and its institutions would nonetheless remain the same.

This was part of the smoke and mirrors used by the previous government to deceive the Canadian public as to the true situation of this country's finances. The previous government should be ashamed of that approach. Of course the election

showed that Canadians had lost complete faith in its approach to the situation.

Because of the magnitude of Pearson airport and because it was the only profitable airport in the country, the Conservatives decided they would take a different approach. They entered into negotiations which were behind the scenes and not public tender to lease, sell and give away property belonging to the taxpayers.

It seems ironic they would choose their friends and those of other political parties to come forth and negotiate with the government behind the scenes. The agreement would allow them to take charge of one of the prime federal assets in this country, hundreds of acres of property close to downtown Toronto. They would have a sweetheart lease on it for many years which guaranteed them income, all at the taxpayers' expense.

When the situation blew up in their faces during the last election this government decided it was time to do something about it and said to stop the deal from going forward. Of course the government did not heed the cries and concerns of the electorate and the last government in its dying days signed a deal.

Now we have the present government's response to that in Bill C-22. It is going to kill the deal signed by the former federal government. It was a sad day for Canada, for government and for administration in this country when the previous government entered into the contract. However, it is an equally sad day when the government presents Bill C-22 in which it is going to use its force and power to override a signed agreement.

The phrase force majeure means if someone of a higher authority exerts their power to kill a legitimate transaction that is already in agreement, it is perfectly acceptable in law. But when the federal government enters into a transaction with the private sector and then changes its mind, no one in the private sector can do that without recourse. Nonetheless the federal government has used its power, the ultimate power in this country, to cancel the agreement which has already been signed.

(1010)

Our position in the Reform Party is that we do not like the bill. It gives compensation to some people who knew that the Canadian taxpayer disagreed and knew the Canadian taxpayer was being taken to the cleaners in this situation. We do not like the bill because the minister, in the sum of millions of dollars to be determined, is going to compensate them for the costs they incurred in the negotiations on this contract. They knew it was

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contrary to public policy and contrary to the desires and benefits of the Canadian taxpayer. Now they feel they are entitled to compensation because they entered into that type of a negotiation.

The taxpayer is being taken to the cleaners. The Canadian taxpayer is being insulted by this bill. In our opinion the people on the other side should not be entitled to any compensation whatsoever. They knew when they signed the contract there was a very good chance if the Liberals won the election that the contract would be gone. For them to wait another week or two for the outcome of the election would have prevented them from being in a position to claim any money from the government whatsoever.

Therefore, being responsible to the taxpayers and being concerned about taxpayers' money, our position is that this bill should be defeated and voted down. No compensation whatsoever should be paid to the group that signed the lease.

I mentioned on a wider topic that the whole local airport authority concept as it was envisaged by the previous government was an attempt to move some borrowing off the balance sheet and off the budget. We disagree with that as well. The Auditor General has looked at these situations over the past number of years. He has been quite critical of the way the government has approached the method of financing and administration of the airports.

It is time this government that is so new in its mandate decided to review the whole area of administration and financing of this country's airports. It should develop a clear, concise policy to ensure this type of boondoggle does not happen again, to ensure that the taxpayers are respected and that their money is spent wisely and fairly for the benefit of all Canadians in the transfer of people moving around in this country.

That is the position of the Reform Party. I hope that the government will take that into serious consideration and if this bill does go forward, when it comes time to negotiate with the other parties that the amount is kept if not to nil, to an absolute minimum.

[*Translation*]

Mr. Paul Crête (Kamouraska—Rivière-du-Loup): Mr. Speaker, the bill before the House today has a very evocative title: the Pearson International Airport Agreements Act.

Pearson airport has become a symbol of all the old partisan practices and the more or less above-board lobbying that goes on in a parliamentary system when elected representatives do not have sufficient control.

It is also a test of the present Liberal government's approach to such practices. I agree that they inherited a deal that had been

"negotiated" by the Conservatives, but it seems that, although Prime Ministers have changed, their friends remain the same. On the list of lobbyists who were involved in this deal, we find as many friends or contributors on both the Liberal and what used to be the Conservative side.

The point I would like to make this morning is that we often try to rationalize the lack of development in the regions by pointing to a lack of initiative in these regions or similar arguments.

(1015)

I would like to say that perhaps the real reason is that these regions are not part of the more or less legal, sometimes "shady" networks of lobbyists. As a joke, I said to one of my colleagues: I wish there was a bill on certain agreements concerning the development of eastern Quebec. This might give us some insight into why our projects, which are prepared by development agencies, local contractors and regional authorities acting in good faith, or even by citizens groups, are seldom successful in attacking the dollars they need.

In other words, spending \$250,000 in my region has always seemed more complicated than spending \$250,000 on the Pearson airport deal, where \$250,000 is a drop in the bucket compared to what will be paid just to the lobbyists, for instance.

So what we have here is a double standard. In the case of Pearson airport, the big bucks network makes sure everyone around those who set up this deal gets their share.

We would have liked to see this bill specify exactly what form of compensation, if any, will be provided for a given part of the contract and how it will be awarded, so that there is an open process.

One might also ask how we got into this mess. What is it in our system that lets people who are not elected have more clout than those who are? When we look at the list of people involved in the Pearson deal, those who lobby the government for a decision, why do we see so few elected representatives and so many what I would call powers behind the throne?

I think we have a system that has lost control over the way it operates, and I heard the same comment from voters during the election campaign. It doesn't take a genius to see that, in our current federal political system, there is a lot of waste, a lot of money going down the drain. So why is this happening? Of course we should always allow for some margin of error in the way we do things, but there is no excuse for this kind of behaviour, and I think that the Liberal government which was elected on a promise of transparency will be judged on how it settles the Pearson question. As I see it, what is in this bill falls very wide of the mark and there is certainly a lack of transparency.

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What the government proposes is a bill with a kind of fragmented authority, a bill so full of holes that all parties can get what they want out of it. Another reason why this kind of arrangement was tabled is the fact that the political parties which have formed of government in Canada since this country's inception were always financed, more or less openly, by people who do not vote. By this I mean companies, unions and other organizations which, in the final analysis, do not vote and thus do not give a mandate to our elected representatives. In this connection, I would like to mention the public financing bill in Quebec, which has caused a significant shift in the behaviour and authority of elected representatives and lobbyists.

In Quebec, and the same applies to the Bloc as far as party financing is concerned, the only lobbyists who can influence us are people who contributed to our fundraising campaign as citizens and individuals.

(1020)

In the case of federal parties, and this applies to the current government in particular, funding is provided by these very same people who, merely by changing hats, become lobbyists. They sign on to lobby for a given company, thereby placing the government in a very difficult situation. It can hardly say no to someone who, more as a corporate citizen than as an individual, has made a major financial contribution.

Next week, we will likely proceed to debate a motion on the funding of political parties. I find it totally logical that this motion was introduced by the member for Richelieu and that it ties in with the debate on Pearson airport. I think the government should take a lesson from the opposition in the case of Pearson, take a good hard look at its motives and determine how, in future, it can avoid a recurrence of situations such as this.

Regarding the sub-amendment moved by the Reform Party, my initial impression was that it was a technical amendment. However, on further consideration, since it adds the words "in Canada", it reflects more accurately the Canadian reality.

Why has Ontario always benefitted more from economic development in Canada? Is it because there are more entrepreneurs or more leadership in this province? I do not believe this is the reason. I think it is a question of networks and of contacts people have with political parties. In this respect, the Reform Party's sub-amendment is interesting because it proves to us that, in Canada, some people are more equal than others.

We want the government to take this principle of equality to heart either by amending or withdrawing the bill respecting certain agreements concerning Pearson International airport. In its place, we would like the government to introduce a bill entitled an Act respecting the Pearson airport agreement. This bill would shed light once and for all on whether friends of the government benefitted from this agreement. It would also give us an indication of whether in future the Liberals intend to take a different course of action.

Considering that, during the election campaign, a \$1,000, \$2,000 or \$3,000 a plate dinner was held—I am not sure exactly which it was—this could be viewed as a warning sign of the direction which the government intends to take. In my view, it is important that a clear signal now be sent out that, in Canada and in Quebec, it is possible to have development issues addressed without having to resort to parallel circuits. What matters should be the relevance of the project, not whether a company is an influential friend of the government.

In this respect, it is important that all Canadians be made fully aware of the situation and that this debate uncover the whole truth about this transaction. All aspects of the deal must be fully explored.

*[English]***Ms. Val Meredith (Surrey—White Rock—South Langley):**

Mr. Speaker, having read through the Nixon report and reviewed statements made by the Minister of Transport and other government members, it is very clear to me that the government and the leader of the Liberal Party were wise in raising concerns during the election about this agreement that was struck between the previous government and the Pearson airport authority.

It brings to mind how this deal came about. It was signed October 7 in the middle of a general election. When the deal was signed it was made very clear by the Leader of the Opposition, who it was evident was going to be the next Prime Minister, that when he became Prime Minister the deal would be reviewed and perhaps rescinded. The people who came together and invested in the Toronto Pearson deal knew in advance that it was a risky venture. They knew at that time there was a very real possibility that the deal would be struck down. We applaud the government's decision to revoke this agreement by bringing forward Bill C-22. I quote the minister on the reasons why he felt the need to revoke this deal: "The deal was surrounded by a reliance on lobbyists, by backroom dealings, by the manipulation of bona fide private sector investors and the lack of respect for the impartiality of public servants".

(1025)

We can appreciate the reasons why the minister made this move, why the government made this decision. It causes me concern and it causes the Reform Party concern that anyone would expect to get reimbursed for having put together a proposal for government to consider, and for any out of pocket costs that it might have incurred after submitting the tender.

It causes me concern that the government is asking the House to give it a blank cheque to compensate for out of pocket expenses those investors when the investors knew it was very risky in the first place. My experience with government contracts and tenders is that a cost is involved in preparing documentation for a proposed contract, and that for all those many people who put proposals forward before government, they

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never get reimbursed for the expenses incurred in putting the proposal together.

I am concerned in this instance that we have a clause in the bill that allows for compensation to be paid. We have to continually remember the date that this contract was signed, which was October 7, in the middle of a general election. Is consideration being given for out of pocket expenses prior to that date or are we talking about after October 7, after the contract was actually signed? It is very important that the government remember that companies making a proposal for government do so at their own risk and at their own expense. They should not be compensated.

I would suggest that anybody who was made well aware by the media and by the statements of the soon to be Prime Minister that the investment was very risky, going ahead and spending more money after October 7 did so at his or her own peril.

This government, if it is truly committed to rejecting the previous government's way of doing business, the Tory way of doing business, will send a loud and clear message today that if you involve yourself in a questionable arrangement with a government in the dying hours of its mandate, you do so at your own peril. If the government wants to show this group and others in the lobbying business that it was wrong and that government has to take a firm stand, half measures will not do. I would like to suggest to the government that it take out any concept of reimbursing the private sector for doing business with the government.

The minister went on to say that the Minister of Transport may, with the governor in council, approve appropriate payments to the partnership for its out of pocket expenses. I mentioned before that it sounds like a blank cheque. We have no idea what these out of pocket expenses might be. It is definitely going to be in the millions of dollars. I do not think that Canadian taxpayers owe anything to a group of investors that got involved in a risky venture at best.

Canadians want their government to reject the type of patronage that was shown in this instance. If it pays this group, it is completely undermining the message that it is trying to send to Canadians. I do not think this bill should provide a consolation prize.

When one gets into the discussion of the appropriate place for government to be, there are other options of how government can remove itself from direct control of airport operations. It has done so successfully in the Vancouver International airport, the Edmonton International airport, the Calgary International airport and Montreal by establishing local airport authorities, non-profit organizations, with the ability to provide the service

that Canadians expect with no consideration for making money for themselves.

(1030)

Although I am not an expert in civil aviation, I am a frequent customer of the Vancouver airport. It is not because I want to be, it is because I have to be. From a consumer's point of view I am really quite impressed with what the private sector is doing at that airport.

The Vancouver airport is the second largest airport in Canada. It is undergoing major expansion. A second main runway is being built. The terminal is being greatly enlarged. The local authority there is planning ahead to capitalize on the ever increasing Pacific rim market. While this expansion is actually taking place, the Vancouver International airport appears to be running smoother than ever before.

The services in the existing terminal are better and more accessible than they were in the past. Despite some early objections to the airport improvement fee, which is payable by everybody using the airport, it is being used for expansion of the airport.

Canadians are quite prepared to see a user pay system come into play so that the people who are actually using the services are the ones who are paying for it, not the general taxpayer who if ever or very seldom uses the airports under consideration.

The airports have to provide a service but it is best left in the hands of the private sector. The government has to consider this as an option when it is finished with the contract for the Pearson airport. The government has to remember what the role of government should be in the operation of an airport. I feel the government's role is to ensure that the flying public has a safe, affordable and convenient means of travel. It is not to make profits or have politics as a priority.

The non-profit airport authorities appear to be a good way to ensure that public interest comes first and that the service is there for the public.

If the previous government had taken this approach we would not be in this mess with Bill C-22. If the current government wants to avoid problems in the future it should do two things. First, it should scrap any payments to the Pearson Development Corporation and second, it should carefully examine the effectiveness of a non-profit authority running Pearson International airport.

[*Translation*]

Mrs. Monique Guay (Laurentides): Mr. Speaker, I appreciate this opportunity to rise today on Bill C-22 tabled by the Minister of Transport, a bill that cancels the agreements to privatize Pearson airport. This whole affair can certainly not be

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held up as an example to follow. It is to me—and to the majority of Canadians, I am sure—a total mess in all respects. A mess founded on blatant patronage on an unprecedented scale.

It is an enormous cloud behind which the players, who are certainly no angels, worked to reach their goal: get their hands on the No. 1 airport in Canada, a profitable and promotable facility, under certain terms of the agreement.

I think this case could be described as anything but transparent and open. Every step is surrounded by very troubling facts. The way this case was handled is no way to promote the role and image of governments and elected representatives.

The Pearson agreement, signed in the midst of the election campaign and whose cancellation was announced by the Prime Minister on December 3, requires a thorough examination. This whole affair must be cleared up quickly and in broad daylight.

(1035)

This was not done by the Nixon report, which was conducted in private—again, demonstrating a lack of transparency and openness, and which the Prime Minister commissioned and used as a basis to cancel the agreements. Instead of Nixon's quick and superficial look, people want an in-depth public enquiry to really determine the facts surrounding the negotiations on the agreement, in particular whether the firms involved should be compensated. I remind the government that several members from the Toronto region have demanded such a public enquiry. I hope that the little they got, namely the Nixon report, will lead them to continue to press their case. Let us hope that their party's gag order will not turn them into sheep.

Commissioning the Nixon report shows a real lack of will and courage. They wanted to look at this case and keep it under covers. The Liberals, led by the Prime Minister, preferred not to make waves to avoid splashing anyone. However, many questions remain unanswered. People have a right to know every detail of this case.

In this affair, decision makers were surrounded by many people called lobbyists. As we all know, especially the ministers opposite, various groups call on lobbyists to defend their specific and well defined interests. These lobbyists, that the law divides into two classes: professionals and employees, haunt lobbies, pay visits to decision makers, and communicate with public officials and ministers to influence their decisions.

In the airport case, it is clear that lobbyists played a crucial if not predominant role. At every step of the way, including the Nixon report, the close links between the players produced results. If we look at the parties involved, it is easy to establish close connections between them and the decision maker; we can even picture a big spider web where everyone got caught in the end. Conservatives and Liberals found themselves mixed up in

this case. Former ministers, organizers and chiefs of staff, and old friends of the old parties, they all worked together. They used their knowledge of the system, the people and the situation to influence decision makers to their advantage or that of their clients.

One wonders whether these people are not more influential now than when they used to work right in political circles. They have the financial resources they need to achieve well defined objectives.

Faced with all this systematic and well-organized influence, we must question our governments' decision-making process and wonder if our political system and its supporters are preyed on by lobbyists. Are our decision makers independent? Do they make allowances? Are they vulnerable to all this pressure? Do they keep a good measure of realism?

There is no getting around it: the causes worked on and promoted by lobbyists are mainly economic and financial. Lobbyists are paid by big business and, in the end, they exist to make a profit. According to the annual report on the Lobbyists Registration Act, the most popular issues are: international trade, industry, regional economic development, government contracts and, in fifth place, science and technology. All these issues are strictly economic in nature.

The first social issue listed in this report comes in 40th place. Youth issues, 40th place; housing, an issue I deeply care about, 41st place; women's issues, 42nd place; seniors, 43rd place; and in 52nd and last place, human rights.

There is no doubt that lobbyists try to influence decision makers on profit-related economic issues. Social and humanitarian causes lag far behind and stay on the back burner.

(1040)

The results are obvious and denounced more and more. Everyday reality is the best proof. Poverty which is becoming more entrenched and the unmet basic needs of a growing number of individuals and households clearly show that the decision makers have given up social causes.

Nevertheless, many organizations work in the community and demand thorough changes. Are they heeded? Their power is very small compared to that of big corporations and industries. Nor do they have the same means to exert influence. The big shots have dollars and the little people have cents. The big shots know many friends in high places, and the little people know little people.

For some, it is cocktails, business dinners and fancy meetings. Others have to march in the street, occupy offices and hold hasty meetings with decision makers so that these officials can have a good conscience and get rid of the few reporters who are interested.

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The effects are there. The evidence is quite clear. Governments are disconnected from the grass roots and have been for a long time. Considering all the clout wielded by lobbyists and large political contributors, there is very little room left for ordinary people.

Seniors' groups, associations of the unemployed, community groups, housing committees, women's shelters, day care centres—none of these gives thousands of dollars to the old parties.

The Liberals are caught in this system of lobbying and large donors. The Martin budget is a perfect illustration of this. The lower and middle classes are affected and the rich are allowed to breathe easy.

The Pearson issue also shows very clearly all the influence and pressure exerted by the wealthy. We sense that the government is ill at ease and that it is reluctant to get to the bottom of the issue.

The political system and politicians owe it to the people to be open and aboveboard. Secrecy and intrigue are no longer in order. The government absolutely must deal with the present system of influence and also the financing of political parties.

Lobbying must be examined very thoroughly. Who is doing what? Who is working for what? Who is meeting whom? Why? With what results? Voters and taxpayers are entitled to know everything because they are the ones who pay the government. As for the financing of political parties, I call on the old parties to show moderation. I call on them to follow our party and adopt the Quebec formula. Governments must at last be free and independent.

Let us hope that the system will soon be completely open and let us give everyone equal access to decision makers. Democracy can only gain by it.

Mr. Stéphane Bergeron (Verchères): Mr. Speaker, I usually rise with enthusiasm in this House to speak to various bills introduced by the government. In fact, I often open my remarks by saying it is with pleasure that I will rise in this House to speak to such and such a bill.

Today however, it is without enthusiasm and even with disappointment that I do. I am taking part in this debate with no pleasure, but with the conviction of carrying out my duties and obligations as a parliamentarian.

It is indeed my duty to stand up in this House and publicly denounce the bill now being debated. The debate on Bill C-22 opened last Tuesday has brought to light an absolutely outrageous business. The contract to privatize Pearson airport entered into by the previous Conservative government has turned out to be an exercise in distributing presents to the friends of the system, the whole thing being engineered in an atmosphere of scheming and secrecy.

Allow me to recall a number of flaws that led eminently serious observers to come to that conclusion.

In 1993, Pearson airport generated over \$23 million in profit. Under the contract passed with the Conservative government in the middle of an election campaign, Pearson Development Corporation was to operate Terminals 1 and 2 for an annual fee of \$27 million.

At first glance, it looked like this transaction could be profitable to the taxpayers.

(1045)

The picture changes completely once you know that the corporation with the winning bid was planning a 350 per cent hike in passenger fees, which would have resulted in a net increase in earnings totalling over \$100 million annually, airport users footing the bill, naturally.

Air Canada publicly challenged this decision. To sugar the pill, Air Canada was also given a little bonus in the form of rent reduction, another cost to be absorbed by the taxpayers, naturally.

The reason given by the government to explain why it was not increasing fees itself and pocketing these substantial profits was the necessity to finance major redevelopment work in Terminal 1, to the tune of \$100 million. Yet, in a huge fit of generosity, the government granted Pearson Development Corporation a 40 per cent rent deferral for 1994, 1995, 1996 and part of 1997.

While these amounts were to be eventually reimbursed with interest, the fact remains nonetheless that the government was renegeing on its promise not to finance the modernization of Terminal 1 by accepting that rent be deferred over four years. Also, it is stunning to see the obvious lack of financial analysis in the development of these privatization agreements. No financial viability study was done, and Paxport, to which the contract was originally awarded, was faced with serious financial difficulties and decided to team up with its only competitor, Claridge Inc., thus creating a monopoly situation.

Yet, for some obscure reasons, the contract was not cancelled, even though it should have been. It must also be pointed out that, because the contract was split in two periods of 37 years and 20 years, the owners do not have to pay provincial tax, which would have amounted to ten million dollars if the contract had been awarded for a period of 50 years. Even if you include the cost of work paid by investors, the taxpayer is still the big loser in this transaction.

I also want to mention briefly that several newspapers have reported that the rate of return of about 14.2 per cent after tax given to Pearson Development Corporation was too high for this type of transaction. The media, the Ontario government, public opinion, and even the Liberal Party at the very end of the election campaign, have all voiced their opposition to that outrageous deal. Common sense dictates that the government should have gone to the bottom of this issue.

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Unfortunately, this is not the case at all. Bill C-22 is not the beginning of a new era. It is a smokescreen to cover the dealings that took place. The government wants to avoid at any cost having to go to the root of the problem, which is first an acute lack of transparency in the privatization process, collusion between the old federal parties and certain private businesses, and also a lack of appropriate legislation to regulate the activities of lobbyists.

Last October, the government appointed a former Ontario Liberal minister, Mr. Robert Nixon, to conduct an *in camera* inquiry to find out about the dealings which led, as Mr. Nixon said in his report, to "an inadequate contract arrived at through such a flawed process and under the shadow of possible political manipulation".

Mr. Speaker, I remind the government that you rarely shed light on an issue when you look at it behind closed doors. Also, a former Liberal minister, regardless of his personal credibility, is certainly not the best choice to inquire about a transaction in which some key players are directly linked to the Liberal Party of Canada.

Following that inquiry, and in a moment of clear-mindedness and common sense on its part, the government decided to fulfil its election promise and cancel the formal agreement with Pearson Development Corporation. Unfortunately, the government did so in such a way that everything leads us to believe that it has every intention of paying off its political debts to its friends. When I say its friends, I mean those of both the Conservatives and the Liberals, since the people and companies involved in this mysterious transaction are very closely related to one or the other of these old political parties.

While it is true that section 9 of Bill C-22 provides that no compensation will be given in lieu of unrealized profits, or for monies contributed to lobbying activities in connection with public office holders, the fact remains that, in section 10, the government gives the Minister of Transport the arbitrary right to pay to people of his choice such amounts as he deems appropriate.

(1050)

Does not that open the door wide for some more abuse? Under section 10 of Bill C-22, the government can compensate and even reward individuals and corporations involved in a rather sordid deal which not only went against public interests, but also bordered on something criminal.

Last Tuesday, the Parliamentary Secretary to Minister of Transport said that the Liberal government had learned from the mistakes made by the previous government. I am not so sure about that. There is something fishy about the government's refusal to get right to the bottom of this nebulous deal, but the government adds insult to injury by giving itself *carte blanche* to hand out very generous compensation to the loyal contributors to the war chests of the old political parties. The government, which not so long ago solemnly promised to abide by

such principles as openness, integrity and sound management of public funds, was quick to turn its back on its pious wish and to revert to its old habits. As the old saying goes: what is bred in the bone will not out of the flesh.

By allowing big corporations to generously contribute to the parties' election coffers, the Canada Elections Act certainly does not help to restore the credibility of federal politicians and political parties. By refusing to change the legislative framework under which such a deal was made, the current Liberal government is asking the public to make another profession of faith and to believe that it is totally impervious to the financial and corporative interests supporting it and to the pressure coming from its good friends.

All of this disgraceful incident just goes to prove how crucial it is to act as soon as possible and pass an act concerning the financing of political parties, something similar to Quebec's current legislation. This would release federal political parties from any obligation to the big financial interests and make politicians accountable to those they are supposed to represent, that is the people of Canada.

The other major problem stems from the fact that the legislation concerning lobbyists is full of holes and does not define specifically enough the nature of lobbyists and the nature of their activities. The identification of the individuals who are subjected to pressures raises also serious ethical problems.

The Nixon Report speaks of dealings by members of the political staff who got too much involved in the transaction. It seems that lobbyists are directly responsible in the case of several officials who were reassigned and others who asked to be replaced. The promoters behind the privatization proposal knew very well that a future Liberal government would revoke the privatization contract, so they decided to take a risk. The government should not have to compensate for investors' miscalculations. The reform of the Lobbyists Registration Act would greatly contribute to prevent such muddle which, I must say, borders on something illegal.

I urge the present government to do its utmost to avoid making the same mistakes as the Conservatives. It was a mistake, for example, to entrust the airport management to private interests while everywhere else in Canada and in Quebec it was agreed that the best solution was to establish a non-profit group composed of local interests. It was also a mistake to deal with this issue without taking into account the will and the choices of the province concerned.

To conclude, I will join the opposition leader in asking for the establishment as soon as possible of an independent royal inquiry commission to get right to the bottom of this nebulous privatization deal so that never again organized and well-funded interests may influence the decision-making process in such a big way. This public inquiry could pave the way for the reform of the Lobbyists Registration Act. At the same time, it is imperative that the government amends the Election Act so that

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Canadians begin again to trust their political institutions as well as politicians.

Mr. Gaston Péloquin (Brome—Missisquoi): Mr. Speaker, with its Bill C-22, the Liberal government is reviving the debate on what is now commonly known as the Pearson affair. However, the provisions contained in this bill take the debate one step further than a mere discussion on the sale of Pearson International airport. They bring to light one of the biggest flaws in the Canadian political system.

(1055)

The Pearson airport issue, which may only be the tip of the iceberg, is a perfect example of the influence of lobbyists and various pressure groups on government decisions, which have the unfortunate tendency of always favouring special interests rather than the public interest.

It is important that Canadians finally realize what goes on behind the closed doors of their federal Parliament. In fact, it is the whole decision-making process that must be called into question. Right now, the most effective way to make your grievances known to the federal government is to hire a lobbying firm which, for a few thousands dollars a day, will put you in touch with the highest government authorities. Needless to say, only large corporations and very rich people can afford to hire a professional lobbying firm.

There is another effective means of establishing contact with the government in office, and it is, of course, by making a substantial contribution to the election fund of the party that will form the government. As for ordinary Canadians, after having had their say in the federal elections, they must now sit and wait to see how the government will manage its resources. People do not always realize that their vote does not carry much weight compared to the powerful corporations and the rich friends that the government will support during its term. The Liberals and the Conservatives have certainly helped to reinforce the image of lobbying as an obscure phenomenon.

But what is a lobbyist? The image that most people have is that of a mysterious individual who, in a dark corner, hands over a big envelope to a minister or a senior official to obtain some favour from the government. Unfortunately, reality is much more subtle than that since very often, the lobbyists who are active today behind the scenes are former ministers, deputy ministers or lawyers of political parties who, thanks to their contacts inside the government, are able to make the case of those who hired them.

Their work is made easier by the fact that, most of the time, their bosses contributed richly to the campaign fund of the party in power. The lobbyists' task is to remind the government of its

political debts towards those interest groups. In fact, the real elected representatives, that is the hon. members of the government side as well as those from the opposition side, collectively get less of a hearing from ministers than any of those obscure professional lobbyists. That tells us a lot about their clout in the decision-making process of government.

About fifteen years ago, political analyst Stanley B. Ryerson argued that the Canadian federation had been formed in 1867 in response to the demands of some interest groups. If you allow me, I would like to quote what he said: "Macdonald and Galt were representing the general interests of English Canadian business circles".

The Speaker: It being eleven o'clock, pursuant to Standing Order 30(5), the House will now proceed to Statements by Members, pursuant to Standing Order 31.

I will add, dear colleague, that you still have five minutes left to finish your speech when we resume after question period.

STATEMENTS BY MEMBERS

(1100)

[English]

SERIAL KILLER CARDS AND GAMES

Mr. Derek Wells (South Shore): Mr. Speaker, I take this opportunity to commend the Minister of Justice for introducing draft legislation to deal with the availability of serial killer cards and board games in Canada.

Our government is committed to dealing with the growing incidence of violent crime in this country. Therefore, the exploitation of violent, cruel and horrible crimes must not be allowed to undermine our crime prevention measures.

The glorification of people whose acts have taken lives, hurt families and shattered the security of communities is inappropriate and unwarranted. The government must seek to curtail access to these products.

Mobilized by those who have been dramatically affected by violent crime, people are signing petitions and indicating to Parliament that these cards and games must not be made available in Canada.

By introducing this draft legislation the minister has shown that this government is listening and taking action. We must not lead the children of this country to conclude that violent acts of a Clifford Olsen or a Son of Sam are in anyway comparable with those of—

S. O. 31

The Speaker: Order, please.

* * *

[Translation]

MARALOÏ FAMILY

Mr. Michel Guimond (Beauport—Montmorency—Orléans): Mr. Speaker, the Maraloï family, who had to put up with a lot of hostility from the federal Department of Citizenship and Immigration, and a good deal of procrastination from the department of immigration and cultural communities, will finally be allowed to stay in Quebec.

As the Official Opposition, we want to pay tribute to the courage and determination of these people who found themselves, quite unwillingly, at the centre of bureaucratic wrangling over immigration. After being wrongly told by the federal government that Quebec had the power to accept them as permanent residents, and then, turned back at the U.S. border while facing threats of deportation to Rumania, they finally saw an end to their troubles with the bureaucracy.

We are welcoming the Maraloï family in the Quebec society and we wish them all the success and happiness they deserve, at the eve of their new life in Quebec.

* * *

[English]

CANADIAN ARMED FORCES

Mr. Jack Frazer (Saanich—Gulf Islands): Mr. Speaker, yesterday near Saint John, New Brunswick two airmen died and two were seriously injured in service to our country. We do not know yet how this accident happened and will not for some time know why.

What we do know is that every day, whether it be here in Canada, in Croatia, Bosnia or in other parts of the world our Canadian forces service men and women willingly serve and take risks for their country.

Nothing can change what has happened in this instance and nothing can alter the impact it has on the families of those involved.

On behalf of all members of this House we extend our best wishes to Owen Hanam of Baddeck, Nova Scotia and Michael Langdon of Canadian Forces Base Shearwater, Nova Scotia for a full and speedy recovery.

To the families of Major Walter Sweetman of Peterborough, Ontario, and Major Robert Henderson of Victoria, British Columbia, who died in the crash we offer our heartfelt sympathy and the hope that will help you to know that you are not alone in your sorrow.

SOUTH AFRICA

Mr. Geoff Regan (Halifax West): Mr. Speaker, when Nelson Mandela cast his ballot Wednesday morning at the Ohlange High School north of Durban, people around the world watched and cheered. Nobel Peace Prize winner and democratic pioneer, Mandela stands as a pioneer of integrity and dedication in our chaotic world.

Canada played an active role during the 1980s mobilizing world opinion against apartheid and supporting sanctions. Our effort in South Africa includes the participation of some 57 Canadians in the observation groups of the UN mission. We have sent electoral experts, NGO sponsored observer missions as well as the Canadian bilateral observation mission led by the Secretary of State for Latin America and Africa.

These observers come from all walks of life and all regions of our country. Nova Scotia is represented by her provincial Chief Electoral Officer, Ms. Janet Willwerth, and a few others.

Neither bigotry nor bombs can deter the democratic spirit in South Africa. The secretary of state told the *Cobourg Star* that the international community must continue its support for South Africa after the election. The problems that lie ahead are formidable, but when the results come out on Saturday, Canadians and people all over the world can share in this victory for equality.

* * *

FISHING LICENCES

Mr. Fred Mifflin (Bonavista—Trinity—Conception): Mr. Speaker, the Minister of Fisheries and Oceans last Wednesday announced the results of a review of inactive groundfish licences following a meeting in Halifax with fishing industry representatives.

The minister agreed on new measures that would return frozen licences to groundfish fishermen who meet the following criteria.

They are head of an inactive multi-species fishing enterprise. They have fished full time for seven years and have made 75 per cent of earned income or recent annual enterprise revenues of \$20,000 from fishing.

(1105)

Earlier in the week the minister agreed to amend the seal licensing policy for eastern Canada to allow retired fishermen who are eligible for a sealing licence in 1993 to take up to six seals a year for personal use. This approach to the frozen inactive groundfish licence and to the seal licensing policy is a step in the direction of economic viability in the groundfish industry without jeopardizing conservation objectives. It moves toward the fishery of the future by promoting multi-species licensing.

S. O. 31

GOLD RESERVES

Mr. Peter Thalheimer (Timmins—Chapleau): Mr. Speaker, recently the Minister of Finance announced that Canada would stop selling off its gold reserves which was initiated by the previous government and which has resulted in the depletion of Canada's gold reserves and has no doubt put pressure on the downward trend of the price of gold on the international market.

This is good news for Canada and to my riding Timmins—Chapleau, in particular to the city of Timmins which is known as the city with the heart of gold.

I want to acknowledge in this House the hard work of His Worship Mayor Vic Power, the mayor of the city of Timmins, for having brought pressure to bear on the government to stop the sale of Canada's gold reserves.

I am confident that this move by our government will have positive results and that gold will once again regain its glitter on the international market.

* * *

[*Translation*]

12TH REGIMENT OF VALCARTIER

Mr. Antoine Dubé (Lévis): Mr. Speaker, a group of soldiers, most of them from the 12e Régiment blindé de Valcartier, arrived in Quebec City yesterday, on their way back from several months of peacekeeping duty in the former Yugoslavia. The remaining troops from the 12th Regiment are due to arrive in a few days.

On behalf of all the Bloc Québécois members, I would like to pay tribute to these Quebec and Canadian soldiers for the dedication and sense of duty they have shown in the accomplishment of their task, during their long and difficult stay in the former Yugoslavia. I believe that several of these soldiers deserve that their acts of bravery be officially recognized.

The UN peacekeeping mission in that country is not over, and the 12th Regiment is being replaced by troops from Calgary. We wish them all the best.

* * *

[*English*]

FEDERAL ELECTION

Mr. Elwin Hermanson (Kindersley—Lloydminster): Mr. Speaker, Reformers have been telling the government for months that it is possible to do more with less.

This morning several Canadian newspapers reported how much each party paid for its seats in this House. It should come as no surprise to anyone that the party that sank the nation so deeply into a sea of red ink was the Conservatives, spending well over \$10 million for two seats. That is over \$5 million per seat. The NDP was also extremely wasteful, spending more than

\$825,000 per seat. The governing Liberals fared a little better, spending \$56,000 per seat.

If the government wants to see how real fiscal responsibility is practised it should take note of the party that spent less than \$1.5 million for 52 seats. That party is Reform which kept the cost per seat down to only \$28,000, half of what the government spent and miles ahead of the others.

Canadian taxpayers are very concerned that much of their tax money is wasted. Federal party spending in the last election illustrates that the Reform Party would be the best stewards of taxpayers' money because the party also completed the election campaign in the black.

* * *

GOODS AND SERVICES TAX

Mrs. Dianne Brushett (Cumberland—Colchester): Mr. Speaker, I rise in my place today to thank the members of our Standing Committee on Finance for the sterling work they did on behalf of this House on the issue of replacement measures for the GST.

I commend them for the many long hours and the many thousands of miles they travelled on our behalf, listening to the suggestions of Canadians as to how we can replace this detested and very damaging tax.

This week I was privileged to testify before this committee here in Ottawa to discuss my proposal for a tax on gross business output at a rate of 2 per cent to replace the GST at 7 per cent.

Our government pledged in the famous red book to look at options through public consultation to replace the GST. I believe this committee deserves our sincere thanks for its diligent efforts to consult seriously with Canadians to provide a real alternative to the GST.

* * *

CRIME

Mr. Gurbax Singh Malhi (Bramalea—Gore—Malton): Mr. Speaker, crime in our society is a very serious matter and is becoming more of a problem every day.

(1110)

In 1992, the Canadian Centre for Justice Statistics reported 3,270,000 criminal incidents, 87 per cent of which were Criminal Code incidents.

Violent crime has been steadily on the rise every year since 1977 at an average yearly rate of 5 per cent. Youth crime has become a major concern for many Canadians. In 1992, 135,348 youths aged between 12 and 17 were charged under the Criminal Code. Fifteen per cent of these incidents were violent crimes.

Canadians want decisive action to curb the increase in crime—

S. O. 31

The Speaker: I regret to interrupt the hon. member.

* * *

TRADE

Mr. Jim Jordan (Leeds—Grenville): Mr. Speaker, the harranguing continues with Canada and the United States over trade disputes on everything from beer to softwood lumber. Sometimes it reaches the level of near harassment.

The minister of trade in the last government was correct when he said in the House one day: "It is too bad that we could not have agreed on a definition of what a subsidy is". This government should take a much needed initiative and call a meeting of trade reps of Canada, United States and Mexico and arrive at a definition of subsidy before things further disintegrate.

* * *

[Translation]

INTERNATIONAL WORKERS DAY

Mr. Paul Crête (Kamouraska—Rivière-du-Loup): Mr. Speaker, the Bloc Québécois wishes to draw attention to the International Workers Day, also known as May Day, which will be celebrated on May 1.

To mark this event, the leader of the Bloc Québécois met this morning, as he does every year, with the leaders of the three main Quebec unions to talk about the problems that workers presently face.

This year, Quebec bishops will be part of the rallies which will be held Sunday to denounce the growing poverty problems that our society is experiencing.

The Bloc Québécois urges workers to come to these rallies to show their pride and remind society of their vital contribution. We also invite the unemployed to participate and thus denounce the lack of action of governments in the area of job creation.

* * *

[English]

PARLIAMENTARY REFORM

Miss Deborah Grey (Beaver River): Mr. Speaker, many Canadians believe that the key to parliamentary reform lies in the principles of direct democracy. This would include freer votes in the Commons, referenda, citizens' initiatives and of course recall.

Much of the dynamic and constructive changes that have occurred throughout our history have been due to citizens who have insisted on renewal and reform of government.

Canadians have become cynical about politics. Parents, when asked if they would be pleased to see their children become politicians, replied no 98 per cent of the time. These responses

and the perceptions behind them reflect a serious sickness in our parliamentary system and bode ill for the future of democracy in Canada unless we reform now.

Accountability is the key word here. If an MP fails to do the job that he or she was elected to do or abuses a position of trust, their constituents should have the power to remove them. The three *rs* are still alive. Let us be radical. Let us reform the system. Let us be subject to recall, like every other worker in the country.

* * *

OFFICIAL LANGUAGES ACT

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, notwithstanding statements of some members across, the support for the Official Languages Act in Canada remains strong. A recent Angus Reid Southam News report reveals that 64 per cent of Canadians support the policy of having two official languages.

[Translation]

Some members take pleasure in adding the costs of bilingualism. How many of them took time to evaluate its benefits. For example, the former president of Air Canada, Claude Taylor, said that the company flourished because of the language ability of its employees. How many similar cases can we find?

A good knowledge of French and English allows us to deal with these two great cultures. In fact, 33 countries have French as a working language, while 56 use English. As Canadians we are privileged.

[English]

Let us remember how lucky we are. Let us cherish the wealth of using two great languages, the languages of Shakespeare and Molière.

* * *

[Translation]

DRUG PATENTS

Mr. Alfonso Gagliano (Saint-Léonard): Mr. Speaker, contrary to the claims of several opposition members, the pharmaceutical industry is neither surprised nor alarmed by the federal government's position regarding Patent Drug Act.

(1115)

Not only is the industry in good shape, to use the words of Mr. Charles Pitts of the Pharmaceutical Manufacturers Association, but it has a time trying to understand the concerns of the Bloc Québécois. There is no need to reassure an industry which is not worried. I find it unacceptable that the Official Opposition is using the pharmaceutical industry as a pawn to further its own political ends!

Oral Questions

The people would be better served by political leaders working at building a stable and thriving environment that would encourage industry to create jobs, instead of playing politics.

* * *

[English]

REVENUE CANADA

Mr. Nelson Riis (Kamloops): Mr. Speaker, as Canadians heard the news this morning they were shocked, astonished, and by the end of the day they will be enraged. The Professional Institute of the Public Service of Canada revealed that Revenue Canada is not serious about enforcing the Income Tax Act and other legislation.

They conducted a survey among the 4,000 employees who audit corporate income taxes for Revenue Canada and 75 per cent of the auditors surveyed believe that operations had been hindered by the level of politicization by the Liberal government. The auditors say that they get the word from the Liberal government to drop this file and move to another.

While Canadians are filing their individual tax returns, while small businesses are filing their tax returns and paying through the nose, we now find out from Revenue Canada that corporate Canada is once again getting off the hook from paying its fair share of taxes.

* * *

BILL C-18

Mr. Stephen Harper (Calgary West): Mr. Speaker, I rise today to commend the Liberal member for Vancouver East who stated in an interview in the *Hill Times* on April 28 that she realizes the provision in Bill C-18 for imposing a two-year suspension on the redistribution of ridings does not do her province any favours. In fact it would make it almost impossible for the process to conclude before the next election. The hon. member goes on: "One year would probably be the right approach".

If this is the case I wonder why so many Liberals, including the hon. member for Vancouver East, chose to defeat the one-year amendment when it was brought forward by the Reform Party in the House.

This is a perfect example of why Canadians are so cynical of the representation they receive in the Chamber and why democratic reform such as free votes are essential to restore the confidence of Canadians in their elected officials.

ORAL QUESTION PERIOD

[Translation]

PATENT DRUGS

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot): Mr. Speaker, my question is for the Minister of Industry. Despite the unsettling effect that his hasty, irresponsible statement about reviewing the drug patent legislation has had, the Minister of Industry reiterated yesterday his intention of going ahead with a review of the legislation. Already, the review is jeopardizing important investments in Quebec.

Does the minister intend to follow up on the request of his Quebec colleague and put to rest his concerns, as well as those of the multinational which this week decided, further to Ottawa's hasty announcement to reopen Bill C-91, the drug patent legislation, that it was holding off on a \$50 million investment in Quebec?

Right Hon. Jean Chrétien (Prime Minister): Mr. Speaker, I want to say a word about this because the opposition is truly exaggerating.

It is really very simple. A bill was passed by Parliament and the pharmaceutical industry made a commitment to the Canadian public. It undertook to invest money and to refrain from increasing the price of drugs. The government therefore has a duty to ensure that the promised investments have been made.

If the industry believes that it has fulfilled the obligations set out by Parliament, then it has nothing to fear. However, if it has not fulfilled its obligations and made the investments, the opposition should be telling us to take steps to ensure that these investments are indeed made. But if we do not carry out a review, we will never know.

We have an obligation to carry out this review, pursuant to the legislation passed by Parliament. As the whip stated earlier, an industry spokesperson said he was not in the least bit worried and that this was nothing more than a tempest in a teapot whipped up by the Bloc Québécois. On the one hand, Bloc members rise in the House and ask us to protect this industry, while on the other hand, they want us to go along with their plans for Quebec independence, which will create even more instability for potential investors in this country in the years to come.

(1120)

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot): Mr. Speaker, as usual, in response to serious questions, questions dealing with Quebec's economic interests, the Prime Minister and his ministers talk nonsense.

The Speaker: Some days are more trying than others and we had hoped not to hear words like the ones just used by the hon.

Oral Questions

member and those I have already asked another hon. member to withdraw. I hope the hon. member can understand why I ask him to withdraw the word “nonsense”.

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot): Mr. Speaker, I withdraw the word “nonsense”, but I simply used it to indicate that, when we talk about vocational training for example, we are told that it is nothing but one of Quebec’s whims, and when we talk about drug patents, we are told that we are getting excited over nothing. Just last evening, Minister Tremblay called for government intervention and I reiterate minister Tremblay’s request in that respect.

Could the Minister of Industry deal directly with the company that reconsidered a \$50 million investment it was about to make in Quebec? Do you not think this would be a good way to reassure the pharmaceutical industry as a whole? These companies are seriously concerned at present, Mr. Speaker, about the irresponsible remarks the minister has made. So, I put the question to him.

Right Hon. Jean Chrétien (Prime Minister): Did you hear that? He just described the remarks as irresponsible. As for the hon. member’s own remarks, insult being the weapon of the weak, as the saying goes, it is only natural that he would want to insult everybody.

We have said, and the people in the industry themselves said yesterday that they were not concerned about what is going on right now. The industry itself said so. However, if the industry wants to invest, it should go ahead and invest! The legislation is in place, it was passed and investments have been made under it in past years.

Why is it all of a sudden that one of them has become more nervous than the rest? Those who made investments last year did so under the same legislation. I imagine that these people who have invested so far were familiar with the provisions of the legislation. This company should read the law and follow the same reasoning as the ones that invested last year and the year before. That is the way to do it. It is nothing to make a fuss about, and our position is that we will abide by the law in the interest of investment and in the interest of the patients who have to buy drugs.

That is one of the objectives of this legislation and we will enforce it because either the patients pay or the governments have to pay for them, when the pharmaceutical industry goes too far.

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot): Mr. Speaker, I hear the Prime Minister talking about a review of the prices charged and investments made by the pharmaceutical industry. It is also provided for in Bill C-91. We do not need to re-open that bill, a review is already planned. A body has been set up to monitor these things, so I put the question to the minister again.

Does the minister not agree that his intention to review the law has already hurt investment in research and development in Quebec and that his intended review has a much broader purpose than checking the prices of patented drugs or investments,

which are already controlled by a body reporting to the Department of Health?

Hon. John Manley (Minister of Industry): Mr. Speaker, I already indicated in the House yesterday that we intend to conduct a review, as the Prime Minister promised during the election campaign, but as the Prime Minister just said, the proposed review is not what is causing uncertainty. I can tell the hon. member that I have two press releases here, the first from Merck Frosst, issued yesterday, announcing that they have completed their engineering study and have begun the design work for the plant in question, and I quote: “We will honour our commitment because we are sure that the Canadian government will honour its commitment”.

(1125)

Also, I have a letter from Astra Canada.

[*English*]

Excuse me, Mr. Speaker, the hon. member is having—

The Speaker: Perhaps the hon. Minister of Industry could bring his answer to a close.

Mr. Manley: Mr. Speaker, if the Bloc is genuinely concerned about assurances on these things perhaps it could listen to the assurances I can offer.

This is Astra Canada: “I understand there has been some indication that an unnamed pharmaceutical firm has indicated that their \$50 million investment has now been cancelled. I have had some calls inquiring as to whether or not that company is Astra. Please be assured that we remain fully committed to the establishment of our basic drug discovery facility in the city of St. Laurent. This is a very significant investment involving about \$33 million in building and equipment and an annual investment of over \$10 million in research”.

[*Translation*]

It is the Bloc Quebecois that wants to create instability by pursuing its political goal of separation for Quebec.

* * *

MANPOWER TRAINING

Mr. Gaston Leroux (Richmond—Wolfe): Mr. Speaker, my question is for the Minister of Intergovernmental Affairs. The Prime Minister says that the Bloc Quebecois is stirring up a tempest in a teapot. Yet, he seems to refuse to listen to several comments and interventions made by Quebec ministers.

The Quebec minister of employment has been trying unsuccessfully for several months to convince the federal government to reach an agreement on the manpower training issue. Yesterday, he sent out a real alarm over the state of relations between Quebec and Ottawa. Speaking of malaise, the minister said that several of his Cabinet colleagues have been coming up against Ottawa’s centralizing designs.

Are we to understand from that statement, and contrary to what the minister said in this House, that the negotiations between Quebec and Ottawa over manpower training are more than ever in a deadlock because of Ottawa’s refusal to give anything to Quebec?

Oral Questions

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal): Mr. Speaker, since I have been involved in interprovincial relations for several dozens of years, I evidently do not have the same blood pressure as the hon. member when it comes to a problem such as manpower training, which has been going on for many years.

Our position in the negotiations is clearly not the same as the one of Quebec. We are pursuing our discussions with Quebec; it is possible that we will come to an agreement, but it is also possible that we will not come to an agreement on this issue at the present time. That is part of the way federal-provincial relations have been working for many years in this country, and there are not more problems today than there were at any other time in our history.

M. Gaston Leroux (Richmond—Wolfe): Mr. Speaker, so the minister is confirming that the negotiations are deteriorating and that we are in a deadlock.

Is the Minister of Intergovernmental Affairs confirming, and will he have the courage to admit, that relations between Quebec and Ottawa have been deteriorating in several areas, particularly in education, youth programs, readjustment programs for fishermen, the review of Bill C-91, health financing and the high-speed train, to name just a few, and that, finally, Ottawa's intentions are aimed at centralization?

The Speaker: I find that questions and answers are perhaps a bit long. I would ask everyone to please make it shorter.

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal): Mr. Speaker, the answer is no.

* * *

[English]

HEALTH CARE

Mr. Grant Hill (MacLeod): Mr. Speaker, my question is for the Prime Minister.

Yesterday the Minister of Health said that the government would not reopen the Canada Health Act "in the short term". She said: "There is no question that there will have to be some changes and change is always difficult".

(1130)

In light of these comments, could the Prime Minister tell the House exactly when the government plans on reviewing the Canada Health Act?

Right Hon. Jean Chrétien (Prime Minister): Mr. Speaker, the government is planning a conference with all the people involved in health services and I will be presiding over it.

We said we were having this review. We are holding discussions with the provinces at the moment and the first meeting of this continuing conference on health problems in Canada will be held in the middle of June.

Mr. Grant Hill (MacLeod): Mr. Speaker, the health minister was quite clear yesterday in her comments. She said there would be changes to the Canada Health Act and that those changes were necessary.

Yesterday the health minister also said that health funding was holding steady under this government but the fact is that federal funding as a portion of total health spending has dropped from 50 per cent to 23 per cent and continues to drop. As a result the provinces, handcuffed by the Canada Health Act, are being forced to cut health services.

I repeat, when and how will the government amend the Canada Health Act?

Right Hon. Jean Chrétien (Prime Minister): Mr. Speaker, the financing of these programs is done by through a formula. Sometimes the figures that are used are confusing because the money transferred has been reduced, but there has been a transfer of tax points to be used for the financing of these programs.

Over a period of years people have stopped thinking that. In fact we have made more room for the provinces to collect more money. The transfer of cash has diminished but the participation of the federal government has not been reduced, as some people say.

What I was very pleased with yesterday was seeing the Reform Party asking the federal government to spend more, more, more.

Mr. Grant Hill (MacLeod): This is a good day, Mr. Speaker, a good day.

The actions and inactions of the government amount to a total abdication of responsibility toward the health care system. The Liberal government keeps telling us about the sanctity of medicare but cannot answer as to how it will be preserved.

Oral Questions

Why is the government now trying to snuff out creative attempts by provinces, doctors and patients to preserve the health care system when the government appears to have no answers at all?

Right Hon. Jean Chrétien (Prime Minister): Mr. Speaker, I question that statement. We have one concern that is very important to this party. We do not want to fall into the trap of finding so-called new solutions, new approaches that very soon in Canada it would be like in the United States: good service for the rich and poor service for the poor. We will never let that happen in Canada.

* * *

[*Translation*]

INCOME TAX

Mr. Pierre Brien (Témiscamingue): Mr. Speaker, this morning we heard that a number of auditors with the Department of National Revenue complained about political interference when auditing Canadian companies.

The president of the Professional Institute of the Public Service of Canada said, at a press conference this morning, and I quote: "Auditors received instructions to back off from certain files".

My question is directed to the Prime Minister. Does the Prime Minister intend to investigate these very serious allegations and could he give us the assurance that all provisions of the Canadian Income Tax Act apply to all companies in Canada, without exception?

[*English*]

Ms. Susan Whelan (Parliamentary Secretary to Minister of National Revenue): Mr. Speaker, the survey that was released today is very general in nature. There are no specific allegations revealed whatsoever.

The department is very committed, as is the government, to fair taxation for everyone. If concrete evidence of political interference is provided, the department will definitely investigate.

[*Translation*]

Mr. Pierre Brien (Témiscamingue): Mr. Speaker, I may add that 250 public servants complained about this kind of political interference, which to me is pretty factual.

Would the Prime Minister agree that these serious allegations may cause the public to doubt the impartiality of our tax system and will he undertake to clarify this question by calling for an independent investigation by the Auditor General, whose findings would be released as soon as the report is tabled?

(1135)

[*English*]

Ms. Susan Whelan (Parliamentary Secretary to Minister of National Revenue): Mr. Speaker, the department is aware of the survey and has a meeting scheduled with the union on May 11. It was scheduled before the announcement today. We will proceed with that meeting. The survey is an item on the agenda at that meeting.

Again I state there were no specific allegations released today.

* * *

HEALTH CARE

Mr. Keith Martin (Esquimalt—Juan de Fuca): Mr. Speaker, my question is for the Prime Minister.

According to a recent study by the Association of General Surgeons, 23,000 people in Quebec are on waiting lists for surgery. Half of them have been there for over 18 months. This waiting list has doubled since 1985 and 626 of those individuals are cancer patients waiting for urgent surgery.

In light of this will the Prime Minister acknowledge that health care in this county is collapsing. The act is obsolete and reform of the act is crucial. We are not asking for more money.

I would like the Prime Minister to please guarantee that federal transfer payments for funding for health care will stay at 1992-93 levels at least and not decrease any more.

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment): Mr. Speaker, on the one hand the member says he does not want us to spend any more money. On the other hand he is pointing out the difficulties being faced by the provinces.

The Minister of Health met with provincial ministers in February. She has another meeting scheduled in the next few weeks specifically to discuss making sure that every Canadian has access to health care services at no cost to themselves.

Frankly, if we followed the suggestion of the Reform Party to cancel the Canada Health Act, every fibre of the work that we have done over the last 30 years in building one of the best health care systems in the world would be flushed down the toilet and we do not intend to do that.

Mr. Keith Martin (Esquimalt—Juan de Fuca): Mr. Speaker, we do not have the best health care system in the world right now, but we should.

The government on the one hand is denying the provinces the right to get health care under control by forcing them to adhere to an obsolete Canada Health Act. On the other hand it is not living up to its commitment by continually decreasing funding for health care over the last 15 years.

Will you give us and this country, and on behalf of my patients—

Some hon. members: Oh, oh.

Oral Questions

The Speaker: Order. Will the hon. member please direct his question through the Chair and put his question, please.

Mr. Martin (Esquimalt—Juan de Fuca): Mr. Speaker, will the government guarantee that it will live up to its commitments and provide federal funding for health care for Canadians based on 1992–93 levels and not continually decrease it?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment): Mr. Speaker, I would certainly not agree with the member's statement about the state of Canada's health care.

Yesterday I had the privilege of discussing with the wife of the President of the United States their health reforms. She was asking me how they could put in place a system which would mirror or be similar to the system we have in Canada. The Americans are coming to this country to see a system that works.

Obviously the system has to respond to new realities.

[Translation]

We were very happy to see that midwives were finally accepted by physicians in some provinces, including Quebec and Ontario. It is very important that changes be brought to the system.

It is not enough to say that we will only amend the Canada Health Act. The answer lies in innovation and that is what we are seeking to do in cooperation with provinces.

* * *

TAINTED BLOOD

Mr. Maurice Bernier (Mégantic—Compton—Stanstead): Mr. Speaker, my question is for the President of the Treasury Board.

The Minister of Health stated in this House on February 3, on March 23 and again this week on April 26 that the request for extra funds for the Krever Commission and the Canadian Hemophilia Society was still being examined by Treasury Board.

Can the minister promise this House that he will give immediately a clear, definite and positive answer regarding the request for additional funds for the Krever Commission and the Canadian Hemophilia Society?

(1140)

[English]

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure): Mr. Speaker, consideration of the matter is nearing completion. I can assure the hon. member that every opportunity is being taken to try to expedite the matter, understanding the importance of it.

I must also add that nobody is being denied an opportunity to appear before the commission and have his or her views appropriately heard.

[Translation]

Mr. Maurice Bernier (Mégantic—Compton—Stanstead): Mr. Speaker, we can understand that the President of the Treasury Board is more eager to put on a show with the infrastructure program than to address the real problems.

My question to the President of the Treasury Board is this: Is he going to wait until the work of the commission is over to give an answer to the Canadian Hemophilia Society? What is the rationale behind such delay, given that granting additional funds requested by Justice Krever would allow the commission to carry on fully its mandate and to get right to the bottom of that scandal?

[English]

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure): Mr. Speaker, the government has provided very substantial funds to the Krever commission. In fact it has asked for additional funds. That has taken some review but it is being done in an expeditious manner.

As I said a few moments ago, nobody is being denied an opportunity to have his or her views heard by the commission. We will continue to make sure that we advance this matter so that the commission can get on with its work and provide its report.

* * *

JUSTICE

Ms. Val Meredith (Surrey—White Rock—South Langley): Mr. Speaker, my question is for the Parliamentary Secretary to the Minister of Justice.

Jason Gamache of Courtney, B.C. was recently convicted of the first degree murder of six year-old Dawn Shaw. Evidence shows that Gamache was a repeat sexual offender who was not allowed to be with children. However, this fact was not known to the local authorities or to Jason Gamache's neighbours because of the protection of privacy sections of the Young Offenders Act.

Will the parliamentary secretary and the ministry advise the House if it is the government's intention to eliminate this section of the act?

Mr. Russell MacLellan (Parliamentary Secretary to Minister of Justice and Attorney General of Canada): Mr. Speaker, it certainly is the intention and the present activity of the Minister of Justice and the department to look into this important question.

The Minister of Justice has stated to the House that he and the department are presently analysing the question of a registry of

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sexual abusers and that there will be something brought before the House in the not too distant future.

Ms. Val Meredith (Surrey—White Rock—South Langley): Mr. Speaker, I would ask the government if it is prepared to commit to a philosophy that the rights of victims must come before the rights of criminals, or does it believe that the rights of the Jason Gamaches of this world should take precedent over the rights of the Dawn Shaws?

Mr. Russell MacLellan (Parliamentary Secretary to Minister of Justice and Attorney General of Canada): Mr. Speaker, the children in our country are the future of our country. This government places the utmost reliance on our children. Nothing will come before the benefit and the welfare of the children of Canada.

* * *

[Translation]

PUBLISHING INDUSTRY

Mr. Roger Pomerleau (Anjou—Rivière-des-Prairies): Mr. Speaker, my question is for the Minister of Canadian Heritage.

In order to justify the controversial sale of Ginn Publishing to Paramount, the government has pointed out the specific commitments made by Paramount to ensure that Canada obtains a net advantage from that deal. But Paramount does not abide by its commitments. The 140 members of the Canadian Publishers Association ask the government to investigate the behaviour of Paramount.

Does the minister acknowledge that, by depriving the Canadian distributor Distican from a market of approximately \$2 million and by entrusting it to a firm controlled by American rather than Canadian interests, Paramount blatantly violates the deal which was agreed regarding the sale of Ginn?

Hon. Michel Dupuy (Minister of Canadian Heritage): Mr. Speaker, I am of course aware of the allegation just made. So is my colleague, the Minister of Industry.

Surely, a company must abide by its commitments, especially when these are made to the Government of Canada. This is the reason why an investigation has been launched in consultation with the Minister of Industry.

* * *

(1145)

[English]

FOOD LABELLING

Mr. Pat O'Brien (London—Middlesex): Mr. Speaker, recently at a meeting of the Middlesex County Federation of Agriculture the concern was raised that Canada may have

abandoned the idea of expanding and improving country of origin labelling for agri-food products. My question is for the Parliamentary Secretary to the Minister of Agriculture and Agri-Food.

Has Canada made any commitments with the United States and Mexico as part of NAFTA to implement country of origin labelling for food products purchased in Canada? Could the parliamentary secretary indicate what timeframe he might foresee for the implementation of such labelling?

Mr. Lyle Vanclief (Parliamentary Secretary to Minister of Agriculture and Agri-food): Mr. Speaker, country of origin labelling is required on products coming into Canada at the retail level. Most provinces also have requirements for any bulk vegetables or fruit to be labelled whether they are a product of Canada or another country. Also produce that is repackaged in Canada must have its Canada grade designation on it.

There have not been any changes in the rules with NAFTA on that. We will continue to ensure safety with the labelling so that the consumer knows where the product comes from.

* * *

GRAIN TRANSPORT

Mr. Jake E. Hoepfner (Lisgar—Marquette): Mr. Speaker, my question is for the Minister of Transport.

In a letter dated November 15, 1993 the Thunder Bay Harbour Commission Port Authority warned the minister that the rail car shortage problem had been some time in the making and was due in part to the policy of dispersing the rail car fleet into trades and routings outside its original purpose. This is just one of the several warnings the minister received.

Could the minister please explain what measures were taken in light of these warnings?

Hon. John Manley (Minister of Industry): Mr. Speaker, on behalf of the Minister of Transport I will take the member's question under advisement and undertake to get a reply to him as soon as possible.

Mr. Jake E. Hoepfner (Lisgar—Marquette): Mr. Speaker, further to that I would ask the government whether it is doing something with demurrage charges that are piling up on the west coast. Grain and oilseed sales have been lost. Japan is in search of a reliable supplier to grow more canola next year.

Would the government indicate what measures it intends to take to keep Canada a reliable grain and oilseed supplier to the world?

Mr. Lyle Vanclief (Parliamentary Secretary to Minister of Agriculture and Agri-food): Mr. Speaker, all government departments are aware of the situation in grain handling in western Canada today. The minister of agriculture will be announcing later today that as soon as he returns to the country

Oral Questions

he is bringing together the key players in the grain handling industry in western Canada to resolve that issue.

The rail car companies have informed us they will be putting several more thousand rail cars on the rails. They have already started. It is our intention to solve this so we can better serve our customers as we have in the past and will continue to in the future.

* * *

[Translation]

HOUSING

Mrs. Monique Guay (Laurentides): Mr. Speaker, my question is for the Deputy Prime Minister.

On April 10, the City of Montreal and the key players in social and cooperative housing made a plea to the Quebec and federal governments, asking for a non-recurring \$40-million program to renovate 1,000 dwellings every year in that city.

Considering that the Quebec Minister of Municipal Affairs reacted positively to this project called "Resolution Montreal", is the federal government prepared to make a commitment to the Quebec government and to Montrealers, and help meet the urgent needs of the population?

Mr. Ronald J. Duhamel (Parliamentary Secretary to Minister of Public Works and Government Services): Mr. Speaker, I thank the hon. member for her question. The minister has already met with his counterparts and will meet them again soon. The minister is holding consultations and will make a decision later as to what new initiative the government can undertake in co-operation with the provinces and territories. Obviously, the above mentioned project is one which will get very serious consideration.

(1150)

Mrs. Monique Guay (Laurentides): Mr. Speaker, since the beginning of this Parliament, no concrete action has been taken regarding social housing. Does the Deputy Prime Minister agree that, by unduly postponing necessary funding to implement this innovative program, her government is avoiding its responsibility to the poor in Montreal?

Mr. Ronald J. Duhamel (Parliamentary Secretary to Minister of Public Works and Government Services): Mr. Speaker, we have to consult with the provinces; we are asked to do so. We have met with ministers and we will continue to do so. I said that the project would be carefully considered; we will see what other ministers propose.

To say that the government did nothing for social housing is not true at all. Across the country, there are over 559,000 units costing annually \$2.1 million to the federal government. Also,

we will spend \$100 million, over a period of two years, to renovate dwellings. There are several other projects which I do not have the time to mention. There are several projects, including in Quebec, and I would appreciate it if the opposition recognized that great efforts have been made. Moreover, the minister said that the savings of about \$100 million would be used to support other initiatives.

* * *

[English]

GENERAL AGREEMENT ON TARIFFS AND TRADE

Mr. Jay Hill (Prince George—Peace River): Mr. Speaker, my question is for the minister of agriculture.

Recently the United States enacted article XXVIII of the GATT in response to what it perceived as unfair imports of Canadian durum wheat. The fact is that American prices for durum wheat have increased approximately 90 per cent in the past year. This totally refutes the claim that the American industry is being harmed by Canadian durum wheat imports.

Could the minister please explain what actions his government is taking to dispute the U.S. claim that Canadian durum wheat imports are hurting its farmers?

Mr. Lyle Vanclief (Parliamentary Secretary to Minister of Agriculture and Agri-food): Mr. Speaker, we certainly regret the Americans took the action they did a week ago today by putting in place article XXVIII. I want to assure the member and the industry that this does not close the border; what it does is move the negotiations to another stage.

We will continue to negotiate as strongly and as firmly as we have with the Americans on this issue. We have won a number of challenges and panels since 1990. The score for Canada on the trade disputes on wheat with the United States is 4 to 0. And at this time of the year when a hockey score is 4 to 0 it is a pretty decisive win.

Mr. Jay Hill (Prince George—Peace River): Mr. Speaker, as the hon. member indicated, four previous investigations have exonerated the Canadian Wheat Board of unfair pricing. Despite this we now have a scenario for counterproductive retaliatory tariffs between the U.S. and Canada.

Is this government prepared to insist that the root cause of this trade disruption is not Canadian durum wheat imports but the distorting influence of the U.S. export enhancement program?

Mr. Lyle Vanclief (Parliamentary Secretary to Minister of Agriculture and Agri-food): Mr. Speaker, we have made it very clear to the United States if it decides to go ahead and take unilateral action at the end of the 90 days that we will respond in kind. We have indicated some of the areas where we might do that.

Oral Questions

I also assure the member that we had representation yesterday in Washington at the International Trade Commission hearings. This should be of some comfort to us.

We must remember all of those commissioners who are attending that hearing are American and as one of the commissioners said: "We have only received two documents from the department. Both are essentially statements devoid of analysis and one I could barely understand". I think that bodes well.

We look forward to the response and conclusion of that ITC panel in July of this year.

* * *

NUCLEAR DISARMAMENT

Mr. Ted McWhinney (Vancouver Quadra): Mr. Speaker, my question is addressed to the Minister of Foreign Affairs.

Remembering Canada's record of leadership in the United Nations General Assembly over the whole post-war period under St. Laurent, Pearson, Paul Martin Sr. and Trudeau, in the movement for nuclear and general disarmament under international law, will the Minister of Foreign Affairs consider intervening in the World Health Organization process now pending before the World Court in The Hague on the illegality of nuclear weapons?

(1155)

Hon. Michel Dupuy (Minister of Canadian Heritage): I thank the member for Vancouver Quadra for his question.

Indeed Canada was always a leader in the field of non-proliferation. We can take pride in the fact that we invented strangulation of nuclear weapons.

The question the hon. member raises this morning is a very legitimate one. I am informed that it is up for consideration by the foreign minister who will make a decision in due course. However, there is no evidence in sight that Canada is going to change its traditional support for non-proliferation and to stop its fight against nuclear weapons.

* * *

[Translation]

COPYRIGHT

Mrs. Madeleine Dalphond-Guiral (Laval-Centre): Mr. Speaker, my question is for the Minister of Canadian Heritage, who happens to represent the riding next to mine.

The Société des auteurs et compositeurs du Québec appeared before the Copyright Board this week to ask for a 2 to 5 per cent increase on royalties paid to songwriters every time their songs are performed.

Would the minister give us a progress report on the review of copyright legislation currently underway in his department, as well as in the Department of Industry, and tell us when he intends to introduce a bill to modernize the outdated provisions of the current act?

Hon. Michel Dupuy (Minister of Canadian Heritage): Mr. Speaker, I agree that the current legislation is outdated. I think it is important we make all necessary changes.

The proposed amendments are being reviewed, not only in my department, but also in all other departments concerned. When all the preliminary work is done, we will be happy to report to the House.

Mrs. Madeleine Dalphond-Guiral (Laval-Centre): Mr. Speaker, I am glad to see that my neighbour and I both agree that some of our laws are outdated.

Recently, the Minister of Industry announced the membership of the National Advisory Committee on the Information Highway. We noticed that creative artists and songwriters are not represented on this committee.

Would the Minister of Canadian Heritage tell us if he intends to suggest to his colleague, the Minister of Industry, to appoint such a representative to this committee?

Hon. John Manley (Minister of Industry): Mr. Speaker, I think the minister responsible for this issue should answer the question.

On the committee I set up to advise my department are representatives of the cultural industries. What the hon. member just said is not true. We have on this committee some very important Quebecers, who contributed a lot to the overall cultural industry, such as Mr. Chagnon, of Vidéotron, who implemented in the Chicoutimi area a very important pilot project for the building of the information highway, as well as Mr. Bureau, former chairman of the CRTC, and many more.

I do not know why the Bloc member would think that these people do not understand cultural issues.

* * *

[English]

MINISTERIAL STAFF

Mr. Chuck Strahl (Fraser Valley East): Mr. Speaker, my question is for the Prime Minister.

In November the Prime Minister announced that cabinet ministers would be limited to 19 staff members, thereby saving

Routine Proceedings

\$10 million. Yesterday it was reported in the press that the Prime Minister in response to pressure from his caucus will soon allow cabinet ministers to hire more staff.

(1200)

Can the Prime Minister please tell the House if there is any truth to this report?

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure): No, Mr. Speaker, I am sorry. It is good news and bad news. A provision has been made for summer students to be hired.

In the red book we said we were going to cut the budgets of ministers by some \$10 million. We have not only done that but we have actually exceeded that amount.

I am pleased to be able to say that as part of the savings we are able to provide ministers with an opportunity to hire summer students and, most important, to create job opportunities for those students to help to prepare them for the job market when they are finished their education.

I would hope that all members would applaud that move.

Mr. Chuck Strahl (Fraser Valley East): Mr. Speaker, we applaud any savings that the government can get in place. Our concern was that there may be an announcement later on in the summer. We applaud the government's move and congratulate it on holding the line on staff requirements.

The Speaker: Maybe I should stop while I am ahead here.

* * *

THE ECONOMY

Mr. Andy Scott (Fredericton—York—Sunbury): Mr. Speaker, my question is for the Secretary of State for International Financial Institutions.

According to a report in the *Montreal Gazette*, Canada's economy is outperforming that of the United States. Specifically the report indicates a 4 per cent growth during the last quarter in Canada and it projects continuing growth this spring compared with 2.6 per cent growth in the United States.

How does this compare with the economic performance projections contained in the government's budget?

Hon. Douglas Peters (Secretary of State (International Financial Institutions)): Mr. Speaker, I am very pleased to have the question and the opportunity to confirm that those numbers are good news for Canada.

We have had a series of good news reports. Our economy has performed better than it had before and a number of forecasters have pointed this out. These are much better numbers than we

had used for the projections in the budget. That should be good news to all members in the House.

* * *

POINTS OF ORDER

QUESTION PERIOD—SPEAKER'S RULING

The Speaker: Yesterday I was asked to consider and rule on two points of privilege and a point of order. I am now prepared to rule on the point of order and I will be ruling on the points of privilege later on.

I have had a chance to look over the "blues" and *Hansard* from yesterday with regard to statements which were made in the heat of debate. At the time the hon. Minister of Industry in a comment quoted Shakespeare.

Now I, as a former teacher, am far from ever criticizing anyone for using quotes, especially from Shakespeare. However, in the context in which the words were used, I have of course done research and I find the words in the context in which they were used are in my view unparliamentary.

I would invite the hon. Minister of Industry to reconsider the words he used. In fact I would ask him to withdraw the statement which he made yesterday on page 3648 when he referred to the hon. member for Roberval.

The hon. Minister of Industry is in the Chamber and I would invite him to withdraw.

Hon. John Manley (Minister of Industry): Mr. Speaker, certainly out of deference to your wisdom and your office I will withdraw the comments and I shall in future endeavour not to associate the member for Roberval with Mr. Shakespeare.

The Speaker: I accept the withdrawal. I think the point has been made.

We do have days such as yesterday where exchanges are quite strong. I would simply invite all hon. members to please be very careful in the words they use because words are our weapons and our tools here in the House of Commons. I thank the hon. Minister of Industry for withdrawing and the matter is closed.

(1205)

I will return to the House with the decision on the two points of privilege which are before me.

ROUTINE PROCEEDINGS

[English]

MINISTER'S PERMITS

Hon. Sergio Marchi (Minister of Citizenship and Immigration): Mr. Speaker, I would like to table, in both official languages, the report to Parliament on the minister's permits issued from January 1 to December 31, 1993.

WAYS AND MEANS

NOTICE OF MOTION

Hon. Douglas Peters (Secretary of State (International Financial Institutions)): Mr. Speaker, pursuant to Standing Order 83(1) I wish to table a notice of a ways and means motion to amend the Income Tax Act, the income tax applicable rules, the Canada Pension Plan, the Canada Business Corporations Act, the Excise Tax Act, the Unemployment Insurance Act, and certain related acts.

I am also tabling a summary of the document and I ask that an order of the day be designated to debate the motion.

* * *

COMMITTEES OF THE HOUSE

PROCEDURE AND HOUSE AFFAIRS

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I have the honour to present the 18th report of the Standing Committee on Procedure and House Affairs regarding the main estimates of the House of Commons.

The committee has considered the estimates and reports them without amendment.

[*Translation*]

I also have the honour to present the 19th Report of the Standing Committee on Procedure and House Affairs concerning the list of committee members.

With leave of the House, I intend to move for concurrence in this report later this day.

* * *

[*English*]

NATIONAL SOLIDARITY DAY FOR THE ABORIGINAL PEOPLES OF CANADA

Mr. Nelson Riis (Kamloops) moved for leave to introduce Bill C-244, an act respecting a national solidarity day for the aboriginal peoples of Canada.

He said: Mr. Speaker, considering that most Canadians consider it desirable that we have a day in recognition of Canada's original inhabitants and considering that Canadians earnestly seek an example of their commitment to honouring native cultures, this bill would set aside June 21 of each year to be called national solidarity day for the aboriginal peoples of Canada.

Just for certainty, Mr. Speaker, this day would not be a legal holiday nor would it be required to be kept or observed as such.

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

Routine Proceedings

COMMITTEES OF THE HOUSE

PROCEDURE AND HOUSE AFFAIRS

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I move that the 19th report of the Standing Committee on Procedure and House Affairs presented to the House earlier this day be concurred in.

(Motion agreed to.)

* * *

(1210)

PETITIONS

KILLER CARDS

Mr. Ed Harper (Simcoe Centre): Mr. Speaker, I rise in the House today to present yet another petition requesting that Parliament ban the importation and sale of killer cards.

By now it must be obvious that the wide public outrage over these despicable cards must be addressed swiftly by government.

Mr. Stephen Harper (Calgary West): Mr. Speaker, I have the honour to present two petitions pursuant to Standing Order 36. The first is signed by 31 residents mainly from the city of Calgary that ask the government to amend the laws of Canada to prohibit the importation, distribution, sale and manufacture of killer cards.

I note with some satisfaction that the government has tabled draft legislation relevant to this subject.

[*Translation*]

TWO OFFICIAL LANGUAGES

Mr. Stephen Harper (Calgary West): Mr. Speaker, my second petition concerns a national referendum on the issue of the two official languages in Canada. It is signed by 36 citizens, mostly from the city of Calgary. I think such a referendum could succeed better with a policy based on the territorial principle proposed by the Reform Party of Canada.

* * *

[*English*]

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs): Mr. Speaker, question No. 17 will be answered today.

[*Text*]

Question No. 17—**Mr. Forseth:**

For the years 1992 and 1993, have any departments, agencies or crown corporations contributed funding to the legal education and action fund and, if so, (a) which ones (b) in what amounts?

Government Orders

Hon. Fernand Robichaud (Secretary of State (Parliamentary Affairs)): I am informed by the Departments of Justice and Human Resources Development as follows:

	Justice Canada	Human Resources Development
1992-93	\$9,395	\$232,248
1993-94	None	259,324

[English]

The Acting Speaker (Mr. Kilger): The question enumerated by the hon. parliamentary secretary has been answered.

Mr. Mifflin: I ask that the remaining questions be allowed to stand.

The Acting Speaker (Mr. Kilger): Shall the remaining questions stand?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[Translation]

PEARSON INTERNATIONAL AIRPORT AGREEMENTS ACT

The House resumed consideration of the motion of the Minister of Transport; of the amendment; and of the amendment to the amendment.

Mr. Gaston Péloquin (Brome—Missisquoi): Mr. Speaker, before I was interrupted by Question Period, I was mentioning that Stanley Ryerson, a political scientist, was arguing some fifteen years ago that the Canadian federation was created, in 1867, because of pressure by certain interest groups. I would like to quote him.

“Macdonald and Galt were representing the general interests of English Canadian business circles. And Brown was the spokesman for Toronto’s commercial and industrial circles. Finally, Cartier represented the conservative wing of the French–Canadian bourgeoisie and of the clergy. The new political structures were tailored to the economic and political interests of the dominant social groups”.

Our proud Fathers of Confederation were therefore Canadian bankers, financiers and businessmen pressuring the British Parliament to unite the Canadian colonies in order to widen their markets and protect themselves against the economic threat posed by the U.S. According to that view, Canada was created by lobbyists, and successive governments have perpetuated that

long tradition of favouritism. Since then, the two main national parties have always relied on large corporations to finance their political activities.

The Pearson airport privatization proves that things have not really changed since Confederation, except that interest groups have gained more and more influence on the decision-making process in the Canadian government.

(1215)

Today, our society is organised around a corruption system perfectly institutionalized. The voice of the people is getting weaker in the hallways of the Parliament of Canada, and Bill C-22 does nothing to prove it is not so. On the contrary, it makes the system even more susceptible to manipulation by interest groups.

The names that keep cropping up concerning the sale of Pearson airport show how the system works in Ottawa. Here is a list of friends of Mulroney and Conservative organizers: Otto Jelinek, former Conservative minister; Don Matthews, former president of the Conservative Party; Bill Neville, Joe Clark’s former chief of staff; Hugh Riopelle, lobbyist and friend of Mr. Mazankowski; Fred Doucet, former chief of staff of Brian Mulroney; John Llegate, lobbyist and friend of Michael Wilson; Pat MacAdam, lobbyist and friend of Mr. Mulroney; Bill Fox, lobbyist and friend of Mr. Mulroney; Harry Near, lobbyist and Conservative faithful; Scott Proudfoot, Conservative lobbyist.

On the Liberal side we have: Herb Metcalfe, former organizer for Mr. Chrétien; Leo Kolber, a Liberal senator.

The Acting Speaker (Mr. Kilger): Order! I ask the member to refer to those who presently hold a seat in the House by their title. For example, when referring to Mr. Chrétien, he must call him the Right Hon. Prime Minister, since he happens to be speaking about the head of the Liberal government. I am committed to maintaining tradition whether members are present in the House or not. I know the member for Brome—Missisquoi has gained a lot of experience in a very short time in the House but I ask his further co-operation in this matter.

Mr. Péloquin: All those people were more or less implicated in the secret dealings surrounding the sale of Toronto Pearson International airport up to this point. Because of their political contacts those lobbyists succeeded in having the government sign a bad contract. In order to thank them, our government is now considering compensating them because they could not carry their shady deal to fruition.

That is exactly the kind of situation that confirms the population’s cynicism towards politicians. According to a popular saying, a politician’s promise is a broken promise. This brings the credibility of the whole Canadian parliamentary system into question. Bill C-22 will certainly be adding to the contempt and scorn with which Canadians regard politicians. In fact,

Government Orders

Canadians should not be surprised to see the Liberals act exactly the way they do each time they form the government in Ottawa.

Mr. Maurice Bernier (Mégantic—Compton—Stanstead): Mr. Speaker, I am pleased to participate in this extremely important debate. This bill concerns the cancellation of the deal signed by the Conservative government. But it also puts to the test the government's credibility and the integrity of the parliamentary process.

The point I would like to raise in the next few minutes concerns the compensation provided for by bill C-22. When I read this piece of legislation, I had serious doubts. You, and all the members in this House, will surely agree with me that when parliamentarians make legislation, they must respect certain principles to ensure that our legislation is clear, the wording as precise as possible, and the clauses consistent.

(1220)

Clause 7, regarding compensation, reads as follows:

No action or other proceeding, including any action or proceeding in restitution, or for damages of any kind in tort or contract— may be instituted by anyone against Her Majesty, or against any minister or any servant or agent of Her Majesty—

In other words, clause 7 means that no compensation may be paid in connection with the Pearson deal.

But when reading clause 10, we find that:

10.(1) If the Minister considers it appropriate to do so, the Minister may, with the approval of the Governor in Council, enter into agreements on behalf of Her Majesty to provide for the payment of such amounts as the Minister considers appropriate in connection with the coming into force of this Act, subject to the terms and conditions that the Minister considers appropriate.

And further, still under clause 10:

(3) No agreement may be entered into under this section after one month after the coming into force of this Act.

When comparing those two sections, in my area, we would say that "there is something missing" because on the one hand, we have the impression that no action may be taken by anyone against the government in relation to any possible agreement or compensation while on the other hand, the minister may, with the blessing of Her Majesty, enter into an agreement, but only within one month after the coming into force of the bill.

After rereading those sections, I finally managed to find some cohesion. Basically, what the bill is suggesting to us in terms of compensation is that there is already a done deal. We now have to find a way to go ahead with the deal. We have to be careful not to fall into two or three traps. First, according to section 7, we must not give the impression of giving away compensation. Better still, we say to people: "Don't worry, you will not have to take us to court because we are going to forbid that. So, there's no problem, you see the minister—under section 10—and you make a deal with him which does not seem to be related to the

transaction itself but which will basically allow you to achieve the same result".

The reason I say that in all likelihood the deal has already been made is because of the obligation to come to an agreement within one month after the coming into force of the bill. Therefore, there seems to be some urgency because the legislator, who does not usually speak for nothing, comes to the conclusion that all agreements must be entered into within one month. That is what I wanted to point out.

I will go on about this deal, which has obviously already been struck, although we know nothing about it. As was mentioned by some of my colleagues, including the hon. member for Brome—Missisquoi who just spoke and others who repeatedly said so this week, lobbyists belong to every party and feed at every trough, whether it be with this Liberal government or with the former Conservative government. They just turn coat, then go meet the minister and get the same results.

(1225)

Everybody remembers the famous \$1,000-a-plate dinner held during last election campaign. Charles Bronfman, unquestionably a francophile emeritus who, in 1976, the day after the election of the Parti Québécois, had nothing better to say than he would move the Expos out of Quebec, attended this dinner party and was told by the Prime Minister that the agreement concluded for the privatization of Pearson airport would be cancelled.

During the election campaign, the Prime Minister took great pride in saying that Mr. Bronfman paid \$1,000 to hear that his agreement was no good. The dinner must have lasted a little longer than this conversation, and Mr. Bronfman surely got guarantees for what was to follow.

Several people reached that conclusion, especially the chairman of the board of inquiry, Mr. Robert Nixon, who said in his report: "My review has left me with but one conclusion: To leave in place an inadequate contract, arrived at with such a flawed process and under the shadow of possible political manipulation, is unacceptable. I therefore recommend that it be cancelled".

Also, still with reference to the famous \$1,000-a-plate dinner, I would like to quote the comment made by André Pratte, a journalist for *La Presse*, during the election campaign: "If a \$1,000 gift can help you drop a few words in the leader's or the potential prime minister's ear, what privileges do people who give \$5,000 enjoy?"

And what does a business like Canadian Pacific, which gave \$64,000 to each party last year, get? These questions have to be asked; and they have to be answered! There is an old saying, "A man is known by the company he keeps". We have to know the facts, we have to find out about these relations.

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Therefore, it goes without saying that I support the Bloc Québécois's amendment and the Reform Party's sub-amendment requesting a commission of inquiry. Mr. Speaker, it is one thing to come and legislate in this House, even if we support the purpose of the bill, which is to cancel this ridiculous contract, but we must also ensure that the government and politicians never again find themselves in such a situation.

And to ensure this, we have to know the facts. To find them out, since we have the report prepared by Mr. Nixon, who conducted an *in camera* inquiry but still came up with some serious conclusions, it is absolutely justified to appoint a commission of inquiry. I repeat that we must not permit this bill to end a process which, in my opinion, reveals some troubling facts.

We have to know the truth because those who elected us throughout Quebec and Canada want to know what this is all about. The credibility of the government and of all parliamentarians is at stake, and that is why we need a commission of inquiry.

(1230)

Mr. Bernard Deshaies (Abitibi): Mr. Speaker, I welcome this opportunity to take part in the debate today on Bill C-22 to explain how my constituents may be indirectly affected, by the more or less successful privatization of this major airport.

Pearson airport in Toronto is Canada's largest airport, with nearly 20 million passengers coming through annually, which is nearly 57,000 per day. Pearson airport has a direct economic impact worth nearly \$4 billion annually on Ontario's economy.

Considering these figures, Pearson airport is considered to be, and indeed is, a very profitable airport. That is good news, because in a big country like ours, where equalization is the rule so that all citizens get a fair share, profitable airports in the south make it possible to finance the operations of airports further north.

We need a commission of inquiry to investigate the transactions that took place and those that might have been concluded to realize the real financial potential of this airport—whether or not it is sold to private interests—in order to measure the financial impact and ensure profits can be used to finance the maintenance and development of northern airports.

Air transportation in the north is a vital part of local communications between communities and provides a vital link between communities in the north and the south. Considering the fragile economy of these communities, free competition could adversely affect the security and autonomy of the people in these regions. In fact, I would like to take this opportunity to discuss the privatization policy the government wants to implement in Canada and Quebec. I think that in both cases, Pearson airport

and the government's plan to privatize air traffic control, the result will be a loss of services for people in the regions.

Some time ago, the Minister of Transport announced that studies would be conducted on the privatization of air traffic control in Canada and Quebec, to be followed by consultations with users, unions and groups with an interest in Canada's air navigation system.

The Bloc Québécois is concerned about the implications and especially about the lack of transparency around this project. The information we are getting is extremely vague. The Bloc Québécois is therefore anxious to find out the real reasons behind the government's plan to transfer nearly 6,000 jobs, including 2,000 air traffic controllers, to an as yet unknown entity.

Will this be a Crown corporation, like Canada Post, or a completely private enterprise?

Does the minister intend to give us the names of the companies, commercial groups or interest groups that have shown an interest or even tendered bids for an air navigation system in Canada or parts of that system?

We think it is important that the public should know who wants what and what the conditions will be for the sale of the system, if there is one. We do not want the scandal of the Pearson airport privatization happening again.

Air traffic safety. If there is a transportation area where decisions concerning the safety of the travelling public should not be delegated to the private sector, it is certainly air traffic safety. Can the government explain to us how it will force this new company to offer air traffic control services where they are needed?

Will the government force this new company, or these companies, to offer air traffic control services even in regions where air traffic is not lucrative? Let us take, for example, an airport with thousands of small plane flights every year which does not bring in much money in terms of landing fees and which is not economically viable, but where the volume of flights is such that the danger of air collisions is high. Will the government force this or these new companies to offer air traffic control services even if they were to lose some money on that part of their activities? We are not too sure about that.

How will remote areas such as Abitibi or the North Shore, or any other Northern or remote area, be treated? How will the government force this new commercial entity to monitor the level and quality of services provided?

(1235)

You will recall the Dryden crash, where it was demonstrated that Transport Canada had had trouble enforcing laws and regulations. It has been proven that self-regulation does not

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work and is unacceptable, especially in air travel. How will the government enforce air traffic safety?

If there is a service which is of national interest, such as the Armed Forces, how can the government think about transferring this responsibility—I am talking about air traffic control—to commercial interests?

By the same token, can the minister tell us what will become of the travellers protection, given the fact that he is now considering putting an end to the presence of permanent and professional fire fighters in regional airports in Canada?

We have not forgotten the cuts in services that followed when Canada Post became a Crown corporation. In remote and isolated areas mail service was drastically reduced in order to save money and in the name of profitability. Does the government intend to do the same thing in the case of control towers, flight service stations and fire fighters in regional airports? Will we end up with airplanes being controlled from Quebec and Montreal? In a nutshell, is the government getting ready to shut down regions by reducing services to a minimum?

Furthermore, can the minister explain why his government is still going ahead with its project of “modernizing” the air traffic control system by closing thirteen control towers in Canada? Why does the department want to close four towers in Quebec, or 44 per cent of all towers in Quebec? Must I remind the minister that three out of those four towers are located in peripheral areas, namely Val-d’Or, Sept-Îles and Baie-Comau? What a coincidence!

In addition to air security, how air traffic controllers and other workers who are currently public servants will be treated is of great concern to our party. Can the minister tell us what will become of those men and women who have given 5, 10, 15 and, for some, 20 years of faithful service to the Canadian public? Will the minister dismiss those who refuse to join the new private corporation or company? Does the minister intend to offer them maybe a “grandfather” clause which would allow them to remain public servants although working within the new air traffic control system?

Is the minister aware of the fact that many believe the air controllers working for the new entity could have the right to strike, which they do not have now? Can the minister confirm or deny that rumour? Can he tell us what he intends to do to clear things up concerning that essential service? Will the government require that seniority and other benefits accumulated by these employees as public servants for the Canadian government be respected or will these people be at the mercy of every whim of the new managers?

If the government maintains that project of privatizing the Canadian air control system, will it force the new company to abide by the Official Languages Act with regard to services offered to users and employees? Will the pilots, private or professional, still have access to air control services in the language of their choice? Will the employees enjoy the same

work rules as they have now, for example the right to receive training and communications in French wherever the legislation permits?

I mention these points, Mr. Speaker, to stress the possible impacts of loss of income in the south which would allow grants and support for the northern regions.

Any privatization project which is of national interest, be it the Pearson airport or the air traffic control system, should be reviewed with everyone’s interests in mind and in such a way that citizens in the northern regions or remote areas would be treated fairly.

Mr. Antoine Dubé (Lévis): Mr. Speaker, I would like to take advantage of the debate on Bill C-22 to show how the Quebec City airport has been unfairly treated by the federal government up until now, to the point that it is slowing down the development of Metropolitan Quebec City.

(1240)

What is striking in this bill is the double standard applied by the Liberal government when dealing with the airports in Toronto and Quebec City. In the case of Quebec City, the Liberal government is dragging its feet. But in Toronto, it uses a steam-roller approach, overlooking a lot of things, probably under the pressure of lobbyists.

As a matter of fact, I am starting to understand what some Liberal candidates in the Quebec City area meant, during the last election campaign, when they mentioned the corridors of power. They probably meant the corridors used by lobbyists. But do people really want to leave the task of influencing the government’s actions to the lobbyists? Or would they rather have their elected members make representations to the government? I believe the latter.

Otherwise, Quebec should probably consider speeding up the HST project or upgrading the Quebec City airport, to shorten delays, since lobbyists for Quebec City appear to be less powerful than those for the Toronto airport.

For some time now, the federal government has known that the Quebec City airport infrastructure is totally inadequate to meet the needs of an area where the capital city of all Quebecers is located. On June 23, 1993, on the eve of Quebec’s national holiday, representatives of the federal Conservative government held a big ceremony during which they unveiled a new sign and announced that Jean Lesage airport in Quebec City would henceforth enjoy the status of an international airport. Without wanting to minimize the promotional impact of this new status, plans to expand Jean Lesage airport are still collecting dust on the responsible minister’s desk.

A simple sign identifying the airport in Quebec City as an international facility will not resolve the bottlenecks that occur. The international flight passenger waiting area is so small that overcrowding occurs on a regular basis, particularly when several international chartered flights carrying hundreds of passengers arrive at the same time. To avoid total chaos,

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passengers on the last incoming flight must all too often wait to disembark.

A circus atmosphere prevails when hundreds of passengers converge on the sole luggage conveyors in the area reserved for international flights and on the customs area. How can we hope to attract major international carriers when a short stopover in Quebec City on a Paris–Los Angeles flight can mean a delay of several hours for passengers who must patiently wait until those wishing to disembark can do so and the flight can resume?

Under the circumstances, it is not surprising that the many past attempts by airline companies to establish international links to Quebec City have been quickly abandoned.

Another good reason for expanding the airport is Quebec City's bid for the Winter Olympic Games in the year 2002. According to the *Association des gens de l'air du Québec*, Jean Lesage airport is too small to handle the traffic that would be generated by the Olympic Games in eight years' time.

The association is of the opinion that, because of its bush-league airport, foreign travellers will be left with the impression that Quebec City is, and I quote, "a banana republic". In fact, in our region, people can hardly believe how little was done to fix the airport in recent years.

(1245)

Again, the president of the air transportation workers union was quoted in a Quebec City daily newspaper as saying: "The main runway was widened so 747s could land. It is all very well but runway lights were not even moved, so if that heavy aircraft veers slightly off course, it will hit the lights and the necessary repairs will slow everything down".

A brief that the air transportation workers union sent to the people responsible for the Quebec City airport development plan and to Corporation Québec 2002 lists four major deficiencies that need to be addressed quickly. First, a runway less than 4,000-foot long running parallel to the main runway would separate heavy aircraft from lighter aircraft for better safety and efficiency.

Second, a taxiway network should be developed to allow aircraft to quickly leave or enter the main runway, thus reducing waiting periods. Third, access ramps must be widened as they are getting more and more congested. Passengers must walk long distances outside, an embarrassing and sometimes dangerous situation, especially in winter.

Fourth, customs personnel must be increased. The lack of customs officers sometimes creates long and tiring line-ups at peak times for international passengers.

It is worth pointing out that these recommendations were tabled on December 8, 1992. We are still waiting for a concrete response from federal officials, something other than simply designating as international an airport with such a status but without the necessary facilities. Whatever we do, we must not make the mistake of minimizing the importance of an adequate airport for the 2002 Olympic Games.

Salt Lake City will certainly be Quebec City's fiercest rival. It even has a truly international airport with all the amenities likely to sway the people who will pick the winning city among the applicants.

The applicant's guide to hosting the 19th Winter Olympic Games in 2002, issued by the International Olympic Committee, says under "transportation" that, as previous experience shows, one of the keys to successful Games is an efficient transportation system. This guide recommends that applicant cities focus on three key areas, namely the transportation of people, equipment and luggage, as well as customs clearance. This is a very good reason to increase the number of customs officers and put in new baggage conveyors at the Quebec City airport.

Of course, the decision to expand the airport should not be based only on the possibility of hosting the 2002 Winter Olympic Games. We must consider above all the needs of the Quebec City region, before and after the Games. The figures quoted in this House on Wednesday by my colleague from Louis-Hébert demonstrate the need for expansion due to the dramatic increase in transborder and international flights at the Quebec City airport between 1988 and 1992.

According to Transport Canada's own figures, as quoted by the hon. member for Louis-Hébert, transborder flights have increased by 179 per cent in Quebec City. In comparison, they went up 12.5 per cent in Halifax, 13 per cent in Winnipeg and 15 per cent in Calgary.

I can hear from here the government side argue that investments were made to upgrade the runway to accommodate jumbo jets like the Boeing 747. It was a very minor reconstruction project, a \$7.5 million project, while the \$33.5 million five-year capital plan announced in September of 1990 called for the construction of a new control tower, among other things.

(1250)

Now what has come of that plan? I fear that, as usual, this government will say it is under consideration, the classic excuse to avoid admitting that, again, nothing was done.

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The fact of the matter is that millions of dollars were spent to reconstruct the runway, just to prevent grass clippings blown away by the 747s' jet engines from blowing back on the runway. That is the kind of upgrade the Quebec airport has undergone!

But the business community in the Quebec City region have been calling attention to the deficiencies of our airport for a great many years.

Our region's development depends for a large part on technological enterprises open on the world and on tourism. Quebec has acquired international stature after it was declared—the only city in Canada, by the way—World Heritage City by UNESCO. Its cultural life and festivals make it a choice destination for tourists from around the world. However, our development is being compromised because, once again, a central government out of touch with local needs is dragging its feet.

Mr. Gaston Leroux (Richmond—Wolfe): Mr. Speaker, like my colleagues, I am pleased to speak in the debate on Bill C-22 and, following them, to shed some light on this bill. This bill absolutely must be clarified because, as you heard in everything they said, there are grey areas, some very dark grey areas, in this bill.

A major topic of the government's red book, the real political manifesto of the Liberal Party of Canada during the election campaign, is to question the disproportionate and decisive influence of behind-the-scenes lobbies on government policies.

The purpose is to restore the image of this same government so that the people again trust their political elite and democracy will experience an unprecedented renewal. The Liberal bible says: "We will develop a Code of Conduct for Public Officials to guide cabinet ministers, members of Parliament, senators, political staff, and public servants in their dealings with lobbyists".

Indeed, a key word in the Liberals' election campaign was openness. However, the reality is quite different. Instead, it shows this party's shameless opportunism and its thirst for power with a view to consolidating the political and financial establishment in Canada.

In the attempted privatization of Pearson airport in Toronto, there is a series of troubling facts that make one seriously question the openness of the Liberal government and of the previous government.

Bill C-22 is a unique opportunity for the Bloc Quebecois to shed light on all the lobbyists who are the real leaders in the old parties, a shadowy area in Canadian politics, Mr. Speaker.

When the federal government published its policy on airport management in Canada in the spring of 1987, it showed that it intended to turn airport management over to local authorities, such as provincial governments, municipalities or boards authorized by federal or provincial legislation. Transport Canada is to provide a safe and efficient airport system. This can be done

through appropriate legislation and financial support, without Transport Canada owning an airport.

In the summer of that year, the Conservative government designated Claridge Properties Inc. to build and operate terminal 3 at Pearson. Since then, this consortium owned by Charles Bronfman has had a monopoly. In the first half of the 1990s, he, with the help of the Conservative Party, was in a position to become the sole manager of the airport's three terminals. Not more than a month after his triumph in English Canada last November, the Prime Minister, acting completely contrary to a spirit of openness, asked a former Ontario Liberal minister, Mr. Nixon, to conduct an inquiry behind closed doors, yes, in secret, on this incipient monopoly. As you know, doing something behind closed doors is just the opposite of ensuring transparency. Yet, this is the way these old parties work. Mr. Nixon writes in his report:

Terminal 3 will be privately based and operated for a further 57 years. To contemplate the privatization of the remaining two terminals of this public asset is, in my view, contrary to the public good.

(1255)

In March 1992, the government blatantly contradicted its political statement by officially requesting proposals for the privatization of terminals 1 and 2 at Pearson airport. The deadline for proposals was 90 days. A 90-day period in this case was not normal, because this was no ordinary call for tenders, since it involved a very complex contract over 57 years. So, why have such a short bidding period, if not to favour those firms which had already expressed an interest, including Claridge Properties Inc. and Paxport, which had already submitted a privatization plan in 1989?

Let me give you some details on Paxport. The Don Matthews Group, which has a 40 per cent interest in this consortium, has links to the Progressive Conservative Party and the Liberal Party. Mr. Matthews was chairman of Brian Mulroney's leadership campaign and is a former chairman of the Conservative Party. When Paxport made its bid following the government offer to privatize terminals 1 and 2 at Pearson, its president was Ray Hession, a former deputy minister of Industry and senior civil servant with Supply and Services where contracts are awarded. In other words, all the key players were related to the previous Liberal governments. The president of Paxport Inc. himself hired the group of lobbyists which was to work on the privatization project for the benefit of the company. He then resigned from his position as president in 1992, once approval of Paxport's bid was confirmed by the government. And there you have it.

In February 1993, Paxport and Claridge Properties Inc. merged and became T1 T2 Limited Partnership. One of the reasons Paxport's bid had been accepted was that it would create healthy competition between the manager of terminals 1 and 2, Paxport, and the manager of terminal 3, Claridge. Consequently, the merging of the two companies had the effect of totally eliminating any such competition. Not to mention that Claridge

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managed to acquire a 66 per cent interest in the consortium. So, this is a monopoly.

Claridge Properties Inc. has very close ties to the Liberal Party of Canada. Senator Léo Kolber, who sat on the board of directors of Claridge when the agreements were signed, is the same guy who held a benefit dinner at his home, in Westmount, for the Liberal Party, at \$1,000 per guest, where the guest of honour was the current Prime Minister. Now you see why they tried to keep this benefit dinner secret.

Herb Metcalfe, former party organizer for the current Prime Minister, is a lobbyist at Capital Hill Group and represents Claridge Properties. Ramsay Withers, former deputy minister of Transport at the time the request for proposals concerning Terminal 3 at Pearson airport went out, is a Liberal lobbyist who has very close ties to the current Prime Minister.

Given these facts, we have to wonder about the nature of this government and about its ties to the Toronto financial establishment. What about the openness they promised us? What about the ethics? Be serious. What we have here is cover-up and patronage benefiting some private interests at the expense of Canadian taxpayers, and particularly middle-class citizens, which the government always picks on, and the underprivileged. Let us be blunt. The Liberal Party of Canada has always been in cahoots with the financial establishment.

On October 7, 1993, the legal agreement on the privatization of Terminals 1 and 2 was signed. However, Claridge Properties had taken control of T1 T2 Partnership Inc. a few months before, in May of 1993. So, the October agreement was between the government and Pearson Development Corporation.

(1300)

What is Pearson Development? It is a joint venture partnership which manages operations at all three Pearson airport terminals. Claridge Properties, which is the contractor for terminal 3, holds a 66 per cent interest in Pearson Development and is also the majority shareholder in Paxport, which was awarded the contract in December 1992 for the privatization of Terminals 1 and 2. Once again, so much for transparency and ethics! The least we could say is that the Pearson deal is nothing more than the takeover of all three terminals by a financial power that has a friendly relationship with a so-called democratic government.

Clearly, whether the government is Liberal or Conservative, it is all the same. Today more than ever before, it is increasingly obvious that powerful financial interests, to achieve their ends, will put at the head of the Canadian government a friend who will stop at nothing to stay in power, a person who will have absolutely no regard for the most fundamental rule of transparency and ethics.

Due to the troubling circumstances under which the 1993 agreement was negotiated and executed—

The Acting Speaker (Mr. Kilger): Order. I am sorry but your ten-minute period has expired. We have to move on.

Mr. Leroux (Richmond—Wolfe): May I conclude my remarks?

The Acting Speaker (Mr. Kilger): I will leave it to the hon. members. If they give unanimous consent, I have no objection.

Is there unanimous consent to allow the member for Richmond—Wolfe to conclude his remarks?

Some hon. members: Agreed.

Mr. Leroux: Mr. Speaker, because its credibility is at stake here, the government has no other choice but to confirm the need for a commission of inquiry to examine this matter as soon as possible. We need an inquiry.

Mr. Roger Pomerleau (Anjou—Rivière-des-Prairies): Mr. Speaker, most of my Bloc Québécois colleagues who have taken part in the debate on Bill C-22 so far looked at it in terms of government openness, and all of them came to the obvious conclusion that a royal commission of enquiry should be set up to look into the whole issue of the privatization of Pearson airport.

In the speech he just made, my colleague for Brome—Missisquoi brought out quite well the large number of friends of the government, both Conservative and Liberal, who were involved or had a hand into this matter, which represents millions of dollars.

My colleague for Mégantic—Compton—Stanstead told us how this piece of legislation before the House today was put together: under clause 7, no action may be instituted against the government by any company that could have grievances against it, but clause 10 allows the minister to make a direct but secret settlement with people who might want to claim some small compensation.

Besides, the Nixon Report, commissioned by the Prime Minister, concludes along the same lines. I would like to quote its conclusion:

My review has left me with but one conclusion. To leave in place an inadequate contract arrived at through such a flawed process and under the shadow of possible political manipulation is unacceptable. I therefore recommend that it be cancelled.

Leading to that conclusion, Mr. Nixon said: "Failure to make public the full identity of the participants in the agreement and other salient terms of the contract inevitably raises public suspicion".

In my opinion, when the government proposes to privatize a Crown asset, openness should be mandatory and the public

should be entitled to know all the details in the agreement. That is why, on the whole, we are asking for an enquiry in that matter.

I would also like to quote some remarks made by the hon. member opposite for York South—Weston and reported in the media. They were reported in the November 26, 1993 issue of the *Ottawa Citizen*, and I quote:

[English]

“I didn’t spend the last nine years in Ottawa bashing Tory sleaze to have it occur in our party or for our party to condone it”.

[Translation]

Some other remarks were also reported by the *Globe and Mail* where he was quoted as saying:

[English]

“This will be a true test of Mr. Chrétien’s commitment to integrity in government and I have considerable confidence in him that he will kill the deal”.

(1305)

[Translation]

Of course, this is the bill that kills the deal. The only problem is that giving the Minister of Transport discretionary powers to compensate people party to this behind-the-scenes deal is tantamount to having the fox in charge of the chicken coop, and the Bloc is obviously against that.

Why was the privatization of Pearson airport ever considered to begin with? It is quite simple. Pearson airport makes money. Incidentally, it is one of the very few money-making airports in Canada. Why does it make money? Because everything was done to put it in that position.

The Mirabel airport was built many years ago because the Montreal airport was crowded with international flights. A few months after Mirabel was built, the ban on international flights landing directly in Toronto without a stop-over at Mirabel was lifted. After that, all international flights could land directly in Toronto without stopping first in Mirabel.

What did that mean? It meant killing Mirabel and increasing the number of international flights landing directly in Toronto. Today, Mirabel airport is a white elephant and we are on the verge of expanding Pearson airport at the cost of millions of dollars, several million of which will come from Quebec.

The same pattern can be seen in the case of the port of Montreal, with the opening of the St. Lawrence Seaway. Over

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the years, that system diverted traffic from Montreal to Toronto. The port of Montreal is failing and the one in Toronto is thriving.

The same thing happened with the Borden line. It was recommended by the Borden commission, on which not a single Quebecer sat. It resulted in the petrochemical industry of the east end of Montreal being transferred to Sarnia.

The Auto Pact is another example. It was signed with the United States, which goes to prove beyond the shade of a doubt that a small country like Canada can strike deals with a giant such as the United States. But that deal was made for Ontario. Quebec did not get anything out of it.

What is the logic behind all this? They want Ontario to be the economic heart of Canada. This is a Canadian way of thinking. Concentrate all the economic activity in Ontario. Unfortunately, this concentration is to the detriment of Quebec. In the four points I just mentioned, thousands of jobs were lost in Quebec.

Once Toronto’s and Ontario’s international attraction is established, many companies deciding to come to Canada will follow the same logic which says: “If you want to do business, go where the business is”. So they all go to Toronto or elsewhere in Ontario because that is where the business is.

Once this attraction has become extremely strong, it even drains Quebec’s own companies. And I am referring to companies like Cadbury, Black and Decker, Electrolux, Habitat Soups, which all left Quebec because there were better opportunities in Toronto. Of course, this endless corporate exodus is responsible for the loss of hundreds of thousands of jobs in Quebec. As we speak, the media report that there are 790,000 welfare recipients and 400,000 unemployed workers in Quebec. And the media—and I heard it again this morning—tell us about an economic recovery.

There is no economic recovery, Mr. Speaker, let us not kid ourselves. The Prime Minister of Canada, under the circumstances, must find a culprit because he does not want to admit the phenomenon I just described. Of course someone to blame is always found, as we saw recently in the House: the unemployed and the welfare recipients, they are to blame.

So they are officially accused of being beer drinkers slouched in front of their TV, this after their jobs have been taken away. Unfortunately all these people are in fact looking for a job. Since he got a very strong reaction, the Prime Minister is attempting to find other reasons why the situation is bad, even if the corporate exodus from Quebec to Ontario is very clear. And now the Prime Minister has called all of Quebec’s legitimate and historical demands whims.

I would like to say a few words on this. All the Premiers of Quebec, whatever their political party, as far back as I can remember—and I am not very old, but I still remember it—always said the same thing.

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In the mid-1950s, Maurice Duplessis wanted Ottawa to give Quebec back its due. This was not a whim on his part; he said it because he believed that we were being had by Ottawa.

(1310)

In the early 1960s, Jean Lesage liked to use the expression “masters in our own house”; that was no whim. He was simply convinced that we were not in charge of our own affairs and that Ottawa always controlled everything.

A few years later, Daniel Johnson used the expression “equality or independence”. That was not a whim either. He simply felt that, with the way things were in Canada, Quebec was not getting equal treatment. The situation was such that ultimately Ottawa always decided what was best for Quebec.

Of course, several years after that, René Lévesque began to champion the cause of Quebec sovereignty. And that was no whim either. He believed that sovereignty was the only way for Quebecers to become masters in their own home.

The Bélanger-Campeau Commission came to the same conclusion. Either Canadian federalism undergoes a radical change to ensure that Quebec is given its fair share, or Quebec becomes sovereign. That conclusion was certainly no whim. It reflected the clear consensus of all Quebecers who appeared before the Commission.

I see, Mr. Speaker, that you are indicating that I have one minute remaining. There is so much more that I could say. When we say that we do not want the federal government to intrude into our field of jurisdiction with respect to vocational training, it is no whim. This is the unanimous position of the National Assembly.

The Prime Minister claims that disaster will ensue if the separatists—this is the word he used—are elected. Need I remind him that Moody’s, which is certainly not a den of nasty separatists, has pointed out to him that the debt, not the political situation, is responsible for what ails Canada. When the Liberals came to power in 1980, the debt stood at \$80 million. They managed to increase it to roughly \$200 million. Under the Conservatives, the debt rose from \$200 million to \$500 million. Now the Liberals, in office once more, are saying that the debt will come in at about \$600 million.

It does not take a genius to figure out why our bankers are nervous. The fault does not lie with the nasty separatists. They are nervous because they are owed money. May I conclude, Mr. Speaker?

The Acting Speaker (Mr. Kilger): If I recall correctly, I was asked yesterday if, by allowing one hon. member to speak longer, I was in fact impinging on another member’s speaking time. We are supposed to adjourn at 1.30 p.m. this afternoon. I will let your colleagues decide whether they will let you conclude your remarks, briefly.

Is there unanimous consent to allow the hon. member to conclude his remarks?

Some hon. members: Agreed.

Mr. Pomerleau: To make it short, Mr. Speaker, I will skip a few things. Let us just say that we request a royal commission into the Pearson airport transaction. It is obvious from all the facts stated in this place that there has been some degree of scheming. We do not want any dealings to take place outside of this House. If certain facts need to be disclosed to the public, we want them to be made public here, before this House, so that the people can have a good idea of what this is about.

The Speaker: I wish to thank the hon. member for his co-operation. On debate, the hon. member for Jonquière.

Mr. André Caron (Jonquière): Mr. Speaker, in the last days of its second mandate and in the middle of an election campaign, the previous government privatized Terminals 1 and 2 at Pearson airport in Toronto by signing an agreement with a company called T1 T2 Limited Partnership. After defeating the Conservatives on October 25, the Liberal Party came to power planning to cancel this deal, as promised during the election campaign.

On October 28, the Prime Minister commissioned Mr. Robert Nixon, former treasurer of a Liberal Ontario government, to investigate this controversial agreement. The bill before us today gives effect to Mr. Nixon’s recommendation to cancel the privatization agreement made between the government of Canada and the T1 T2 Limited Partnership consortium.

Let me remind you that the principal shareholders of this company are the fabulously wealthy Charles Bronfman and Mr. Don Mathews, Brian Mulroney’s leadership campaign manager and former fund-raising campaign president for the Conservative Party.

In light of the exceptional circumstances under which this agreement was made and the many disquieting facts surrounding it, and also in light of the findings of the Nixon Report, simply cancelling the contract will do very little to clarify matters for the public, which is expecting more from the government.

The public wants light to be shed on the role played by lobby groups in this whole business. According to the Nixon Report, lobbyists had put a great deal of pressure on the Conservative political staff as well as on senior government officials.

(1315)

Mr. Nixon says that lobbyists, by their actions, led the government to make dubious decisions. He said, and I quote: It is clear that the lobbyists played a prominent part in attempting to affect the decisions that were reached, going far beyond the concept of “consulting”. With regards to lobbyists’ influence on government officials, he added: “When senior bureaucrats involved in the negotiation for the government of Canada feel that their actions and decisions are being heavily affected by lobbyists, as occurred here, the role of the latter has in my view,

exceeded permissible norms". Permissible norms were exceeded in the Pearson airport affair. Such statements cannot remain unanswered.

Obviously, excessive lobbying was used with Conservative politicians and federal officials in order to influence their decisions. It seems evident that the public service integrity and impartiality are being questioned by the findings of Mr. Nixon's inquiry. In view of these circumstances, the government cannot turn a blind eye on this affair and just cancel the Pearson airport privatization deal, by secretly compensating people who may have lost money, as it intends to do with this bill before us.

A royal commission of inquiry must be established to shed light on this dubious transaction which looks increasingly like a political and financial scandal as the facts come out. Quebecers and Canadians must be told the truth about the role attributed by the media to Bill Box, Pat MacAdam, Fred Doucet, Harry Near, Hugh Riopelle, and Garry Ouellette, all lobbyists linked to the Conservative Party, former senior officials or members of Mr. Mulroney's party political staff. One could add to that list Ramsey Withers, a Liberal lobbyist and former deputy minister of Transport, and Ray Hession, former deputy minister of Industry and senior official of the Department of Supply and Services under Trudeau.

A royal commission of inquiry will be able to throw some light on this whole affair and on the role played by these persons. If nothing reprehensible is found, great, we will be pleased to know it. This is not all. The government has to learn a lesson from all this and to take this opportunity to conduct a comprehensive review of the legislation governing lobbying in Canada.

In a free and democratic society as ours, where citizens have the right to express their views, lobbying is part of the decision-making process. Citizens as well as organized groups may influence the government decisions if they feel it is in the public interest. In the United States, lobbying is institutionalized, part of the political scene and well regulated. In order to prevent undue influence of lobbyists on the government, it is essential that their activities be governed by stricter legislation than what we presently have in Canada, which has been totally inefficient as far as the Pearson airport issue is concerned.

The present Lobbyists Registration Act identifies two categories of lobbyist groups. These are: professional lobbyists who have contracts with third parties and approach politicians and civil servants in order to influence them; and the other lobbyists who, because of their functions, may have to approach federal civil servants or politicians to defend their interests; those are, for instance, unions or professional associations seeking the support of the government on a specific piece of legislation.

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As for disclosure of their activities, professional lobbyists must give the name of their employer, the name and address of their clients and the purpose of their approach. Those of the second group are required to give only their name and the name of the organisation for which they are working.

Like the Standing Committee on Consumer and Corporate Affairs and Government Operations in its report, I think that interest groups of all categories should be required to follow the same rules of disclosure. Since the purpose of interest groups is essentially to influence the decision-making process of the government, it seems normal that they all be subjected to the same rules.

(1320)

In brief, time has come for lobbyists to be required to disclose the nature and object of their activities with governmental authorities, as well as the financial benefits they receive for their services.

Moreover, we must protect senior public servants against the schemes of interest groups.

As a matter of fact, the Nixon report reveals that many senior public servants were exposed to considerable pressure by lobbyists who were trying to influence their decisions regarding the privatization of the airport. It even points out that, and I quote: "Indeed this element of pressure resulted in several civil servants being re-assigned or requesting transfer from the project".

The investigator found that some government officials involved in the privatization of Pearson airport had to quit working on that matter because the pressures from lobbyists were too strong and their integrity was in jeopardy.

Given those disclosures, which are very disturbing—to say the least—and in order to avoid any recurrence of such things, Mr. Speaker, all public office holders must be required by law to disclose all contacts they have with lobbyists. Canadians and Quebecers have a right to know who is trying to influence government officials, and why.

In conclusion, at a time when our fellow citizens are asking governments to be more open, we have no other choice than to demand that a royal commission of inquiry be established to clarify the strange events that surrounded the privatization of Pearson airport.

The government must also clean up lobbying in Canada. It has to, because of the scandal that surrounded the privatization of Pearson airport. We have to put an end to the maneuvering by friends of the government and to influence peddling, which tarnish the reputation of our democratic institutions and that of the people working in those institutions.

Mrs. Madeleine Dalphond-Guiral (Laval Centre): Mr. Speaker, Bill C-22 has been the focus of debates in this House

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since April 26. It is now at the second reading stage before being referred to a committee.

However, it seems the decision of the House will have to wait because the Official Opposition clearly intends to show that supporting Bill C-22 is tantamount to supporting non-transparency. Otherwise, the Prime Minister, who professes to be the best advocate of transparency, would never forgive us.

Since October 25, 1993, things have been happening in Canada; among others, the House received a new group of members for whom political transparency is just a ploy if there are no strict statutory rules governing the democratic financing of political parties. The impact of our arrival was traumatic for Canada. But just like some hard-to-swallow pill, I believe this impact can only be beneficial.

This debate on Bill C-22, driven firmly and efficiently by the Official Opposition, is also educational since it proves clearly that the present laxity of the federal rules on political parties' financing is contrary to the best interests of society.

Traditionally, oppositions, like those of the 34 previous Parliaments, hesitated, with good reason, to point a finger at friends of the party in place because any accusation on their part had a 90 per cent chance of turning into a boomerang as fierce as the attacks themselves. But the opposition in this 35th Parliament intends to prove that the absence of legislation on the financing of political parties can only create a vicious circle with a very simple and clear-cut rationale.

Mr. Speaker, no one has the right to bite the hand that feeds him, much less this government. It's an open secret: this government considers that corporate contributions to the election funds of traditional federal parties are as essential as bread and butter. There is enough butter left to clog the most performing liver. Otherwise, how can we explain the presence of clause 10 in this bill, which, for all intents and purposes, authorizes the Cabinet to compensate Limited Partnership, if it considers appropriate to do so? I looked into my crystal ball and I could see, without any doubt, that the government will pay a reasonable compensation to the groups connected with the Pearson Development Corporation.

(1325)

But can a reasonable government take upon itself to pay a reasonable financial compensation when the whole contract, according to Mr. Robert Nixon, was anything but reasonable? You can judge for yourself, since Mr. Nixon wrote the following in his report:

My review has left me with but one conclusion. To leave in place an inadequate contract arrived at with such a flawed process and under the shadow of possible political manipulation is unacceptable. I recommend to you that the contract be cancelled.

In his wisdom, the Prime Minister followed the recommendation of his investigator. Indeed, Mr. Robert Nixon, the former Treasurer of Ontario under the Liberal government of David

Peterson, and a prominent member of the Liberal Party of Ontario, knew what he was talking about.

I will repeat my question: Is it reasonable to pay compensation as a result of the reasonable cancellation of an unreasonable deal? Any citizen with any degree of common sense will answer a resounding no. Why would the government be tempted to answer in the affirmative? We can safely assume that the reasons are many, but I will suggest two.

Answer no. 1: You do not bite the hand that feeds you, especially when that hand is called Charles Bronfman, whose links with the Liberal Party are well known; or Leo Kolber, a Liberal senator and host of benefit diner at \$1000 a plate during the election campaign; or Herb Metcalfe, well-known lobbyist and, surprisingly, former organizer of the present Prime Minister, one job preparing the way for the other I suppose; or Ramsey Withers, another Liberal lobbyist; or Ray Hession, former Deputy Minister of Industry during the Trudeau era.

Answer no. 2: You do not bite the hand that feeds others. You never know. Even if the others seem to be dying, there might be a miracle, they might come back to life. Don Matthews was chairman of the leadership campaign of Brian Mulroney in 1983.

I have other names, but time is getting short and since I want to give you my conclusion, I will skip them. Besides, they are well known.

So, we have come full circle. The government, which has been bragging for a long time about openness, has no choice but to act according to its commitments.

Since October 25, the government has made a number of decisions. In Quebec, it cancelled the helicopter contract, but where are the compensations for lost jobs? Do we have any expectation of industrial reconversion? No. True, Quebec workers are not the ones who contribute the most to the finances of the Liberal Party of Canada.

In Toronto, the Pearson airport deal is cancelled. In that case we know where compensations are going to go. Canadians and Quebecers know it too. The jobs will be saved, and friends of Pearson Development Corporation will be rewarded—I mean compensated, Mr. Speaker.

On the one hand, contracts are cancelled and on the other hand, verbal agreements are carried out, which is hardly conceivable. Members will understand that I am referring to the Ginn Publishing deal.

I can appreciate that our colleagues opposite think it is time to stop quibbling about the issue. In my career as a teacher, I have learned that even a clear message will not necessarily be understood by everyone. We believe that, if we repeat it enough, the population of Canada will finally come to understand and will ask the government to implement a law on democratic funding of political parties, for the sake of transparency.

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(1330)

The government should take the Quebec legislation as a model in that matter. Besides, there is no reason to be ashamed of trailing behind Quebec on that issue. In that field as in many others, Quebec does not see things the same way, perhaps on account of its difference.

I can assure you, Mr. Speaker, that when Quebec decides to cut the Canadian trailer loose, my country will be glad to collaborate with its neighbour in order to help bring more justice and equity to our world.

[English]

The Acting Speaker (Mr. Kilger): It being 1.30 p.m. the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[English]

RECALL ACT

Miss Deborah Grey (Beaver River) moved that Bill C-210, an act to provide for the recall of members of the House of Commons, be read the second time and referred to a committee.

She said: Mr. Speaker, for a moment I thought we had unanimous consent to put it straight through the House; that would have been absolutely marvellous.

It is a real pleasure for me to stand in the House today to bring forward an issue that many Canadians, at least outside the House, are talking about probably far more regularly than some of our colleagues would like to acknowledge.

Canadians are seeking dynamic and constructive change in their political institutions; not just tinkering with this or that but real change. They are demanding that political institutions and politicians listen to them, consult with them, and ultimately be accountable to them.

Over the past 25 years governments have expanded their scope of activities enormously and touched people's daily lives in many ways. Canadians want an increasing share in decisions that affect their lives and their pocketbooks. During the same 25 years governments have become very large, very complex, and are often out of touch with ordinary citizens.

One need only reflect on the findings a couple of years ago of the Citizens' Forum on Canada's Future, of course referred to as the Spicer report, to sense the frustration and anger felt by

Canadians toward government in the recent past. The defeat of the Charlottetown accord in October 1992 was seen by many as a massive rejection of the typical or traditional style of leadership in Canada.

Members will know from media reports, from a wide variety of polls and from their own door to door experience in the last election, that many Canadians do not even think it worthwhile to participate in the political process. Too many have become disillusioned, alienated and cynical about political parties, politicians themselves and government in general, perhaps in some cases with good reason, sad to say, through failure of politicians to listen, failure to consult, and failure to be accountable at all times to the people who elected them.

We in the 35th Parliament have an opportunity to change this, to rectify these shortcomings, and to improve the quality of representative democracy in the country. Through a series of modest, pragmatic, parliamentary reforms we can improve this in future parliaments and work to restore confidence and pride among Canadians in our political institutions. Nothing would be more refreshing than that. We would have people coming from sea to sea to the Chamber and saying: "Yes, this place is real; it is practical and it works".

Recall legislation is one of those sensible, pragmatic, progressive parliamentary reforms that the House should legislate. Recall is a parliamentary reform whose time has come.

There is much misinformation about recall. I would like to quash some of the misinformation about recall legislation. I certainly hope this may change the speeches on the other side of the House that are already prepared. I would like to talk also about the virtues of recall legislation because I believe they far outweigh any misinformation or myth. Otherwise I would not be introducing the bill.

(1335)

I think is important that we remember the key words again, to listen, to consult and ultimately to be accountable to their employers, the voters in their particular districts who hired them and brought them into office.

Recall legislation would make sure that there was benefit both to our constituents who voted us in and to ourselves. There has to be benefit on both sides. It is not going to be just all good for them or all good for us who sit within the sanctity of these halls.

The opponents of recall suggest at least three bogeymen in expressing their opposition. First, they say that recall is a procedure that has failed when tried in other jurisdictions. In other words it has not worked so it will not work. That certainly is inappropriate.

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Second is that recall would be used mischievously for partisan purposes. For example, high profile government members such as cabinet ministers or my friend from Broadview—Greenwood who certainly is high profile would be subjected to harassment. We would hate such a thing to happen.

Third, people will say that recall would encourage short term or parochial thinking by members to the detriment of the long term common interest of all Canadians.

If we fall for any one of those three myths we are saying that the Canadian public does not have common sense. I am not sure there is anyone in this House who would dare say such a thing, especially after the fall of Meech Lake, after the fall of the Charlottetown accord and after last fall's general election where we saw incredible changes in this House of Commons.

Hon. members will know that recall has been a facet of the Swiss system of direct democracy for a long period of time and it is well regarded in that country. Fifteen states in the United States of America employ recall for elected state officials and two additional states, Hawaii and Utah, are now actively considering recall legislation.

This is not ground breaking, this is nothing totally radical. It is not the Canadian way of course to do anything radical. We would be following other countries that have brought in legislation on recall and which have proved substantially that it works well. Thirty-six states provide for recall of locally elected officials. No American state has ever repealed recall legislation once it was established. I think that tells us volumes.

The United States has 36 states that have recall in place. They have never once repealed recall legislation. Something about it must work.

Of course we as members of Parliament know that it is not maybe so much the exact act of recall but it is the threat of recall where members must be looking over their shoulders all the time, not so much with a fine bunch as this, but people are saying: "We do not think he or she is doing their job well". We would be continually looking over our shoulder realizing that somebody stands there with a chain to bring us back into line if we stand out of line.

That whole thing is so important. There would be members in this House as they have done any number of times even in the life of this Parliament, who would say: "Oh, yes Deborah, but Alberta brought it in and then repealed it".

As we know recall legislation was brought in by Premier William Aberhart in 1936. It was repealed. But it was repealed because of some very serious weaknesses in it. They were basically that people could buy off names for a petition. My recall bill has made sure that cannot happen. When that bill was repealed, and we want to make sure that it is on the record in

Hansard one more time, Premier William Aberhart and Ernest Manning who was a senior cabinet minister then, the father of Preston Manning the leader of the Reform Party, the hon. member for Calgary Southwest, in fact voted against the repeal. We can honestly say it was not their fault. They brought in the legislation but it was repealed by a bunch of backbenchers who thought there were real serious weaknesses in it.

Let us turn and look at the positive side because that is where we gain the most. Let us look at Switzerland and the 36 American states in assessing the success of recall. The charge that recall would be used in a frivolous manner by defeated parties or special interest groups to harass high profile government members such as cabinet ministers does not stand up under examination. Who would benefit by such actions?

Political parties do not wish to appear frivolous. Dear knows they may wish to appear to be any number of other things. But I am not sure that political parties go out to seek the goal of being frivolous. Not one.

(1340)

Second, not all the losing parties in a constituency have an interest in a byelection at a particular moment. They would not say: "Let us defeat that person immediately and have a byelection". As all of us well know, we are exhausted after a general election and much work has to be done for the new Parliament. By making the threshold high enough people will not be tempted to be foolish and say: "Let us unseat that person".

Most important, political parties do not have the degree of authority over their members between elections for such nonsense to occur. There is no way anyone from any political party in this House of Commons would have their leadership say: "We demand that you trigger a byelection to force that MP who won the election out of office". I do not believe that would happen. It takes an incredible amount of time, energy and money to get the process going. I do not think political parties would do that just to appear frivolous.

The second myth, the view that voters can be shamelessly manipulated between elections, shows little trust in the electors. If anything has been learned from the last five or ten years of Canadian history it is that we should trust the electors. Some of us might think they made some wrong choices at a particular time. There are some Reform Party candidates I would have loved to have seen in office because they would have made excellent MPs.

At the same time, I know we must trust the common wisdom of the electors. Therefore, when we say the people have spoken on election day we must mean it. We must be able to say that the electors spoke and this is the way it is. Sure, maybe those of us on this side of the House wish the numbers had been different. Who knows, maybe some on that side wish the numbers had

been different as well. However, they were voted in by people who care about their country and we must not dispute that.

These are the same electors who showed wisdom and judgment during the general election. Surely they can be trusted to show the same wisdom and judgment when faced with a petition for recall.

It cannot be said on the other side of the House: "We were voted in with a huge majority so we think all the electors are very wise" and then this afternoon stand up in this House of Commons and say: "MP recall is ridiculous for any number of reasons", by intimating that the electors could not fall for such foolishness. It does not work.

The third charge against recall and another myth I would like to dispel is that members might become very parochial to the detriment of implementing the government's mandate. Similar to my previous comment, this view shows little trust in the intelligence or the judgment of the electors. In addition, it shows no confidence in the ability or judgment of the ordinary member of Parliament.

I think it is always seen by MPs who are safe and cosy in this place after being elected that they are on the payroll as it were for four or five years, to say: "Well MP recall is negative. It can never do me, as a member of Parliament, any good".

Let me talk about the positive side of recall for an MP. If I am doing my job to the best of my ability or if my neighbour is doing his best job, then why would they be able to get an enormous number of constituents to sign a recall petition against him? There would be a great deal of difficulty in getting the number of people necessary to sign under my Bill C-210. It would then show a vote of confidence in the member for Kindersley—Lloydminster. If they were not able to rustle up enough names to vote against him that would not be a negative thing, it would be positive. It would show he has the confidence of his electors.

It would be a marvellous exercise to see recall in action. For constituents not to be able to get enough signatures together on a petition, what a vote of confidence that would be for my friend here to say: "Wow, they could not get enough people together. That means they generally believe in me and what I am doing". That would be healthy, refreshing and long overdue at this point.

The charges against recall contain little substance and much misinformation.

There have been quotations in the House in the last several days. Let me add a quote by Thomas E. Cronin in his discussion of the pros and cons of recall in his book entitled *Direct Democracy: The Politics of Initiative, Referendum and Recall*

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put out by Harvard University Press in 1989. Thomas Cronin states:

Today's critics of the recall device—

I suspect there may be some of them in the Chamber today.

—continue to view it as an invitation to unruly, impatient action and as a potential hazard to representative government. They also say it is another media age factor that could weaken the party system.

(1345)

Then he says, to close his comments:

No evidence exists to support either contention.

Beware anyone who might stand up in the Chamber this afternoon, and say that such a thing would not work because Thomas Cronin has said there is no evidence at all to support the contention that member of Parliament recall is weak.

When I last spoke on this bill, as I have done several times because I believe in it, I emphasized that members have nothing to fear from its introduction. The bill contains a number of sensible provisions to prevent its mischievous use and ensures strict regulation in its application.

Perhaps the bill in Alberta in 1936 was not tight enough and that is probably why it was repealed. However, we have come up with sensible legislation.

These are some examples of why I think it would be taken seriously by the electors and would not pose any personal threat to probably most members in the House.

First, the petition must be signed by a sufficiently high number of electors in a constituency to prevent mischief. If I needed 100 names or 5,000 names or whatever I could find them very easily. However if we looked at the number of voters who voted in the last election and then took 50 per cent plus one, that is a powerful number of names that we would need. It is a high threshold because we have a multi-party system.

In the United States it is just one way or the other. You vote Republican or Democrat and the person needs 50 per cent plus one. It is about as simple as that. But we have four or five parties running here. A seat can be easily won without 50 per cent of the vote, so I have put the threshold high, that 50 per cent plus one of the number of people who voted in the riding in the previous election is needed. That number of names is very difficult to come up with and the Chief Electoral Officer would need to make sure that all those names were legitimate.

Also I have incorporated a period of grace into the bill, an 18-month waiting period after the general election before a recall petition can be initiated. That also would destroy the myth of people turning around and saying, "let's go get her" after she has been elected for two weeks. We would need a period of a year and a half in the bill for people to prove themselves. This would make sure that MPs are given a chance.

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Naturally unusual circumstances such as criminal charges, fraud, et cetera could shorten this period in the case of blatant misrepresentation. Also, recall could be used only once in a constituency during the life of a Parliament. If people got this tool and went wild with it, they would be able to say: "Oh, let's get him" and "let's get her". Let us put some sensible guidelines in place. Another one is that it could only be used once in the life of the Parliament.

Anyone who is still dubious about this should remember that people are sensible. If we are talking about power to the people we need to give it to them whether we like it or not. As we have witnessed around the world people are taking power into their own hands. Canadians are no different. They have proved it time and time again: Charlottetown, 1992. That side of the House was in opposition then, they all said "yes" at least publicly. I know of some, I will not mention any names, who had a great deal of difficulty with it and they voted "no". But publicly they all came out and said "yes".

It depends how loudly we talk publicly, but nonetheless we would make sure that if this only happened once in the life of a Parliament that would be healthy. The recall process also would be subject to strict regulations, verified by the Chief Electoral Officer. For example, there should be procedures for verifying that all signatures are genuine and obtained through legitimate means.

Of course the first thing somebody would say is: "That's going to cost an incredible amount of money and you Reformers are always, always saying cut, cut, cut". There would be some dollars involved in this but I ask the question to all of those cynics: How much will it cost if we do not do that? What will the ultimate cost be if we do not initiate recall and see some incredible situations as we are witnessing even today where members of Parliament are going to sit as independents or whatever else? What is the cost ultimately to the constituents, to the particular member, and to the Canadian political system in general? We are all going to be harmed. I think this would be cheap and would make sure that we have some healthy balance in here.

(1350)

Let me talk about some more merits of recall. I have a feeling I have not convinced everyone on the other side of the House.

An hon. member: They are coming.

Miss Grey: They are coming, though. Let us remember that recall will strengthen the link between individual representatives and their electors. That is a good thing to have happen in the country.

It will provide the disillusioned or dissatisfied voter with an instrument and public process for practical action. We saw it in the Charlottetown accord where people said: "I have a vote",

and vote they did in incredible numbers with an incredibly resounding n-o from sea to sea. It was not just us rebels in the west; one of the maritime provinces voted no as well and Ontario as good as voted no.

That is exciting to me because people realize that they can hold the reins of power; it is not just in the Chamber. People will be able to do more than just sit and complain as they wait for the next election. One can deduce from this that recall will ensure political parties and politicians listen more.

I can think of nothing more to say to wrap this up. If politicians would listen more, if they would consult more, ultimately they would be accountable far more to the people who actually voted them in, who actually are paying their paycheques, and who are actually saying: "We want some mechanism in place whereby you are accountable to us".

We have heard time and again from across the floor the Prime Minister and others saying that we do have accountability, that we do have recall; it is called general elections. No, it is called MP recall. I would be thrilled to see the bill pass through the House of Commons as quickly as possible.

Mr. Ted McWhinney (Vancouver Quadra): Mr. Speaker, it is a pleasure to follow the hon. member for Beaver River. She speaks with thoughtfulness. She is always interesting and she is good humoured. I hope to enter the debate with those same qualities.

It is an interesting question. I think we are all interested in participatory democracy. It was, after all, Pierre Trudeau who coined the term. This Parliament is marked by a feeling that transcends all parties to change the system to get more direct involvement by people, more participation by members.

It should be understood, though, that we operate within the context of two different antinomies or sometimes conflicting principles of liberal constitutionalism today in western societies and western influenced societies. One is the concept of government by assembly, which is returning power to Parliament after more than half a century in most western societies of executive dominated regimes.

The other is direct democracy, getting people involved in decision making in its logical conclusion or what my friend, Professor Mirkine-Guetzévitch, called plebiscitarian democracy. Sometimes those two trends run counter to each other. Without anticipating the work of the Standing Committee on Procedure and House Affairs, the committee of the House of Commons now studying these issues including the institution of recall, I would refer to some changes that are already apparent.

The office of prime ministership is in the process of change. It is always true that the office depends on the man or woman in it. The prime ministership was different under Mr. Churchill from that under his successor, Mr. Attlee, or under Margaret Thatcher

and her successor whose name is often forgotten. The same is happening in Canada.

The Chrétien model of the prime ministership is a very kinder and gentler Prime Minister who rests on collegiality, consensus and a heightened respect for Parliament. Some would say after the last eight years that was very much needed. It is the Pearson model and it is changing Parliament interestingly and constructively.

There is also a heightened sensitiveness among individual members of their responsibilities to their constituents and getting their opinions and, by the way, no particular fear of referenda as such.

(1355)

I happen to think referenda are fully part of democratic constitutionalism. The Quebec referendum of 1980 was healthy. It cleared the air. The Charlottetown referendum was healthy. I never accepted the view of the prophets of gloom and doom that the country might come to an end as a result of that referendum. The decision has been accepted loyally and with goodwill by all concerned and we are now on to the economic business of the country.

Referenda should not of course be used as an instrument to harass governments or to preoccupy the public agenda. I would warn that there are constitutional limits. If referenda proposals are deliberately ambiguous and confusing or they are repetitive, repeated every year, there are ample constitutional means for controlling them through the Supreme Court. Maybe at some future stage some people, including myself, may have to return to that issue.

Let us get on to recall, the institution as such which the hon. member raised with such ardour and such persuasiveness. It is in many respects antithetical to the main liberalizing constitutional element I have already referred to: government by assembly giving more powers to members of Parliament, not merely opposition but government members, getting away from this presidentialized prime ministership we see in so many British influenced societies.

I would have to raise some questions to the hon. member. I have lived in Switzerland as part of my professional life. I have a great admiration for the Swiss system. However I am always reminded of the particularity of constitutional institutions in their own society and the difficulties in translating an institution from one society to another, unless the basic societal and cultural conditions in the one are sufficiently replicated in the other. It is one thing to have recall in a Swiss canton where everybody knows everybody. I knew all my neighbours; I knew everybody in my canton, I think.

Try translating recall to a constituency. Not even speaking of the hon. member for Ontario's seat which has 220,000 voters,

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but a seat like my own of 100,000, how do you prove 50,000 or 40,000 signatures on a recall petition? It does not even take a good lawyer to tie an issue like that up in the courts for 17 years requiring everybody to prove their signatures.

I can foresee very great difficulties, endless litigation and expense in carrying this proposal out if it were to be adopted. I wonder if the liberalizing thoughts of the hon. member might not be better directed to other institutions of participatory democracy which I think are already receiving some early favour with the standing committee.

There are more effective ways for Parliament itself to control its own procedures and to ensure dignity and mutual respect among its members. It must never be forgotten that Parliament is a high court of Parliament. It is a vestigial judicial institution too. It has enormous disciplinary powers which are sometimes forgotten. It has the power to scrutinize its own MPs.

There are constitutional limits to this and political dangers. As an academic commentator I warned during the U.S. impeachment debate about confusing legal grounds for impeachment with political grounds for impeachment. That is to take us back to the bad days of the 18th century instead of the golden days of the 17th century in which constitutionalism in England was more vibrant. One is also reminded of the last days of the Weimar republic when majorities used their power to exclude minority members.

Nevertheless, this having been said the standing committee would do well to re-examine Parliament's power itself to discipline its members. It could look at these issues for taking care of some of the pathological examples the hon. member cited where recall in the absence of other more effective mechanisms might be the constitutional instrument to look to.

(1400)

I would ask the hon. member if she could put her proposals in the context of a larger constitutional vision which includes a revived Parliament where members do have something to do, where the executive exercises modesty and self-restraint in relation to opposition members and government members.

There are changes here that we are on the verge of making. We have a sympathetic Prime Minister. I cite again the example of Mr. Pearson. He and his great colleague, Paul Martin, Sr., were great parliamentarians. This can be a House that will literally reform itself.

Contributions such as the hon. member opposite has made are constructive and helpful. They start the debate. They are the raw material for the overburdened standing committee with a strange double barrelled name. Nobody dares use the word constitution but let us face it, it is a constitutional committee that we have in Parliament, the Standing Committee on House Management and Procedures, and it can act.

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Her contributions will add to the debate and I do believe she will see results, perhaps not the particular institution she is advocating. It does need more thought on the modalities, how to get it through, how to overcome those battalions of lawyers who will descend and those 17 years delays but it can be done.

[*Translation*]

Mr. Gaston Leroux (Richmond—Wolfe): Mr. Speaker, I welcome this opportunity to speak in the debate on Bill C-210 and consider certain aspects of this bill.

Speaking on behalf of the Bloc Québécois, I would like to start by saying that the essence of the act to provide for the recall of members of the House of Commons may be expressed as follows: "any elector ordinarily resident in an electoral district who wishes to seek the recall of the members for that district may file with the Clerk an application for the recall of the member in a prescribed form". The recall procedure which exists in 15 American States, allows for the dismissal of a member of Parliament or public servant.

I would like to provide some historical background. A similar system exists in four Swiss cantons. Significantly, the procedure exists only with a very restricted socio-political framework, and even at that level, its use is extremely limited. In the United States, for instance, the system only operates at the municipal level. At a higher level, we have only the case of a Governor of the State of Oregon who was recalled in 1921.

To define more clearly the position of the Bloc Québécois on this question and to explain the political background of the recall concept, I think it is important to go back in history, and I intend to go back a little further than the hon. member from Vancouver Quadra, in fact, to the end of the 18th century. It was the Age of Reason in Europe, a philosophical movement that dominated the world of ideas and gave birth to the broad democratic principles that would guide western societies and still do. In continental Europe, the principle of sovereignty was transferred from the absolute monarch to the people. Although this movement started two centuries ago in England, France and Germany, it has gained in depth and acquired a more universal dimension.

For Jean-Jacques Rousseau, for instance, sovereignty is the "general will" which is always fair and equitable and thus a very effective concept. We see the idea of democracy emerging, where the people decide. But is democracy, in the sense of power to the people, the best form of government? And by the same token, is the right to recall based on the concept of power to the people a good way to control the actions of politicians? If this right to recall existed, would politicians be more likely to answer to constituents for their actions?

(1405)

As for the foundation of government legitimacy, after royal authority was abolished at the end of the 18th century, in Rousseau's opinion, the people became the ultimate holders of the decision-making power. That is why he rejects the idea of representative democracy whereby the people can only wield their influence at regular intervals. About the English people, he said this: "The people think they are free, they are sorely mistaken; they are only free during elections. As soon as the members of Parliament are elected, the people revert to being slaves, to being nothing". That is why Rousseau wanted to give people the right to recall their representatives on a daily basis.

So, as we can see, recalling elected representatives is not a new idea. I think the main flaws of representative democracy, in particular the principle that citizens can only exercise their right to vote once every four or five years, deeply troubles all democrats since the beginning of universal suffrage.

The question raised at the dawn of representative democracy can still be raised today: "How can the sovereign power exercised by a few parliamentary dignitaries result from people's sovereignty?" The notion of democracy expressed through people's sovereignty, through the idea that every citizen of a sovereign state can influence the decision-making process, that everyone wields political power, will quickly take the form of state sovereignty with the application of democracy.

Throughout the 19th century, especially with the advent of universal suffrage, we see that the people's will expressed through the election process does not coincide with the general will. This is important: it does not coincide with the general will. As we move away from the great revolutionary movements that swept Europe in the 18th and 19th centuries, the notion of people's sovereignty gradually gives way to the more absolutist concept of parliamentary sovereignty.

Given what I just said, the Bloc Québécois considers this bill to be fully justified and symptomatic of people's misgivings about their representatives and of the massive failure of the Canadian political system. Actually, this bill would be impossible to enforce, but it shows a democratic conscience deeply disillusioned by over 100 years of a system that simply does not work. Parliamentary sovereignty has lost all credibility, and making members of Parliament subject to recall will not restore its credibility.

Clause 4(d) of Bill C-210 says that a statement of 200 words or less would be sufficient to trigger the recall process. This provision would necessarily lead to anarchy in many ridings. Further on, clause 6(b) mentions the requirement to have a petition signed by a majority of the constituents of a riding in order to recall a member. Such a procedure would make the democratic process too costly and completely uncontrollable. I

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note what the hon. member for Vancouver Quadra said about this.

This bill is not practical throughout a country whose population numbers in the millions. It results from a nostalgic feeling about the democratic idealism which arose in 18th-century Europe. That is why the Bloc Québécois is opposed to this bill and prefers, along with some of our fellow members, like the hon. member for Vancouver Quadra, to take the option of developing within the institution of Parliament itself all the mechanisms for recalling members who are unable to do their job and represent their constituents democratically.

Mr. Ronald J. Duhamel (Parliamentary Secretary to Minister of Public Works and Government Services): Mr. Speaker, first I would like to congratulate the hon. member for Beaver River for raising this issue, which is a very important one. This is not a new idea; in fact, it has been around since at least the 19th century. As you know, we have always wondered about the possible benefits and the effectiveness of such a measure.

(1410)

This idea seems to be very attractive, even popular, but we still do not have any proof that it would work. Personally, I do not believe that a simple act would change a great deal the behaviour of hon. members. I would like to believe otherwise, but I think that the behaviour of hon. members cannot be managed by legislation.

In the United States, for example, since 1908, if my memory serves me correctly, there has been only 11 recalled elected officials. You are certainly aware that hundreds, even thousands, could have been recalled, but since 1908, only 11 were.

[*English*]

There are a number of questions that I think need to be answered before we could possibly support this piece of legislation. I will go back to something that the leader of the Reform Party said and I would like to be corrected if I am wrong. The leader indicated that whenever a new initiative is undertaken one has to ask at least three questions: What will it cost? How many people will be involved? Where will the money come from?

I have read the legislation. I have had some people take a look at it. I have had independent parties do an analysis for me. These questions have not yet been answered and they are important questions.

I want to raise another couple of points. Perhaps there are answers to these points. If you look at the last elections in Canada you will find that some members of Parliament were

elected with majorities in excess of 80 per cent. Others had majorities of 30 per cent plus a little bit. Is it appropriate to treat both of those individuals, if they were to be made subject to recall, in the same way even though there is a 50 per cent difference in their win? That is a point that I raise that concerns me.

The other point of course, and I indicated that initially in my remarks in French, is it is appealing. There is no question about that. I think the notion by itself is an appropriate one. However it is much more complicated than it appears. How litigious would it be? I suspect that anyone who would be the object of recall would have many opportunities along the way to question whether or not the process had been followed and whether or not it had been followed properly. I think it could probably be stalled for weeks, perhaps even months.

I will give a simple example. Once you were the object of such a process and someone brought in the required number of names, you as an individual would probably want to make absolutely certain that every single one of those names qualified. First, putting that list together would be a mammoth task and, second, ensuring its absolute accuracy would be extremely important otherwise we could be open to litigation. Of course all of that would be extremely important to do and extremely expensive. Some of you will know that the Lortie commission, after having taken a look at it, indicated that this was not the best way to proceed.

Some of you will know as well that Dr. McCormick, who is a supporter of recall, left a lot of questions unanswered. In fact he could not persuade people that this was the way to proceed.

I want to remind the House that on February 7—I believe that is the accurate date—the government asked the Standing Committee on House Affairs and Procedures to examine a number of measures. Among them were, and I quote: “Measures to achieve more direct participation by citizens, including citizens’ initiative, the right of constituents to recall their MP”. Therefore, there is a process in place in order, I hope, to address that very question in a very serious kind of way.

Until that report is in, until the questions that I have raised are answered—how much will it cost, how many people will be involved in such a process and where will the money come from—it seems to me that it would be wise to withhold support.

I come back to a point that I made initially. While it seems terribly appealing to think that such a process, such a law, such a bill would reform Parliament or the behaviour of parliamentarians, I am very, very cautious about that. I say it in no way to denigrate the idea, an idea I think which is motivated by a member who believes that if it were to work, as she believes that

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it might, it could bring about some additional refinement to Parliament. We all know that on particular days it could stand additional refinement.

(1415)

[*Translation*]

Mr. Speaker, as I said a moment ago, even if the idea seems attractive and even if there is some good in it, there are a number of questions about its effectiveness, its advantages and its cost, that must be studied before going ahead.

But the main reason is that the government already launched an initiative which will deal with a number of questions. I personally think that the matter must be considered as a whole. If it is not considered that way, I am not convinced that it will change very much the behaviour of hon. members.

[*English*]

Mr. Speaker, I should have said initially, and I hope that you and the members will permit me, to share my time with my colleague from Broadview—Greenwood.

The Acting Speaker (Mr. Kilger): There are five minutes remaining in this block of time and if that is agreeable to the House, the member for Broadview—Greenwood would have the floor until 2.20 p.m.

Is it agreed?

Some hon. members: Agreed.

Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry): Mr. Speaker, I begin by congratulating the member for Beaver River for advancing debate on this very important issue.

Part of the reason why I will not support your motion is because I believe you have been an example—

The Acting Speaker (Mr. Kilger): Order. I know the member for Broadview—Greenwood brings a great deal of enthusiasm and other qualities to his interventions, but the Speaker would want to maintain the usual traditions and be somewhat—

Mr. Mills (Broadview—Greenwood): Mr. Speaker, through you to the member, I did not want the member to think that I was all of a sudden becoming impersonal.

I believe that one of the unique qualities of the member for Beaver River is the fact that the member has always had the courage to go against the wind. I want to pick up from the member's speech where she talked about the Charlottetown accord and tried to bring the relevance of the Charlottetown accord experience to this recall debate.

I was elected in 1988 for a very specific reason in downtown Toronto. I ran opposing the Meech Lake accord. I believe in a strong national government. I was ideologically supportive of the Pierre Trudeau vision of this country and I still am. I was given the trust in 1988 by the people of Broadview—Green-

wood, which had been an NDP riding for 25 years, because I took a very specific stand on that important constitutional issue. I also thank John Turner for his terrific debating skills. That was the other great reason I believe that I won.

Two years ago, when we had the Charlottetown accord, I was sitting in this House of Commons with a position on the Constitution, a strong national government. If I were to maintain the trust of my electorate, and the member for Beaver River always says listen to your electors, I had to sit in this House in opposition and I did not support the Charlottetown accord. I sat here and I did not support my party's position. It was a very painful experience.

I then went into my riding and I campaigned on the beliefs that I had. My beliefs were personally that I did not believe in dismantling or decentralizing this national government any more than it had already been dismantled. I campaigned, not vigorously, but I campaigned. I was not trying to get into a confrontation with my leader or my party colleagues. It was just something that I had been given a trust on in 1988 and I had to maintain it.

(1420)

During discussion of the Charlottetown accord I put my position forward. A majority of my constituents at that time did not share my view of the Constitution. Every night I gave my reasons. Our office was open seven days a week, 24 hours a day, for that period of time. It cannot be said that I hid behind the curtain or anything like that. People knew.

Because of the incredible thrust of advertising and because of the media, we were gobbled up by the big hustle on the Charlottetown accord. During that campaign period many people in the community went along with the pack. Those of us in my own community at the time of the election who did not share the view lost by 2 per cent.

I could have been at that moment in time, because of the Charlottetown accord, a victim of a recall action. My constituents could have initiated a recall action. They would have had the basis for getting a recall motion going.

It is important that we debate the issue, but the real test of our accountability does not come in the short term. It comes with our four-year actions in the House. That is when we get our recall test.

Mr. Keith Martin (Esquimalt—Juan de Fuca): Mr. Speaker, it is truly an honour for me today to support my colleague from Beaver River and Bill C-210. I will start with a quote, if I may: "People, it has been said, want a government that listens, not lectures".

When I was younger one of my goals in life was to represent my country in a responsible fashion through entering the political arena. I was lucky enough to do that through my constituents in Esquimalt—Juan de Fuca.

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Prior to the Reform Party coming into existence, I did not feel there was any political party around that truly stood for democratic principles, where the politicians truly represented the wishes of their constituents.

One of the things that attracted me to the Reform Party as opposed to any other political party was its commitment to democratic reforms, reforms that would give the power back to the people. I feel putting the power back where it belongs is fundamental to a truly democratic society.

A primary example of this is the ability of the public to recall elected representatives when they are misusing their position or are not representing their electorate in the manner they were led to believe they would be represented. This is not pie in the sky reform but is a very real part of democratic reforms in a number of countries. We need to look at our neighbours south of the border to see that reform, democratic principles and recall are integral parts of both state and local politics. As mentioned before it also occurs in Switzerland, a model of democracy.

What is the mechanism of recall in Canada? First, as has been proposed by my esteemed colleague, there would have to be a relatively high petition threshold of 50 per cent plus one. This would be an attempt to avoid any spurious attempts at recalling MPs by the opposition. I hope this allays some of the fears of my colleagues across the way in government.

Second, members of Parliament must be given adequate time to get a track record, that is recall cannot be instituted before 18 months in the tenure of a member of Parliament.

Third, recall can only be applied once during the tenure of an MP in any four or five year period of time.

Recall is a remedy of the partisan block voting that has plagued Canadian politics for decades. Members vote now in many cases according to what their party wishes them to vote. This is the antithesis of democracy. Hand in hand though with recall there is another excellent opportunity for the government to democratize the system. That is, we must see that every vote in this House on a bill is not a vote of confidence in the government. Rather, if a bill were defeated, we would have a vote of confidence. This is a liberating thing and would enable the members of this House to truly represent the wishes of their constituents and they would not be hamstrung by party lines.

(1425)

It would only take the Prime Minister a couple of minutes to make a statement in the House to liberate the members in this House and enable us to do that. I implore him to do that.

A concern about recall that has been mentioned by my colleagues in the government that I will put to rest right now is that it would enable special interest groups to manipulate the electorate and exert undue influence in the political process

through continually exercising a petition to have a member recalled.

The reality is very different and will not occur because the electorate is not gullible. It is not mindless or ill-informed but then it does not bend to the whims of special interest groups. We should have more confidence in the ability of the electorate to not fall for spurious attempts at defeating a member of Parliament. That is why this bill will be excellent for democracy in this country.

This has been borne out many times in studies and is one of the reasons why it has been so successful with our colleagues to the south of our border.

My esteemed colleague from Beaver River has brought about and is raising this matter partly because the people desperately want recall. A few examples are evident right now and appropriate.

In my home province of British Columbia in the 1991 provincial election the people were asked do they or do they not want recall. Eighty-one per cent of the people in British Columbia said that they want recall now.

We in the Reform Party asked 1,500 Canadians across this country if they wanted recall or did not want recall. Seventy-five per cent of them wanted recall. This is something the public desperately wants. I think we should exert our influence, our duty and our role to adopt this great bill.

There are a number of other initiatives that I think we ought to address in tying in with our ability and our wishes in the Reform Party to democratize the system. One of those is binding national referenda and the other is citizens' initiatives, both democratic forums that I think would strongly improve the way in which business is done in the House.

Some would argue that these reforms somehow enable elected officials to shirk their responsibilities and get them off the hook in making difficult decisions. I submit that there is no higher power in this land, in a democratic society, than the will of the Canadian people.

We elected officials are merely agents of that will. It is true that we are elected to make decisions on their behalf but I still hold very dear to my heart the idea that the power of the people is of primary importance.

I quote Thomas Jefferson who said in 1820: "I know of no safer depository of the ultimate powers of society but the people themselves and if we think them not enlightened enough to exercise control with a wholesome discretion, the remedy is not to take it from them but to inform their discretion".

It is our Reform Party belief of direct democracy which distinguishes it from the other three mainline political parties. These democratic reforms are what I believe in and are what we as a party believe in. It is what we will fight for.

I hope other like-minded democratic parliamentarians will think likewise, know that this Bill C-210 is integral and important for democratic reforms and is equally important to making our Parliament more effective.

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I implore them to adopt this worthy bill.

The Acting Speaker (Mr. Kilger): With the bit of time we have left, the hon. member for Fredericton—York—Sunbury.

Mr. Andy Scott (Fredericton—York—Sunbury): Mr. Speaker, I will try to be as brief as possible.

I commend the member for bringing this debate forward. I believe in her sincerity and I believe also in the underlying principles around which the recall concept is being promoted. Unfortunately I cannot support it. I see the exercise of recall as an adversarial exercise.

The public is tired of that kind of adversarial system. I genuinely believe we can come up with positive measures to involve people. In my constituency we have held a number of very successful public meetings that were well attended, well received and non-partisan. It involves the constituents in Fredericton—York—Sunbury in public policy discussions. There are those kinds of positive approaches to involvement.

I agree with the member that the public feels powerless and alienated from the system. I spent nine months going door to door in the constituency and I have to say with honesty that the concept did not come up as a mechanism, although the concerns the member expressed certainly came up very often.

As a member of Parliament I felt an obligation to respond to that and I have. On February 27 we had a large forum in the constituency on health matters. In March we had a forum on national defence matters. These were well attended, well reported, televised public policy discussions. Just last Sunday the Parliamentary Secretary to the Minister of Human Resources Development visited the constituency and we had a non-partisan public meeting on HRD issues.

The need to change the system is real. I believe the public expects us to do that. I also suggest that there has been evidence so far in this Parliament, as brought to the attention of the House by the members on the side of the member proposing this bill, that changes have been made, for instance the debate in terms of Bosnia as one positive change.

With that, Mr. Speaker, I thank you for your indulgence.

The Acting Speaker (Mr. Kilger): The time provided for the consideration of Private Members' Business has now expired.

Pursuant to Standing Order 96(3), the order is dropped to the bottom of the list of the order of precedence on the Order Paper.

It being 2.30 p.m., this House stands adjourned until Monday next at 11 a.m., pursuant to Standing Order 24(1).

(The House adjourned at 2.30 p.m.)

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