



CANADA

# House of Commons Debates

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OFFICIAL REPORT  
(HANSARD)

**Tuesday, February 17, 1998**

**Speaker: The Honourable Gilbert Parent**

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# HOUSE OF COMMONS

Tuesday, February 17, 1998

The House met at 10 a.m.

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*Prayers*

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## ROUTINE PROCEEDINGS

• (1005)

[*English*]

### ORDER IN COUNCIL APPOINTMENTS

**Mr. Ovid L. Jackson (Parliamentary Secretary to President of the Treasury Board, Lib.):** Mr. Speaker, it is my pleasure to table on behalf of the government several order in council appointments.

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### GOVERNMENT RESPONSE TO PETITIONS

**Mr. Ovid L. Jackson (Parliamentary Secretary to President of the Treasury Board, Lib.):** Mr. Speaker, it is my pleasure to table the government's response to some petitions.

\* \* \*

[*Translation*]

### INTERPARLIAMENTARY DELEGATION

**Mr. Bernard Patry (Parliamentary Secretary to Minister of Indian Affairs and Northern Development, Lib.):** Mr. Speaker, pursuant to Standing Order 34, I have the honour to table, in both official languages, the report of the Canadian section of the International Assembly of French-Speaking Parliamentarians, as well as the financial report of the meetings of the IAFSP executive, held in Pointe-à-Pitre, Guadeloupe, December 14 and 15, 1997.

\* \* \*

[*English*]

### PETITIONS

CRTC

**Mr. Lee Morrison (Cypress Hills—Grasslands, Ref.):** Mr. Speaker, I have a petition from residents in my riding of Eston, Saskatchewan. They draw attention to the fact that the Canadian

Radio Television and Telecommunications Commission, the CRTC, has refused to license religious broadcasters but has at the same time licensed the pornographic Playboy channel.

The petitioners beg parliament to review the mandate of the CRTC and direct it to administer a new policy with respect to religious broadcasting.

EMERGENCY PERSONNEL

**Mr. Paul Szabo (Mississauga South, Lib.):** Mr. Speaker, I am pleased to present a petition signed by a number of Canadians including people from my riding of Mississauga South.

The petitioners draw to the attention of the House that police officers and firefighters are required to place their lives at risk on a daily basis, and that employment benefits for them do not often provide sufficient compensation to the families of those who are killed in the line of duty. Also, the public mourns the loss of police officers and firefighters killed in the line of duty and wishes to support them in a tangible way when their families are in a time of need.

The petitioners therefore ask Parliament to consider the establishment of a public safety officers compensation fund for the benefit of families of public safety officers who are killed in the line of duty.

\* \* \*

### QUESTIONS ON THE ORDER PAPER

**Mr. Ovid L. Jackson (Parliamentary Secretary to President of the Treasury Board, Lib.):** Mr. Speaker, I ask that all questions be allowed to stand.

**The Deputy Speaker:** Is that agreed?

**Some hon. members:** Agreed.

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## GOVERNMENT ORDERS

[*English*]

### CANADIAN WHEAT BOARD ACT

**Hon. Ralph E. Goodale (Minister of Natural Resources and Minister responsible for the Canadian Wheat Board, Lib.)** moved that Bill C-4, an act to amend the Canadian Wheat Board Act and to make consequential amendments to other acts, be read the third time and passed.

*Government Orders*

He said: Mr. Speaker, I am very pleased to open this third reading debate on Bill C-4, an act to amend the Canadian Wheat Board Act, a set of proposals which will bring about the biggest changes in the Canadian Wheat Board in more than 50 years.

The great public debate about western grain marketing has been ongoing across the prairies for at least 25 years. Some would say even longer. It reached a high boil in the early years of this decade after the Mulroney government attempted to diminish the CWB through a combination of benign neglect, sabotage and mandate reductions without parliamentary authorization and without any meaningful consultation with farmers. This was the situation that our government inherited when we came to office at the end of 1993.

• (1010)

Our first 18 months in government were devoted to successfully defending Canadian grain trade against unwarranted attacks from south of the boarder. Then in the summer of 1995 we set up the western grain marketing panel to bring some focus to a prairie grain marketing argument that was generating far more heat than light.

This was the commencement of a consultative process which was probably the most exhaustive and exhausting in the history of the western grains industry. Countless meetings, hearings, seminars, surveys, focus groups, questionnaires, votes, pamphlets, petitions, faxes, e-mails, Internet messages, personal and public letters and good old-fashioned phone calls. More people had more opportunity to participate in this very public and transparent process than ever before, and literally thousands did so.

All the advice we received was valuable, but much of it was conflicting. The most vocal participants in the debate exposed sharply polarized views among different groups of farmers with little scope for consensus in between. What some would consider basic marketing freedom others regarded as a policy straight-jacket and vice versa.

The most extreme lobbyists typically argued for government to listen only to them, that only their views were worthy of consideration and all others should simply be ignored. But government does not have that luxury.

Bill C-4 represents an honest attempt to find some reasonable common ground. It safeguards our grain marketing strengths. Strengths like the sheer size and marketing clout to go toe to toe with the biggest and toughest in 70 countries around the world and to come out a winner for Canada. Strengths like being a \$6 billion enterprise, this country's fifth largest exporter and Canada's biggest net earner of foreign exchange. Strengths like the ability to transform our 6% or 7% of global wheat and barley production into

a global market share for Canada that is close to 20%. Strengths like a reputation in the eyes of our customers for being the very best in the world in terms of intrinsic quality, cleanliness, consistency, technical support, dependability, contract execution and customer service. Strengths like verified price premiums in many markets and operating costs as low as a nickel per bushel.

In aggregate terms, it is an operating structure that costs less per year than the amount of money the Canadian Wheat Board earns on its annual interest rate savings because its credit rating is so strong.

Bill C-4 also responds to a strong desire among farmers for Canadian Wheat Board modernization and change. It democratizes the wheat board's governance. It deepens the wheat board's accountability. It enhances the wheat board's flexibility, creating more options and speeding up cash flows. It empowers producers with greater control over what their marketing agency does and does not do.

That is what Bill C-4 is all about, putting farmers in the driver's seat like never before. It follows close to three years of sincere effort to try to accommodate competing points of view.

The debate has been intense, and that is not surprising. It is perfectly normal for farmers and farm organizations to hold strong views about grain marketing legislation and to express themselves vigorously. That is their right.

But it is regrettable that some totally extraneous lobby groups, non-farmers in effect, have attempted to pervert the legitimate debate about Bill C-4 with a grossly irresponsible disinformation campaign. The worst has been the national citizens' coalition, a non-farm group of well heeled right wingers led by a fallen Reformer who wouldn't know a bushel of barley from a bucket of rice. It has spent tens of thousands of dollars disseminating false and misleading propaganda.

• (1015)

The NCC's latest ideological abuse has been an absolutely indecent attempt to link the Canadian Wheat Board to the internment of Japanese persons during the second world war. That notion is utterly abhorrent. It betrays the NCC's true intent and that of those who would associate with the NCC in a mindless crusade, financed handsomely in secret to destroy the Canadian Wheat Board and to settle for nothing less.

The NCC's tactics try to make a virtue of knee-jerk extremism and intolerance. I have no intention of dignifying its allegations with any reasoned response.

Where I do want to concentrate is on those legitimate questions which come from genuine farmers who want to know what Bill C-4 will mean to them. I have compiled a list of such questions, about 10 or so, to which I want to respond in full detail.

*Government Orders*

Question one: Will the Canadian Wheat Board become more accountable to farmers? The answer is emphatically yes.

For the first time in its history the Canadian Wheat Board will be run by a board of directors. There will be 15 directors in total. Farmers will take control over their marketing agency by directly electing 10 of those directors, a two-thirds majority. The elected directors will reflect the views of farmers in CWB decision making. They will be expected to demonstrate accountability to producers because ultimately if producers are not satisfied with what the CWB is doing, they can change those directors in subsequent elections. That is what democracy is all about.

Question two: Will the directors have real power? Again the answer is yes.

As in any modern day corporation, all of the powers of the CWB will be placed in the hands of its directors. They will carry a heavy load of responsibility being in charge of a \$6 billion enterprise. The directors will select one of their own to be chairperson. They will determine the salaries of the directors, the chair and the president. They will oversee the Canadian Wheat Board's management and they will control its strategic direction.

If the directors are not satisfied with any aspect of CWB operations, they will be able to make the necessary changes, including the introduction of flexible new marketing tools such as cash trading, expedited adjustment payments and early pool cash outs. The directors will be in charge and they will decide, not the babbling baboons in the Reform Party.

Question three: Will the directors have complete access to all Canadian Wheat Board information? Again the answer is yes.

All directors will be entitled to complete disclosure of all Canadian Wheat Board facts and figures, including but not limited to fully audited financial statements. They will be able to examine the prices at which grain is sold, the price premiums achieved, all operating costs and whether the CWB is running efficiently. With their full knowledge as directors about the Canadian Wheat Board and its global competition the directors would be in the best position to assess what information should be made public and what for commercial reasons should remain confidential.

Question four: Is the Canadian Wheat Board subject to a full audit like any private sector company? The answer is yes.

The Canadian Wheat Board's duly appointed external auditor chosen from the private sector is the well-respected accounting firm of Deloitte & Touche. Fully audited financial statements appear in every CWB annual report. Additionally under the new law the producer controlled board of directors will have the power

to create their own internal audit committee just like any private sector company.

The argument has been made by the Reform Party that the auditor general should replace Deloitte & Touche as the CWB's auditor. That is a bit of a strange twist since such an arrangement would link the CWB closer to government, which is a complete contradiction of the Reform Party's basic philosophy. But let us examine why the wheat board is audited by an external independent private sector firm.

● (1020 )

The CWB is obviously a commercial operation. As such it makes reasonable sense for its auditor to be drawn from the private sector. Also, where you can make a case for the auditor general to scrutinize the accounts of government departments and agencies which regularly spend public money appropriated by Parliament, the Canadian Wheat Board does not represent a regular draw upon the public purse. Its funds come from its grain sales and that money belongs to farmers, not the government.

In auditing the wheat board's books, Deloitte & Touche applied the same accounting standards and principles as would the auditor general. Its reports are fully available publicly. The Canadian Wheat Board provides more public disclosure than any of its private sector counterparts.

All of that having been said, read the audit report filed by the auditor general in relation to any government agency and compare it to the report filed by Deloitte & Touche with respect to the Canadian Wheat Board. You will find that the auditor's certificate is virtually word for word identical.

Having said all of that, under the new democratic corporate governance regime established by Bill C-4, if the Canadian Wheat Board's new board of directors believe a change should be made in how or by whom the Canadian Wheat Board is audited, they can make that recommendation.

There is one final telling point. If opposition members are truly concerned about something being amiss in the Canadian Wheat Board's audit, they have the full authority to call the auditor, Deloitte & Touche, before the House of Commons Standing Committee on Agriculture and Agri-food for a full-scale hearing. They can make their own inquiry in public right now. The committee has that power. The fact that they have never even asked is at least some indication that they are not really interested in fact finding or financial probity. They just want another excuse to attack the wheat board.

Question five: Is it necessary for the government to appoint some directors and the president? The answer is yes for two reasons.

*Government Orders*

First, Canadian taxpayers backstop the CWB with financial guarantees totalling as much as \$6 billion annually, covering not only initial payments and credit sales but also, unlike any other marketing agency, the Canadian Wheat Board's general borrowings. Second, the wheat board is responsible for issuing all wheat and barley export licences for all of Canada, not just the prairies. Therefore it performs a national function.

The appointed directors, five in total, will have no special power or status. They will be selected to bring additional expertise to the board of directors which might not otherwise be available internally. Such appointments are quite common in both the public sector and the private sector. Ultimately the appointed directors will be in a minority position with prairie farmers controlling a two-thirds elected majority on the board of directors.

Question six: Can the directors effectively demonstrate their disapproval of a president? The answer again is yes.

The government can appoint a president only after it has consulted with the directors. Once the president is appointed, the directors have the regular power to review his or her performance and to recommend dismissal if they believe that is appropriate. Finally—and this is the real hammer—the directors also control the president's salary.

Question seven: Does this new law shield Canadian Wheat Board personnel from legal responsibility? The answer is emphatically no.

No one is shielded from their responsibilities. In fact all Canadian Wheat Board directors and officers will be under an explicit obligation in the law to act honestly and in good faith, exercising all reasonable care, diligence and skill.

In the event of legal proceedings against them they may be able to claim compensation for certain legal expenses if and only if a court is ultimately satisfied that the person in question acted honestly and in good faith.

• (1025 )

In this connection, to be consistent with the standards that apply in the private sector, the CWB law will mirror provisions in the Canada Business Corporations Act which govern the conduct of private companies in this regard.

Question eight: Does the Canadian Wheat Board need a contingency fund? The answer is yes.

To provide more flexibility on how farmers are paid for their grain and to speed up cash flows, the CWB's board of directors will have the power to authorize cash purchases of wheat or barley; to authorize adjustments to increase initial payments quickly just as soon as market conditions warrant and without waiting for government approval; and to authorize an option allowing individuals to cash out of a marketing pool early before the end of the crop year.

The directors would implement these new flexibility tools when in their good judgment it would be beneficial to farmers to do so.

But as with all new innovations, there could be some new financial risks. Like an insurance policy to serve as a safeguard against any such unforeseen new risks, the directors need the ability to develop a contingency fund. The law will specify that such a fund could be used only in relation to the three purposes mentioned above. It would then be up to the board of directors, which includes a two-thirds majority elected by farmers, to decide if, when and how to create it. In any event the Government of Canada will continue to guarantee the CWB's initial payments set at the start of the crop year, its credit sales and its general borrowings.

Question nine is about exclusions. Can farmers get a crop removed from the CWB's jurisdiction? The answer under Bill C-4 is yes.

The new law will contain an exclusion clause to allow any kind, type, class or grade of wheat or barley to be removed in whole or in part from the CWB's jurisdiction. To trigger it, the directors would first have to vote in favour of the idea. Second, for quality control reasons, a system would need to be in place to prevent any mixing of the excluded grain with CWB grain. Third, if the directors considered any proposed exclusion to be significant, a democratic producer vote would be needed to approve it.

Question ten is about inclusions. Can farmers get a crop added to the CWB's jurisdiction if that is their will? The answer again under Bill C-4 is yes.

As a matter of fairness and balance, just as there is an exclusion clause, there will also be an inclusion clause in the new law. The deciding factor in relation to both clauses will be the majority preference of the actual producers of the grain in question as expressed through a democratic vote of those producers. They will be in control.

The existence of an inclusion clause does not by itself change the CWB's mandate. It merely sets out a clear procedure for doing so if and only if producers themselves, not politicians or lobbyists, believe such a change is in their best interests. The inclusion clause would be available only for crops that currently come within the definition of grain in the existing CWB act.

Neither the government nor the CWB, nor any minority interest group could trigger the process. Only the producers of the grain in question could do so in the form of a written request from a legitimate organization whose membership consists solely of the producers of that grain.

The request would have to be advertised publicly, leaving at least 120 days for the farm community and others to react. The CWB's board of directors which includes a two-thirds majority elected by farmers would then consider the request. The directors would need to examine all of the implications of such a move, including

among other things the costs of an inclusion, trade or commercial consequences and the public comments received.

• (1030)

If the directors ultimately agreed with the request for an inclusion, the whole matter would then have to be put to a democratic vote among the producers of the grain in question for their decision and ratification. The whole process, beginning, middle and end, would be transparent and fully in the hands of farmers. It would not be in the hands of politicians like the mindless mouth that keeps babbling across the way, insulting the intelligence of farmers. The authority would not be in hands like that or in the hands of politicians. The authority and the power would be in the hands of farmers where it belongs.

With respect to the inclusion clause, having said all that, the government and the minister have tried to be as flexible and as accommodating as possible in putting Bill C-4 into final form for passage by the House.

Over this past weekend, in further consultations with representatives of the canola industry we reviewed once again the reality of what is accomplished by the inclusion and exclusion clauses and the perception or misperception that such clauses might be used as some thinly veiled excuse by our competitors, perhaps the United States, to launch some form of trade harassment.

The United States would have no legal, economic or trade policy justification, but its conduct is often driven by very local U.S. domestic politics. That has caused Canadian canola representatives to be uncomfortable with the particular clauses, even though they acknowledge that they would be in complete control over whether these clauses ever get used.

To alleviate that worry, yesterday I proposed some final changes to Bill C-4 to remove from the draft bill those detailed provisions which deal with additions to or subtractions from the current mandate of the Canadian Wheat Board. Instead, I proposed the insertion of a simple, straightforward provision that would ensure that no minister responsible for the Canadian Wheat Board could attempt to change the wheat board's mandate, either to enlarge it or to reduce it, without first having conducted a democratic vote among the relevant producers and having consulted with the wheat board's new board of directors.

Such a change would have eliminated the problematic clauses while respecting and enshrining the fundamental principle of democratic producer control. The opposition said no to that proposition. It denied the clear opportunity to make that change. The government offered and the opposition refused even to let the matter come to a vote.

What does that tell us about the opposition? Is it really interested in constructive change? Is it really interested in the substance of the matter?

### *Government Orders*

**Some hon. members:** Oh, oh.

**Mr. Rob Anders:** We do not like dictators and people who put farmers in jail. That is what we do not like.

**The Deputy Speaker:** I invite hon. members to restrain themselves. The minister is making a speech and it would be helpful if all hon. members could hear the speech. Sometimes the interjections are so loud the Chair is having trouble hearing the minister's speech. I am sure all hon. members want to hear the minister's speech.

**Hon. Ralph E. Goodale:** Mr. Speaker, the House should know that the most vocal bellower from the Reform Party is one who was professionally engaged as a political saboteur in the United States and was a disgrace not only to that country but to this country. Here he continues with the same kind of conduct, preferring obfuscation, preferring abuse, preferring diversion rather than dealing with the real substance.

I was talking about the amendment I proposed yesterday, an amendment to which members of the opposition said no. They denied the clear opportunity to make that change. The government offered and the opposition refused even to let it come to a vote.

Again I ask the question what does that tell us. Are members of the opposition really interested in constructive change? Are they really interested in the substance of the matter? Or, are they only interested, as their conduct demonstrates in the House today, in playing partisan politics with the livelihoods of farmers?

Their conduct speaks for itself. They prevented the House from even having a chance to vote on a provision which would have ensured that farmers had the right to vote on fundamental changes to their marketing system. The opposition clearly has a problem with democracy.

• (1035)

Tonight, at long last, Bill C-4 will come to a vote at third reading. Its passage will signal an era of change for the future. Its major themes are democracy, accountability, flexibility and empowerment for farmers.

Farmers will take control. They will have it within their authority to shape their marketing agency as they see fit. I have complete confidence in the judgment of producers to exercise their new authority with strength, wisdom and prudence to the greater and greater success of the prairie farm economy and prairie farmers most especially.

**Mr. Jay Hill:** Mr. Speaker, I rise on a point of order. The minister claimed in his comments that the official opposition denied permission. I was not in the House at the time but my understanding is—

*Government Orders*

**The Deputy Speaker:** Order, please. It sounds very much like a matter for argument. The minister made a statement that the official opposition blocked consent in this case. If the hon. member wishes to disagree, I am sure he will have ample opportunity to do so in the course of his remarks.

This is a debate but I do not believe what the hon. member raised is a point of order. It sounds like a matter of disagreement with something that was said in the minister's speech, which is not a point of order.

**Mr. Garry Breitkreuz:** Mr. Speaker, I rise on the same point of order. We are asking him on this point of order to identify who objected because we did not object. We were not in the House. We would like to know, when he makes an accusation like that, to whom he is referring. That is a point of order.

**The Deputy Speaker:** With respect, it is not. Normally when the Speaker puts a question to the House and asks if there is consent, the fact that certain members say no or certain members say yes is not normally recorded. The Speaker does not normally say I hear a no from so and so. The Speaker says I hear a no and there is therefore not consent.

For hon. members to make allegations as to who said it or make statements as to who said it is a matter for debate. It is not a point of order, with great respect.

The hon. member may disagree with the allegation, which is fair game, but that is a matter of debate. I respectfully suggest that we resume the debate, which is what this is about.

**Hon. Ralph E. Goodale:** Mr. Speaker, I rise for the purpose of clarification. Do I hear official opposition members today saying that they are prepared to consent to the motion going forward?

**The Deputy Speaker:** I am not sure we are getting clarification, but is the hon. member for Yorkton—Melville rising on this point? We are getting a little astray here.

**Mr. Garry Breitkreuz:** Mr. Speaker, what motion? He has not put a motion in front of us. That is ridiculous. I have not seen anything. I ask him to show us the motion.

**The Deputy Speaker:** I am sure the motion can be made available and these discussions can continue off the floor.

**Mr. Jay Hill (Prince George—Peace River, Ref.):** Mr. Speaker, at the outset I would like to seek unanimous consent of the House to split my time with the hon. member for Lakeland.

**The Deputy Speaker:** Does the House give its consent for the hon. member for Prince George—Peace River to divide his time with the hon. member for Lakeland?

**Some hon. members:** Agreed.

**The Deputy Speaker:** I presume that will be an equal split without questions or comments.

**Mr. Jay Hill:** Mr. Speaker, I agree and I thank the House for indulging me. I assume it is because hon. members do not want to listen to me for 40 minutes.

I would like to clear up a potential misunderstanding. The hon. minister said in his presentation that some of the people involved in this debate did not know a bushel of barley from a bucket of rice.

• (1040)

I refer to that because part of the problem with the debate is that the Reform Party or the official opposition has been subject to allegations right from the beginning that somehow we are out to destroy the Canadian Wheat Board, that we are the enemies of the Canadian Wheat Board. I would like to elaborate on that point for a couple of minutes.

Currently there are 59 members in the Reform Party caucus. About half our caucus or 30 of them have farm backgrounds. They grew up on farms. They have friends and family members actively farming in western Canada. At least half of those, or 15 to 20 members, were actively farming before coming to this place. Some of them were very large commercial farm operations and enterprises.

It angers me when we are constantly bombarded from the government benches that somehow we do not have any credibility, that we are the enemies of the Canadian Wheat Board, that we want to destroy the Canadian Wheat Board. This is the type of nonsense that we listen to on a daily basis and have been listening to for a year and a half.

I do not have time to go over each member's background but in deference to them I would refer to just a few.

The hon. member for Souris—Moose Mountain, a riding in Saskatchewan for those who might be viewing the debate today in TV land and do not know where that riding is, has been a grain farmer for more than 30 years. He has 648 acres cultivated, another 320 acres in pasture and another 320 acres of grazing leased.

The hon. member for Lakeland, Alberta, who will be splitting my time this morning, grew up on a farming ranch. He has been a grain farmer for 28 years. He has 1,000 acres cultivated and now crop shares because he does not have time to actively farm full time because he is a member of Parliament.

The hon. member for Yellowhead, Alberta, grew up on a farm and farm grained for 30 years. He has 1,000 acres cultivated and still actively farms. His sons are increasingly involved in the family operation.

*Government Orders*

The hon. member for Yorkton—Melville, Saskatchewan, who spoke moments ago grew up on a farm. He has been a grain farmer for seven years. He has 900 acres cultivated and 100 acres in pasture. He currently leases out his farm but he still lives on the farm.

The hon. member for Athabasca, Alberta, grew up on a farm. He has been a grain and cattle farmer for 35 years. He has 1,000 acres cultivated, 500 acres in pasture and has currently leased out his farm.

I grew up on a farm in British Columbia in Peace River country. I farmed grain and grew grass seed and canola for 20 years full time. My brother and I have 3,000 acres. We expanded the family farm over a number of years to eventually have 3,000 acres under cultivation. I recently sold my interest to my brother who still farms that farming operation in B.C.

The member for Selkirk—Interlake, Manitoba, grew up on a farm and has been a cattle rancher for 30 years. He has 250 acres cultivated and 3,800 acres in pasture. He still actively farms when he has time away from his MP duties.

The member for Portage—Lisgar, Manitoba, grew up on a farm and for 35 years has had a mixed farming operation. He has 1,900 acres cultivated, 500 acres in pasture and currently leases out his farm to family members.

The member for Wetaskiwin, Alberta, grew up on a farm and has had a mixed farming-ranching operation for 30 years. He has 850 acres cultivated, 90 acres in pasture and currently leases out his farm on a share basis.

The member for Peace River, my counterpart in the Alberta Peace River area, grew up on a farm and has farmed for 30 years. He is a grain farmer with 2,000 acres cultivated. He still actively farms with his son. I could go on, but I picked those members at random.

During report stage we were accused of saying that members opposite should not be allowed to speak. We were trying to encourage them to speak. They did not want to take part in the debate. Only three or four of them rose the whole time we were on report stage amendments.

We were not saying that because they come from Newfoundland or New Brunswick or Toronto they should not be part of the debate. We were trying to say that we have a bit of credibility on this issue. That is what we were trying to say. Reform members have a very serious interest in this issue. We have a lifetime of experience talking about the Canadian Wheat Board.

We encourage fishermen, people with a background in business, doctors, lawyers and Indian chiefs to be involved in the debate and to put forward their opinions. It is the same as when we put forward our opinions on other issues that we might not have a personal background in.

• (1045)

**An hon. member:** Oh, oh.

**Mr. Jay Hill:** But we do have some credibility on this issue and if the hon. parliamentary secretary across the way would like to shut up for a minute, he might be interested in learning something.

With this bill I would like to say that someone recently said to me that the minister is taking care of western Canadian grain farmers about like Alan Eagleson is taking care of hockey players. It was not me who said that. That is a western Canadian who has viewed this issue and this debate over the last year and a half.

I would like to take the House and the viewing audience, certainly western Canadian grain farmers watching this debate today with interest, on a trip down memory lane. I believe it will be time well spent for me to take the members of this House step by step down this long dead-end road.

For many of my Reform colleagues this is a story with which we are all too familiar. They have been listening to farmers, processors and any other stakeholders in the grain industry. Reformers have an intimate knowledge of the setback these organizations and individuals are facing because of this dismal piece of legislation.

However, for those Canadians who are new to the debate, primarily those in eastern Canada who are fortunate enough to fall beyond the reach of the almighty Canadian Wheat Board I have an obligation to tell them this story detailing a lack of accountability, misrepresentation and arrogance by this very government.

I will not pick up the story where it actually began because that date is hard to pinpoint. Discontent and frustration have been brewing for many years among western grain farmers who are forced to sell their wheat and barley through the Canadian Wheat Board. The Canadian Wheat Board was formed in 1935 as an interim measure to control pre-war inflation. It was not until 1943 that the board was given monopoly powers by the government when farmers refused to sell to the Canadian Wheat Board because they were getting much better prices on the open market. So it was a short term wartime inflation controlling measure. That is how the monopoly came into existence.

In modern times many farmers have long felt that they are better prepared and better equipped to market their grain outside the board. Capability aside, many simply want the freedom to make the attempt, willingly accepting any consequences that might arise.

Under the wheat board farmers must blindly hand over the product of their labour and accept the resulting payments that stem from decisions by government appointees who have no accountability to the prairie farmers.

After all, the Canadian Wheat Board is exempt from the Access to Information Act and from audits by the Auditor General of

*Government Orders*

Canada. The minister referred to this during his speech. Both these democratic mechanisms exist in any other federal body in order that Canadian taxpayers can exercise their right to question the use of their tax dollars. For western wheat and barley growers not only are their tax dollars potentially at stake but their entire livelihood.

Is the Canadian Wheat Board getting the best price for farmers' grain? Is the Canadian Wheat Board performing responsibly in the best interest of farmers and to ensure the viability and survival of the grain industry? Is the Canadian Wheat Board acting ethically in its domestic and international business? Is the Canadian Wheat Board really the most cost effective and efficient marketing agent for western Canadian grain?

These are the types of questions the auditor general would ask and would analyse were he given the task of auditing the Canadian Wheat Board. These are all simple and reasonable questions for which the shareholders of any other organization could expect to get a response.

This accountability blackout has prompted farmers to organize mass protests and acts of civil disobedience. More serious protest has come in the form of law breaking as some farmers take desperate measures to carry their grain across the U.S. border to access higher prices. Instead of taking actions to remedy this dispute the federal government has pursued the harshest of fines and jail sentences. Western grain farmers join rapists and drug dealers in prison. In fact, it is worse than that. Farmers languish in prison while rapists receive conditional sentencing and get off with community service.

On the other side of this debate there are grain farmers who are content with marketing their product through the Canadian Wheat Board and we recognize that. They have every right to choose that course. Many are comfortable with the return on their grain received from the Canadian Wheat Board. They enjoy the security and do not wish to venture into marketing their own grain. These producers are alarmed by the lobbying efforts of other farmers attempting to gain the right to market outside the board.

• (1050)

As a result there exists in western Canada a very divisive and often emotional debate on the future of the CWB. This dispute has caused rifts in normally close farming communities and even amid families themselves.

One thing that all sides agree on is that something substantial must be done. That includes compromise for both sides and a view to other domestic and international pressures which are coming into play.

Way back in 1994 western grain farmers thought they had actually caught a glimpse of leadership when the minister responsi-

ble for the Canadian Wheat Board, then the agriculture minister, hinted publicly at a sweeping review and consultative process to help find solutions to this controversy.

It was a fleeting glimpse indeed. The minister dithered and delayed and promised and made excuses until finally, just when farmers were beginning to give up, he at long last announced the establishment of the western grain marketing panel in July 1995. It was a long wait indeed.

The usefulness of the panel was at first questioned by some because of the significant number of government appointees on the nine person panel. In addition, the panel was not to begin its work until January 1996. But there were some good choices on the panel and many felt that, criticism aside, the panel was indeed a good idea. It meant hope for change, even if it had to come nearly two years after the minister's first promise of action.

The western grain marketing panel was not to report its findings until June 1996.

The mandate of the panel was indeed encouraging. It was to explore the issue of single desk selling versus dual marketing, CWB accountability to farmers and realistic planning in light of international pressures to name but a few.

The panel held 15 workshops across Manitoba, Saskatchewan and Alberta in January 1996. It conducted 13 days of formal public hearings and received 150 oral and written submissions.

On July 9, 1996 the western grain marketing panel released its recommendations on the reform of the Canadian Wheat Board. Key recommendations in the report addressed the underlying issue of freedom of choice and CWB powers.

The panel unequivocally rejected proposals that the current powers of the CWB be preserved and that the board's jurisdiction be expanded. It rejected those proposals.

It called for a removal of feed barley export sales from the board monopoly as soon as possible. The report concluded that farmers should have the freedom to choose to remove at least 25% of their sales from the pool and ask for forward cash prices from the board.

Organic grain was to be removed from the board. The report clearly stated that the jurisdiction of the wheat board not be expanded to other grains, oilseeds or special crops.

These recommendations all had one central theme, reduce the jurisdiction of the CWB and under no circumstances allow it to meddle in other grains.

Reaction to the panel's report was fairly positive. Legal challenges to the CWB were being rethought as many expected, incorrectly as it turns out, that the minister would table legislation to enact the panel's recommendations.

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Since the election of 1994 one of the biggest issues the minister encountered was the demand for a plebiscite to determine whether barley should remain under the CWB monopoly. Once again, true to form, the minister dithered, delayed, promised and made excuses.

Meanwhile the province of Alberta got tired of waiting for the federal Canadian Wheat Board minister to take action. On December 6, 1995 the Alberta government held its own plebiscite on the CWB. Of Alberta's 15,000 grain farmers who voted, 62% voted in favour of marketing their wheat outside the CWB. Fully two-thirds or 66% voted in favour of selling their barley to any buyer, including the wheat board.

Alberta grain farmers voted for the freedom to choose. They voted to control their own destiny.

The two questions on the voting ballots were direct. There was the real question of choice, did farmers wish to sell their grain to any buyer, including the wheat board. It outlined choices which included the Canadian Wheat Board.

The minister continued to procrastinate. He even attempted to deter the Alberta government from holding its plebiscite. This is what he had to say about the results of the Alberta plebiscite, which were nothing short of astounding. The minister said the results were interesting from an academic point of view.

• (1055)

I do not believe the Alberta farmers who took the time and effort to exercise their democratic privilege of voting in that plebiscite thought of it as academic. We could only hope that the minister's election to the House of Commons was academic. Grain farmers might not be in this unfortunate position today.

Let us fast forward to the months following the release of the western grain marketing panel's report. By October it had become clear that the panel had not told the minister what he wanted to hear, so he intended to ignore many of its recommendations. For the minister it became a matter of having tried that but, not liking the answer, he was going to try something else where he had more control over the answer. That is how the minister finally decided to hold the long awaited plebiscite on the Canadian Wheat Board.

However, the vote was limited to the marketing of barley. More important, the question was designed to get the minister the outcome he wanted. Unlike the Alberta plebiscite, the federal vote gave barley growers just two choices, either they were for the Canadian Wheat Board or they were against it. Barley was to be either in or out, no in between. It was a simple question, simply deceitful.

The minister and everyone else involved in or knowledgeable about the Canadian grain industry knows that asking this question was missing the point entirely. The reality is that most farmers do not wish for the complete elimination of the Canadian Wheat Board from the grain business. They just want the monopoly to be removed.

The barley question entirely missed the point and has been the focus of the controversy for several years. It was just one more example of feigned consultation by this government.

The barley vote results were announced on March 25, 1996. Given no alternatives and no choice, 62.9% voted to keep the barley under the Canadian Wheat Board. Imagine what the result would have been if the question had been properly asked. Had they been offered more options, many farmers would have easily voted differently. After the results became known, Canadian Wheat Board supporters hoped for a truce in the wheat board dispute.

It did not come. Discontent was even more inflamed due to the injustice of the minister's barley question. Any hope for progress in the controversy through the legislative avenues available were dashed when on December 3, 1996 Bill C-72, an act to amend the Canadian Wheat Board Act, was introduced in the House. This bill was the predecessor to the bill we are debating today, Bill C-4. None of the recommendations by the western Canadian grain marketing panel I outlined earlier was contained in Bill C-72.

I see I only have one minute left. I could go on and on about the dismal history of this bill and how it came to be. However, in the closing minute I have I want to refer to the fact that the minister reportedly said that we on this side of the House had put forward an amendment at report stage to have the Canadian Wheat Board adhere to the Auditor General of Canada.

The fact is this minister has been constantly holding up that the existing auditor does exactly the same job as the Auditor General of Canada. That is simply false. It is not accurate. In light of that, I would like to move the following motion:

That the motion be amended by deleting all the words after the word "That" and substituting the following therefor:

"Bill C-4, an act to amend the Canadian Wheat Board and to make consequential amendments to other acts, be not now read a third time but be referred back to the standing committee on agriculture for the purpose of reconsidering clause 8 in section 9 to ensure that the board show such particulars and furnish such information as requested for the purpose of an audit by the auditor general; and provide such records and information as requested under the Access to Information Act in so far as the records and information requested have been in the process or under the control of the corporation for at least three years before the day on which the request is received by the corporation and that the corporation shall continue to be a government institution within the meaning of the Access to Information Act".

I believe it is in order. If this motion is agreed to and the bill is referred back to the committee then the hon. minister could introduce any amendment—

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**The Deputy Speaker:** The hon. member's time has expired.

• (1100)

The debate is on the amendment.

**Mr. Leon E. Benoit (Lakeland, Ref.):** Mr. Speaker, I thank hon. members from all parties for allowing me to share the time of the member for Peace River on the British Columbia side.

Any initiative to reform the Canadian Wheat Board should be a good thing. Certainly there is a need for some reform of the Canadian Wheat Board. I think there would be no argument from the grain farmers in western Canada on this issue. They all recognize that. They certainly have different ideas as to what kind of change is needed but any initiative should be a good thing.

In my speech I will try to answer the question, is Bill C-4 really the legislation that is needed to provide the needed reform of the Canadian Wheat Board? I will do this under four headings. The first is, what is the real debate, what should the real debate be with regard to the Canadian Wheat Board. The second regards the opposition to Bill C-4 coming from the farming community. In fact, the opposition is really against every part of Bill C-4. Third is the government's handling of the whole process of changing the wheat board, in particular the handling through Bill C-4 and the process which led up to that. Finally, I will talk about where we go from here.

Anybody who believes this legislation is going to put an end to the issue of changing the wheat board is foolish. The debate will become more and more vociferous. It will increase across western Canada, in particular. I believe it will also expand to central Canada as people in central Canada see how unfairly western grain farmers are treated.

First, what is the real debate? There are four main areas that debate should be focused on regarding change to the wheat board. One is monopoly.

As the hon. member who just spoke said, often Reform has been accused of being against the wheat board. That is completely untrue. We have been desperately trying to change the wheat board so that it does not become a completely obsolete body, so that it does not become a body that really has no value at all to western Canadian farmers.

• (1105)

The wheat board provides a valuable service to western Canadian farmers. I would believe that every member of our party, and I cannot speak for all of them but I have certainly talked to them,

believes the wheat board provides a useful service to western Canadian farmers. Therefore that is not the issue.

Reform is trying to change the wheat board so that it is a much more useful body to Canadian farmers, the people it really concerns. Western Canadian farmers are the only farmers who are affected to any great extent by the Canadian Wheat Board Act. They are in fact the farmers who pay for the operation of the wheat board.

Again, the real debate revolves around the monopoly of the wheat board. It revolves around accountability or lack of accountability of the wheat board. It revolves around the openness or lack of openness of the wheat board and around the very basic question of whose grain is it anyway.

That is a question that more and more western Canadian farmers are asking. Whose grain is it? If it is our grain, then why on earth are we not given a chance to market that grain in the way we see fit? That can be done, just to be clear, with the wheat board playing a very important role in marketing grain.

First I will talk a bit about the monopoly. Of course, that is probably the most important issue in regard to the Canadian Wheat Board. Most western Canadian farmers certainly support the board, but as we have seen from poll results, a majority do not support the monopoly. We have seen the poll in Alberta on barley which showed that 67%, two-thirds of farmers, do not support the monopoly. On wheat, 62% do not support the monopoly. In my constituency it is up to close to 90% who do not support the monopoly. The issue is not whether we support the wheat board or not but whether we want to give farmers a choice as to how they sell their grain.

The second and third issues which I believe should be what the real debate is focused on concern accountability and openness. In terms of accountability, the minister argued that this legislation would somehow improve the accountability of the wheat board. It is arguable that it might to some small degree. It is also arguable that it will not improve it at all.

What happens in that regard will depend on what the board of directors decides to some extent, and also on who is elected to the board of directors. An important issue which has yet to be dealt with is who will be eligible to vote and how will the directors be elected. In any case, the degree of accountability resulting from this bill will be very small and certainly not what farmers have called for.

Farmers have called for openness in the wheat board. This issue is so important to farmers that we have had a group established, a coalition. Such is unusual in western Canadian agriculture particularly in grain farming, but a coalition is working and is focused strictly on more accountability in the wheat board and in opening up the wheat board.

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The second and third points, the accountability and openness of the wheat board, should be the focus of a debate on the wheat board.

Fourth is the issue of whose grain it is. Groups have formed just to deal with that issue. It is a property rights issue. I am sure other members later in this debate will talk about that issue.

Clearly at least in a democratic society, we would expect that the private citizen who produces a commodity would have a right to market that commodity in the way they see fit. If we look at the marketplace in Canada, in North America and around the world, in most cases with most commodities that is the case.

• (1110)

General Motors, Ford and the small companies operating in our local communities have the right to sell their commodities on an open market in a way they see fit. Why is it that of all groups, grain farmers in western Canada, not even across the country, but grain farmers in western Canada, are restricted from selling their commodities in the way they see fit? That question is certainly not answered by this bill.

Those are the issues that should be debated. Unfortunately this bill does very little to add to the debate in those areas.

I will discuss this legislation in terms of the opposition in the farming community to all parts of this bill. Anyone who has followed this bill and who has received letters from farm groups and individual farmers would know that is the case. Every significant part of this bill is opposed by at least one farm group and often by many groups.

A coalition has been organized strictly to go against Bill C-4. The coalition has focused on the inclusion clause. It is concerned that other commodities such as canola and peas which are important to its members may be put under the control of the wheat board. They were so concerned that they formed a coalition. They have been lobbying as hard as possible to get the inclusion clause and other changes in Bill C-4 thrown out because they think they are counterproductive and will make things worse.

The list of member organizations which form this coalition is quite impressive. It includes Canadian Canola Growers Association, Manitoba Canola Growers Association, Flax Growers Western Canada, Alberta Winter Wheat Producers Commission, Western Barley Growers Association, Canadian Federation of Independent Business, Saskatchewan Canola Growers Association, Alberta Canola Producers Commission, Canadian Oilseed Processors Association, Winnipeg Commodity Exchange, and Western Canadian Wheat Growers Association. These are major western Canadian organizations. This issue was important enough for them to form a coalition against Bill C-4.

To be fair most of those groups are against the wheat board monopoly. They think farmers should have a choice to use the board or to market in some other way if they choose. That has been the main focus of their actions over the past years. However the opposition comes from all sides of this issue.

I will read three small parts of a letter from the wheat board advisory committee which is also against this legislation although it favours the monopoly: "We think change is necessary, but Bill C-4 closes doors on options and it should be withdrawn". Even the wheat board advisory committee calls for the withdrawal of this legislation. That is how bad this legislation is. It goes on to say "The government has spent millions of dollars to arrive at this point and it is our clear view that these changes have the potential to very quickly destroy the Canadian Wheat Board". This is from the advisory committee.

Is the intent of this minister to destroy the wheat board? Is the minister approaching this issue in an underhanded way to try to destroy the board? If we look at his actions and examine the recommendations made by the panel and by people who made presentations to the committee, he has missed the point on all counts. I wonder if that is his intent. Mr. Speaker, you may not think I am sincere on this but I am. The thought has occurred to me. I may be wrong but the thought has certainly occurred to me and to many other farmers across western Canada.

The final quote from the letter by the wheat board advisory committee refers to the election of the board of directors. The minister has argued that the board of directors makes this a very democratic organization that is very answerable to farmers: "I really cannot see how this elected board of directors puts farmers in the driver's seat", said Wilfred Harder.

• (1115)

Also Mr. Harder from the Canadian Wheat Board advisory committee said that the minister could fire five directors including the chief executive officer at any time and the federal cabinet through regulation could override any policy of the board. He went on to say that the committee also had problems with cash buying, negotiable producer certificates, the loss of crown agency status and the creation of a contingency fund.

These issues are the key issues dealt with in Bill C-4. This came not from one of the groups that wants to end the monopoly but rather from the advisory committee to the Canadian Wheat Board which wants to maintain the monopoly.

I have a very strong personal opinion about the wheat board monopoly. I am very strongly against it. It is a very emotional issue for me because it involves my people. When I say my people I mean my family. I mean my friends and neighbours who are involved in grain farming. I mean the thousands of people in my

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constituency who are involved in grain farming. I mean people from across western Canada who are involved in grain farming.

We are not tinkering with some small aspect of their lives. We are dealing with their fundamental right to market their grain in the way they see fit. We are talking about their very livelihoods.

I could refer to letters. I have a stack of them from groups that have spoken out against the bill: United Grain Growers, a very important grain marketing company in western Canada; Canadian Farm Enterprise Network; Saskatchewan Canola Growers; Western Stock Growers and others. I have a stack of letters but I do not have time to read them to the House.

**An hon. member:** Keep on going.

**Mr. Leon E. Benoit:** An hon. member is saying "Keep on going". These letters are available for anyone who would like to read them.

The opposition is not just coming from me or my Reform colleagues. The opposition is not just coming from groups that want to end the board's monopoly and make it a voluntary board. The opposition is coming from farmers and farm groups across western Canada.

The next issue I would like to talk about is the government's handling of the bill. It is important for Canadians, not just farmers, to think about the way the bill has been handled.

In spite of disagreement from all the groups I have referred to, in spite of what the grain marketing panel recommended, the government seems absolutely determined to push the bill ahead. In fact it invoked closure on the bill. We only have one day to debate third reading of the bill. We will vote on it tonight and the government, with its majority, will force it through. Its members will stand up one after another tonight to pass the bill.

As I look at those members standing, one by one by one tonight, I will think of how passing the bill affects their lives. It does not. Not directly. However the bill will affect the livelihoods of western Canadian grain farmers.

As the previous speaker indicated, about 30 Reform MPs have a strong agricultural background. Many are still involved in farming as I am. My farm is rented out on a crop share. I have wheat and barley to market. I am limited by the board's monopoly just like my neighbours and others across the country.

As members opposite stand one by one to support the bill, who are they speaking for? Are they speaking for western Canadian farmers? I think not. Western Canadian farmers have spoken out against the bill. Who are they speaking for?

With the inclusion clause they are speaking for the hon. member for Malpeque who is the sole reason the clause was included in the bill. It is a hare-brained idea he came forward with. His govern-

ment picked it up and will ram it through against widespread opposition from western Canada.

• (1120)

The government's handling of this issue has been all wrong. It ignored the polls, including a poll in Saskatchewan which showed that it should be ending the monopoly. It has ignored the democratic process. It has ignored the submissions to committee. The bill should have been canned a long time ago. We should have started from scratch.

Where to from here? Does the bill put to rest the issues of wheat board monopoly, lack of accountability, lack of openness and of whose grain it is? No, it does not.

In one way the bill has united farmers. It has united them against Bill C-4. That is the only way it has united farmers and not in a positive way.

The legislation will continue the rift in western Canada between those who want the board monopoly and those who want a voluntary board. The issue again is not whether we want the wheat board but what type of board we want. It will further split farmers. We see debate on the issue increasing. The minister will find added pressure and will pay the political price for the divisiveness that he has put out to the rural communities in western Canada. That is sad.

I look forward to the debate from hon. members of all parties in the House.

[*Translation*]

**Mr. Jean-Guy Chrétien (Frontenac—Mégantic, BQ):** Mr. Speaker, if I may, I would like to give a brief historical overview of the Canadian Wheat Board.

First of all, we must remember the good old days, or perhaps the bad old days, of the famous 1929 depression. In the mid-1930s, when the western grain producers were breaking their backs to raise crops they could sell for only a pittance, the government of the day created a board to organize sales of western grain.

At that time, membership in the Canadian Wheat Board was optional. There was no monopoly. Only around the middle of the second world war, or near the end, in 1943, did the Canadian Wheat Board become a monopoly.

Since then, the Canadian Wheat Board has undergone only slight changes. More than two years ago now, we in this House began to look at a certain bill, Bill C-72, which died on the Order Paper because the government decided to call an early election. Hundreds and hundreds of thousands of dollars were spent on examining Bill C-72, and then the House had to start all over again with the Minister of Natural Resources, who in the former Parliament was responsible for the Wheat Board in his capacity as Minister of Agriculture.

He now wears another hat, but the Prime Minister has also given him the additional responsibility for the Canadian Wheat Board, thus taking it away from the new Minister of Agriculture and Agri-Food. And why? I will leave that up to your imagination.

The Minister of Natural Resources, who is responsible for the Canadian Wheat Board, revived Bill C-72, this time calling it C-4. It is a wide-ranging bill, since it affects three western provinces in their entirety, Manitoba, Saskatchewan and Alberta, as well as part of British Columbia.

● (1125)

It is very important, and because of its importance, they are setting a time limit. This is not the end of a session, and the government's legislative menu is quite slim. We have nothing to sink our teeth into. We had Bill C-4, which was reasonably important, and then bang, down comes the guillotine. Third reading starts at 10 a.m. and voting is at 5:30 p.m.

Bill C-4 will change the Canadian Wheat Board from a conventional crown corporation into a private group. However the government is keeping its foot in the door, because it can democratically elect ten members to the board of directors, which, with the help of the governor in council, can make five appointments, including, most importantly, that of the president, whom it can also dismiss.

I criticize these appointments day in and day out in this House. They become a sort of cancer when the time comes to make these prestigious and weighty appointments. Patronage appointments will be made. And when you know the government's system in Parliament, you can predict who is going to be appointed president of the Canadian Wheat Board. It will no doubt be a Liberal, who will be well paid and a good friend of the Minister of Natural Resources.

It will also serve to free up a riding, as in the case of the riding of Beauce, or to compensate various members from Nova Scotia who were defeated in the last election and give them something to put in their mouth and on their toast in the morning. They will be appointed to the office of the Minister of Natural Resources or the Boston office. We need only think of André Ouellet, who used to be here, or David Berger, who of course became Canada's ambassador to Israel.

If it is a private business, if the Canadian Wheat Board is an independent company, why impose a president, who will essentially be running the entire Canadian Wheat Board? Worse yet, because it will no longer be a crown corporation, it will escape the scrutiny of our good auditor general, Denis Desautels, who makes all of government shake when he tables his report, because, with his extremely well-structured team, he can examine this type of

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corporation and its operation to determine if it is truly efficient and whether it puts the producers or certain patronage recipients first.

Instead, Deloitte & Touche will have the huge responsibility of auditing the books of the Canadian Wheat Board. Did this same accounting firm not make a substantial contribution to the coffers of the Liberal Party of Canada in the last general election? Do you recall? Perhaps someone could check on Deloitte & Touche.

This government takes good care of those who show their gratitude. In the interest of transparency, we in the Bloc Québécois would like to see Denis Desautels, the Auditor General of Canada, and his team audit the books of the Canadian Wheat Board.

● (1130)

The figures are well-known, but let me remind you that, in 1998-99, total sales will exceed \$7 billion. Even a one-thousandth of one percent error would represent a significant amount of money. If the goal is to work in the interest of grain producers, we should have no hesitation in ensuring that its administration is as transparent as possible.

I can recall that, last spring, my colleague from the riding next to mine, the hon. member for Richmond—Arthabaska, pointed a finger at the Prime Minister and the Minister of Natural Resources, as well as the Minister of Human Resources Development, because a bagman would show up two weeks after the minister to collect. He can be named, since we have immunity here. It was Mr. Corbeil, if memory serves, who trailed around after the minister and collected funds.

In the interests of transparency, we should not be afraid to have the books examined closely by qualified individuals, who will do the job for less than Deloitte & Touche. Finally, on this same topic, since it is no longer an ordinary crown corporation, the good old Access to Information Act will put a stop to any further questions. Grain producers will not be entitled to find out about hidden defects, about resolutions or decisions that have been taken on their behalf, but that the information commissioner cannot investigate for them.

Transparency is all but non-existent in Bill C-4.

That reminds me of when western Canada was given an advantage—my colleague, the member for Lévis reminded me of this just a few minutes ago—in the form of the well known Western Grain Transportation Act, commonly known as the Crow rate. Every year, it was costing us close to \$1 billion in direct subsidies for grain transportation.

Obviously, some people turned this Western Grain Transportation Act to their personal advantage, and were no longer paying a red cent. They even made money by having boxcars go to Thunder Bay and return to Vancouver with the same wheat.

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Because the government was abolishing a privilege that was apparently their permanent due, western grain producers were given almost \$3 billion free of provincial and federal taxes. As my colleague, the member for Lévis, reminded me, some producers used this \$3 billion to diversify their production. Instead of paying to ship their grain, they decided to keep it for local use.

They could not turn to dairy, poultry, chicken or egg production, because of the quota system. What was left that did not have a quota? Pork.

Two things happened. In Brandon, a gigantic slaughterhouse that could handle over 35,000 hogs a week is being built. Multiply 35,000 by 52 and you have quite a year. That is one thing.

The second is that the price of pork has gone way down. Our pork producers in Quebec are losing money daily, as we speak.

**Mr. Antoine Dubé:** Below cost.

**Mr. Jean-Guy Chrétien:** Below cost, of course. We lose money on each pig that comes out of the hog house.

This is how the Liberal government of the member for Saint-Maurice manages our affairs.

• (1135)

The distinguished Reform Party member who spoke before me was right when he said that Bill C-4 has the effect of uniting grain producers, not in support of the legislation, but against it.

I received hundreds of letters. Even yesterday evening, before the vote, I received telephone calls from Manitoba grain producers who urged me to vote against Bill C-4. They asked me to go and talk to some Liberal members and tell them to abstain from voting if they did not have the courage to oppose the legislation. The arguments against Bill C-4 were different, but grain producers were united in their opposition.

If the Minister of Natural Resources and Minister responsible for the Canadian Wheat Board truly intends to co-operate with producers, he should leave Ottawa and visit farms in western Canada, in Manitoba, Alberta, Saskatchewan and Peace River. He would see what producers think of his bill. The minister is out of touch with reality.

Some object to the inclusion provisions. Others to the exclusion clauses. Others still to the reserve fund or the appointment process. Some would even like another election as soon as possible.

I know of very few people who agree with the bill in its present form. If the good minister intends to work on behalf of the grain producers, he ought to call a halt to Bill C-4, possibly returning it to

the Committee on Agriculture and Agri-Food with the definite intention of making major changes.

I would like to review some of the amendments we in the Bloc Québécois proposed. First of all, as I pointed out, the appointed president will, to all intents and purposes, be the one directing the Canadian Wheat Board. Our proposal was that his appointment go through the Standing Committee on Agriculture and Agri-Food. That was rejected, because the minister told his MPs, whose time in committee is often wasted: "Vote against it. You have no business being involved in this".

Who will make the appointment? The governor in council. And who is the governor in council? In this case, it will be the minister responsible, and he will tell his cabinet buddies: "You will appoint Mr. or Ms. X." The salary will be \$144,000 plus a few odds and ends. And that is how it will take place.

I asked some of my Liberal colleagues who sat on this committee with us "Why did you vote against it? You are not acting in your own best interests. For once, the agriculture committee would have had a role to play. You would have gained back some self-esteem". Anyway, it is a known fact that the chair of each committee is a Liberal. There are eight Liberals, and six opposition members, and then sometimes even the opposition is divided, since there are four recognized parties.

So, had they had a bit of gumption to stick to their guns, they could still have appointed their protégé, but at least there would have been an opportunity to ask that protégé some questions. I have even seen some appointments where a person who knew absolutely nothing, someone who could not tell wheat from oats or barley, was appointed to a position as important as this one. The prerequisite was to be of the right colour politically.

• (1140)

I am talking about the Liberals. However, when the Progressive Conservative Party formed the government before the Liberals, things were not much better, as we well know. On the subject of appointments, was it not the Liberal Party that appointed the famous Senator Thompson? He was good at the time. He headed the Liberal Party in Ontario. He led his troops to electoral disaster. In appreciation of his work, they appointed him at a very young age to the other House with a salary of \$64,000 and \$10,000 in allowances. Today he is the embarrassment of all the other senators. He was expelled from the Liberal Party for trying to boost the family fortunes. Now they are trying various ways to expel him from the Senate.

When we put the question to the Prime Minister in the House, he says we have to change the Constitution, because he was appointed to age 75. How many of my constituents have wondered why we do not abolish the Senate? They say the \$45 million we would save could go to maple producers, whose sugar bushes were destroyed.

I had another proposal concerning access to information relating to the Canadian Wheat Board. I told you that sales for 1998-99 will be over \$7 billion. Not \$7 million but \$7 billion. That is a lot of money. This \$7 billion must at all costs be administered by and for grain producers.

In 1935, when the Canadian Wheat Board was created, there were a lot of bankruptcies. Eight out of ten people lost their farms. Some torched their crops. It was more profitable to burn them than to harvest them. It was less costly not to harvest their crops. At the time, the Canadian Wheat Board helped a fair number of producers get out of trouble.

Earlier, an hon. member said that some producers are thrown in jail for bypassing the board. As you know—and as the member for Trois-Rivières reminded me earlier—some producers located close to the border load their grain on big trucks and deliver it directly to American buyers. This way, they get up to 12% more than what the Canadian Wheat Board can offer them.

Whenever one of these producers gets caught, he is charged and taken to court, because the law says there is a monopoly and grain can only be sold through the CWB. The producer ends up in jail. The hon. member may have exaggerated somewhat when he said that the producer was thrown in the same cell as a rapist or a drug addict, adding that, unlike rapists and drug addicts who are often paroled, the producer could not enjoy such treatment.

I will end by giving you a scoop and telling you that, primarily because the auditor general will not be able to go and audit the books, that responsibility will be given to a private accounting firm. This is worrisome; it stinks. One thing is for sure: the process will definitely lack transparency. We have some doubt, because neither the producer nor anyone else will be able to check the information. The public interest is not protected, and this puts another doubt in our mind.

• (1145)

Since the whole issue seems to create a lot of uncertainty and discontent among grain producers, the Bloc Québécois will vote against Bill C-4 at third reading.

[English]

**Mr. Dick Proctor (Palliser, NDP):** Mr. Speaker, I am pleased to participate at this third reading stage debate on Bill C-4, the amendments to the Canadian Wheat Board.

Following the initial debate last September, this bill was sent off to the Standing Committee on Agriculture and Agri-Food. As a then new member of this Chamber, I was optimistic that we would be able to, in a collegial committee atmosphere, make improvements to the bill. That obviously turned out not to be the case.

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I found the committee experience to be a hollow exercise, by and large. The Liberals on the committee were not really interested in any give and take and the committee's deliberations were unduly rushed. As I said last week on second reading, the proof of that particular pudding was that even before the Canadian Wheat Board official could come before the standing committee, the opposition parties were informed by the standing committee that we had to have our amendments in for final deliberation.

There clearly was a rush to judgment on this. Now we have time allocation to contend with as well, when everyone knows that there will not be a vote on the new board until after this fall's harvest.

New Democrats have always supported the Canadian Wheat Board because we believe that it has worked in the best interests of farmers. However, we believe that Bill C-4 is a badly flawed piece of legislation which will undermine the board. I want to make it clear that our caucus will oppose Bill C-4 because we believe it to be faulty legislation.

In our judgment the test must be whether Bill C-4 will make the Canadian Wheat Board weaker or stronger. It is our contention, sadly, that this will weaken the Canadian Wheat Board.

As I said, we tried to fix this at the committee stage but the Liberals said no. Therefore we have no alternative but to oppose.

History shows that the wheat board has had for more than six decades overwhelming support from farmers. It was the farmers in the first place who demanded the Canadian Wheat Board. They supported it six decades ago and still support it now. The proof, which is a matter of public record, is that as recently as one year ago 63% of barley growers voted to have the board continue marketing that crop.

Why do farmers support the wheat board? Quite simply it is because the CWB has 60 years of international experience and is recognized as one of the top grain marketing organizations in the world. The western grain marketing panel asked representatives of grain marketing countries to rank their major grain exporters. What it found is that the CWB in Canada ranked number one in the world for marketing the highest quality of wheat at the best price.

Farmers, therefore, by and large support the wheat board. The New Democrats join them in that support. However, Bill C-4 is a badly flawed piece of legislation that will serve to undermine the board, which is why we are opposing these changes.

How does it undermine the board? For one thing, Bill C-4 will propose cash buying. We believe that this will undermine a fundamental pillar of the wheat board and thereby undermine farmer confidence in it. There are essentially three pillars of the Canadian Wheat Board, price pooling, government guarantees and single desk selling. We believe that two of these are at risk, price pooling and government guarantees. If we adopted some of the

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Reform motions the third pillar would be gone or severely restricted as well, the single desk selling aspect.

• (1150)

Under the terms of Bill C-4 the wheat board will be able to buy grains from anyone, anywhere, at any time and at any price. This disrupts the board's long practice of buying grain from farmers at announced prices and distributing profits to all on an equitable basis.

Second, Bill C-4 proposes a contingency fund which could cost farmers as much as \$570 million in check-offs. The fund is not needed. Farmers cannot afford it. They do not generally understand that this is going to impact on them and they sure as heck are not going to like it when they find out that it does impact on them.

This proposal on the contingency fund flows from the provision for cash buying. A contingency fund would not be necessary if Ottawa continued to provide financial guarantees to the board as it has always done. We want the Canadian government to continue to provide guarantees beyond the initial purchase for the Canadian Wheat Board rather than passing this buck to farmers, and that is the gist of an NDP amendment that was voted down last night by the silent Liberal majority.

Finally there is the question of governance. For 60 years the wheat board, as a crown agency, has done an admirable job for farmers. Now the government is suggesting that the board cease to be a crown agency and it says that Bill C-4 will put farmers in control of the wheat board's destiny.

Bill C-4 proposes a 15 member board of directors, 10 elected by producers and 5 appointed by Ottawa. If there is to be a board of directors, we have no problem with the government's naming some members to that board. Because the government is to have considerable financial exposure it is only reasonable and logical that it have some window into the board's operation. That, too, was reflected on how we voted last night.

However, under Bill C-4 the minister goes the extra mile by retaining the authority to pick the president of the board of directors, a person who will also double as the chief executive officer of the CWB, and our caucus is opposed to this.

It was interesting to hear the minister responsible for the wheat board talk glowingly this morning about how this bill was to put farmers firmly in the driver's seat. We think that this provision will firmly put them in the back seat, not the driver's seat.

We believe this gives the government too much control over a board of directors that should really be accountable to farmers and it gives the government too much control over the daily operations of the wheat board.

We believe the board of directors should have the authority to choose the president and CEO and we urged the minister to make this amendment, again unfortunately to no avail.

If the wheat board is to have a board of directors, elections must be fair, open and transparent. These should be elections by and for farmers without any interference from vested corporate interest or anyone else for that matter.

The amendments we put forward propose such a measure of fair elections, meaning one producer and one vote. Fair elections mean a limit as well on the campaign spending of candidates, just as there are in federal and provincial elections, so that wealthy individuals or wealthy corporations do not have an unfair advantage.

The wheat board is a \$6 billion industry in this country and certain corporate interests would love to get their hot little hands on it. We do not want them using their deep pockets to influence unduly elections to the board of directors.

Turning to the inclusion clause, it is one of the things which a number of farmers generally support, to make provision for the inclusion of additional grains under wheat board jurisdiction. Under Bill C-72 the wheat board was given the ability to exclude grains from the board's authority, so it is only fair and reasonable again that farmers or producers could vote to add extra grains as well. Such an inclusion would occur only after a vote of producers. It would be democratic. Our caucus strongly supports the inclusion clause but there is much concern about how a vote to include an additional grain would be actually triggered.

• (1155)

We proposed this specific amendment. It stipulated that the process for inclusion be the same as excluding a grain; namely, the board of directors of the wheat board ask for it and the farmers, the producers of the commodity, would then vote on it. These are sensible and moderate propositions in sharp contrast to some of the venom which has been spread in recent months by the coalition against Bill C-4. I will come back to that in a few moments.

The activities of this coalition really are nothing more than a frontal attack on the Canadian Wheat Board, an attempt to do through the back door what it was unable to do through the front door in the plebiscite on barely in 1997. One of the big objections to the coalition against Bill C-4 is the insistence that the inclusion clause be dropped.

We say that the debate about the wheat board is a debate for farmers and not for corporate greed and self-interest. We ask those, including members of the Reform Party and the agri-business lobby, why they are worried about a possible producer vote to include a grain. Why are they afraid of a vote by producers? Why

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not simply let the farmers decide on what they want to include or exclude?

We were somewhat taken aback yesterday when the minister responsible for the wheat board proposed a death bed repentance, an 11th hour amendment that would do away with both the inclusion and exclusion clause. This is exactly what this coalition lobby against Bill C-4 has demanded. The amendment would have allowed the minister responsible for the wheat board to choose when there would be a vote to either include or exclude a grain.

We said no because we think the intent of this bill is to give more power to the board of directors, then immediately the proposal from the minister responsible will be for him to take that authority back. It was an attempt to grab power back from the board of directors even before it was handed over. We do not believe in that. That is why we voted as we did last evening.

We think the Liberals cannot be trusted on the Canadian Wheat Board. We are dealing with the Minister responsible for the Canadian Wheat Board, the same minister who in the 35th Parliament managed to do away with the Crow benefit at great cost to western Canadian grain farmers. There are those who sincerely believe that Bill C-4 will be used by the government to privatize the wheat board down the road or to do away with it entirely in future rounds of trade negotiations. We understand the World Trade Organization will begin deliberations late in 1999.

We know only too well that the free trade agreement and NAFTA have restricted the ability of our governments to act in our national public interest. We know too that the United States routinely attacks the wheat board's activities, not to mention its attacks on other Canadian agricultural marketing agencies. We expect the assault to continue at the negotiations of the World Trade Organization.

Let me turn to Reform's stand on the Canadian Wheat Board. It is our contention that Reform members, many of whom managed to talk out of both sides of their mouths on this issue, say they support the wheat board but they also support dual marketing.

I listened with great interest to the Reform member for Prince George—Peace River, who has been leading his party's position on this. He said at the outset of his speech this morning that his party does not oppose the Canadian Wheat Board, and then he mentioned eastern Canadians do not have the misfortune of being under the Canadian Wheat Board. This is the kind of double speak we hear regularly from the members of this party. I do not think there is any question they would like to see the Canadian Wheat Board disappear as quickly as possible.

It is our contention that dual marketing cannot exist with single desk selling. It would quickly destroy the Canadian Wheat Board.

• (1200)

The Reform Party never wants to talk about the reference by Mr. Justice Muldoon in Alberta on the Alberta charter challenge against the board's authority as a single desk marketer of barley. Justice Muldoon said that dual marketing would do away with the wheat board and would simply be a transition to an open market.

That is something Reformers refuse to acknowledge. However it is a fact and we would like to hear them talk about it in some detail. In fact Reformers are fundamentally opposed to the wheat board and do everything possible to attack it in their blind ideology and extremist rhetoric.

I would like to speak to the Reform amendment we are technically debating. Reformers say the wheat board is a dark and secretive institution because its books are not open to the auditor general and access to information laws.

Let us deal with some of the facts. The CWB is a \$6 billion a year operation. Parliament requires that an external independent auditor scrutinize the wheat board's books on an annual basis. The auditor is Deloitte & Touche. Each year a report is filed with parliament where it can be examined and questioned at any length. I have looked through the Deloitte & Touche annual report. The last one was issued in 1996. The auditors pronounced the wheat board to be in good shape.

It is true that the wheat board is exempt from provisions of the Access to Information Act. We have delved into this matter and are satisfied that the overriding reason for it is the question of customer confidentiality with respect to the conduct of the wheat board's commercial activities. If customers, big and small, cannot be assured that their business dealings with the wheat board will be held in confidence, they will obviously go elsewhere to do their business.

It is interesting that Reformers and the same groups that frequently claim the wheat board does not maximize returns to producers would by this amendment undercut the board's ability to do just that. I am certain the Canadian Wheat Board provides more accountability than the other grain marketers operating in the country at the present time.

We in the NDP caucus say to those detractors of the Canadian Wheat Board that it is accountable to the people of Canada through parliament and through a public, external audit which is available to anyone who requires it. The Canadian Wheat Board is a far more open process and is far more open to scrutiny than the corporations that bankroll the Reform Party or the coalition against Bill C-4.

I was interested in the comments of the somewhat leather-lunged member from Calgary West this morning, a former employee of the National Citizens' Coalition. Clause 27 of the NCC's official

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bylaw expressly forbids any member involvement in the organization. It states:

Public members shall not be entitled to receive notice of or to attend any meeting of the members of the corporation and shall not be entitled to vote at any such meeting.

So much for openness, transparency and accountability.

New Democrats have always supported the Canadian Wheat Board. We believe it is in the best interest of farmers. However, Bill C-4, as I have tried to indicate in my remarks, is badly flawed legislation. It weakens two of the three pillars of the board and will serve to undermine farmers' confidence in it.

Our caucus has endeavoured to improve the bill but the truly silent Liberal majority has refused to accept any of our amendments. Therefore we reluctantly oppose Bill C-4.

**Mr. Garry Breitkreuz (Yorkton—Melville, Ref.):** Mr. Speaker, I am happy to have the opportunity to pose a couple of questions to the hon. member for Palliser.

The member said that Reformers are against the board. That is blatantly false. Let us look at the amendments I have proposed to protect the board. One of the amendments would provide farmers with the opportunity to opt out of the board, if they so chose, for a period of five years and to serve two years notice if they want to opt back in.

• (1205)

That would protect the board from court cases, even those court cases going on right now involving property rights. It would also protect the board against international agreements that would destroy the board. The present position the minister has put forth with Bill C-4 and with the board will destroy the board.

Would the member for Palliser comment on the opt out clause that would allow farmers not to sell their barley or wheat or both to the board, if they do not wish to? Does he see that as dual marketing?

In relation to that question, if farmers want that option what would he then say? The reason I ask is that I went back to my constituency, a constituency that used to have an NDP representing it but no longer does because of this concern. My constituents gave me a very clear indication of where they stand on the issue. We had from 83% to 87% support for the amendment, the compromise between dual marketing and the monopoly that presently exists.

For the member for Palliser to say that we are against the board is blatantly false. We are representing farmers. This is what farmers want. It is false for the government to have the arrogant attitude that it knows what is best, that it will protect farmers and so on. That member is lining up with the government with regard to this

and that is wrong. What does he say when 83% to 87% of farmers want that option? Is the government not obligated to carry that out?

Also I want to refer to property rights. The hon. member made comments about the National Citizens' Coalition and so did the minister. The minister said that the National Citizens' Coalition indicated that the issue of Japanese internment, the confiscation of Japanese property and so on, was a very similar issue. The Canadian Wheat Board minister indicated that issue was raised by the NCC. That was false. The government used the argument that the confiscation of Japanese property was justified during the war and so is the Canadian Wheat Board confiscation of farmers' property.

Does the member believe that farmers should turn over their wheat and barley and then buy it back in order to gain control over it? Does he feel that property rights in Canada should be strengthened? Does he feel it is right for the board to take the property farmers have worked for, sweated over and took all the risk for and simply give it to the government to do anything with or to buy it back from the government? Does he agree with either of those two statements.

**Mr. Dick Proctor:** Mr. Speaker, with regard to the opt-in, opt-out provisions the member for Yorkton—Melville asked about, we believe fundamentally that it would lead very quickly to the dual marketing I endeavoured to talk about in my remarks.

That is what Alberta Justice Muldoon said. That is what the Reform Party refuses to discuss. We do not think that option can or will work.

**Mr. Garry Breitkreuz:** What if farmers want it?

**Mr. Dick Proctor:** There are provisions to include and exclude grains. If farmers want it, as the member for Yorkton—Melville is saying, they can vote according to their wishes.

I simply do not believe in the 83% to 87%. Which is it? Is it 83% or 87%? Is it 53% or 43%?

• (1210)

**Mr. Jake E. Hoepfner (Portage—Lisgar, Ref.):** Mr. Speaker, it is a pleasure to listen to the debate. If the hon. member for Palliser believes so strongly in a monopoly, why should we not create a housing monopoly so that everybody would live in houses owned by the government and would pay it for that?

That is the way some communist countries have gone. Would the member agree that is the way to go? If one monopoly is so good for one sector, why not have them all under monopolies? If it is good for me it should be good for the next guy. What is good for the goose is good for the gander. How would the member for Palliser deal with that issue?

Maybe we should have a monopoly on cars. The government could own all the cars as the government did in the Soviet Union.

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We know what happened over there. They are all on a junk pile right now. That is how good that monopoly was.

Why not a monopoly on lawyer services or teachers? Why not turn the country into something that is prosperous like we have seen communist countries become? Are they right on the world scene today? If it were not for capitalists like us they would all be starving to death. Is that the kind of system the member wants?

**Mr. Dick Proctor:** No, Mr. Speaker.

**Mr. Cliff Breitzkreuz (Yellowhead, Ref.):** Mr. Speaker, I listened with interest to some of the rather absurd comments of the member for Palliser. He said that Reform members were speaking out of both sides of their mouths. That is absolutely, blatantly false. My colleagues brought him up short on that comment.

If the member for Palliser is so interested in monopolies, why did the NDP government in Saskatchewan get rid of the hog board monopoly and hang on to the wheat board monopoly?

**Mr. Dick Proctor:** Mr. Speaker, it is an oranges and apples question. Alberta and Manitoba opted out of a hog marketing arrangement some time before. I am not a member of the Saskatchewan government but I certainly support it. It felt that it made the best economic sense for hog farmers to cease the hog marketing operation in that province.

**Mr. Wayne Easter (Parliamentary Secretary to Minister of Fisheries and Oceans, Lib.):** Mr. Speaker, I have a question to put to the member that might clear up the last point of argument. The member opposite said that it was basically a communist proposal and asked why we do not turn everything over to the government.

Would the hon. member agree, whether it is hog marketing or grain producing, that producers have clearly shown that their choice is to market their product in this fashion? They have shown that time and time again.

What is happening over there is all smoke and mirrors. Farmers have clearly shown time and time again that they want this system of marketing, that they want the Canadian Wheat Board, that it is a paramount marketing agency. Would the member for Palliser agree?

**Mr. Dick Proctor:** Mr. Speaker, I agree very much. That was the thrust of my remarks.

Farmers agreed as recently as last year that they wanted the Canadian Wheat Board to retain the authority to market barley. If at some future date they do not want the board to market anything, they will have the ability to make that decision democratically among themselves.

**Mr. Rick Borotsik (Brandon—Souris, PC):** Mr. Speaker, It is with some pleasure and some trepidation that I rise to speak at third reading—

**Mr. Jake E. Hoepfner:** With pleasure? It was closure.

**Mr. Rick Borotsik:** It is with trepidation that I speak to Bill C-4 perhaps for the last time, unless the government in its wisdom allows the legislation to go back to committee for further debate.

• (1215)

Quite frankly the legislation before us at the present time is not what I and certainly a number of my constituents would consider to be a good piece of legislation which deals with and resolves the issues of the Canadian Wheat Board. I say that to my colleagues on the Liberal benches and plead with them not to stop the ongoing debate that is happening currently with Bill C-4.

I would like to speak on a number of issues in a number of areas. First, I am not a producer. I am not a farmer. A number of my relatives gain their living from agriculture and in certain cases grow a substantial amount of wheat and other products including products which are not included in the Canadian Wheat Board. Also, I represent a community that with great pride announces itself as the wheat city. It has been known as that particular city since its inception in 1982. The wheat in the wheat city is the backbone of our economy and is reflected in the Canadian Wheat Board legislation.

I want to talk about my philosophy, that of my party and the reason I ran for this party. Our philosophy is fairly simple.

We believe in free enterprise. We believe in choice. We believe in a free market system, as was seen by the NAFTA legislation which was brought forward by the last Progressive Conservative government. We believe in less government and less government control. We believe in more individual freedom for people and people's responsibility for themselves. I say that because I can make the connection between that philosophy and the philosophy of producers in the Canadian Wheat Board.

For those people who are listening I would like to make an analogy. There has been a lot of ranting and raving, rhetoric, flailing of hands and gnashing of teeth over this particular issue. The fact is this is a very important issue for producers in western Canada. I would like to make the comparison as to what we are talking about here.

A farmer, a producer, an agriculturalist or whatever we want to call that individual is in fact a small business. In lots of cases it is more than simply a small business and is a very large business. The producer capitalizes and buys land, a substantial amount of land in some cases because the more land he has, obviously the more he can produce. There is a large capital cost for that.

The producer then accesses what is referred to as inputs. He accesses pesticides, herbicides, seed and fertilizer. He plants the seed in the land which he has purchased with in some cases substantial capital. He then nurtures that seed until it grows and it

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produces and then it is harvested. When he harvests the crop and he puts it in his bin, he has produced the product.

Unfortunately while the crop is in that bin, if it is wheat or barley, that producer does not have control or ownership of that product. He must be at the whim and unfortunately the nature of the Canadian Wheat Board. The Canadian Wheat Board will tell that producer what price he can sell his product for and to whom he can sell it. And he can only sell it to one purchaser, the Canadian Wheat Board and no one else.

When the producer puts that seed in the ground he is given an initial payment based on what his cash flows are going to be over the next crop year. Sometimes those initial payments change and sometimes they do not. There are adjustments. The fact is he can only sell to one purchaser and that purchaser is the Canadian Wheat Board. If he does not sell it to the board, that crop will sit in that bin forever or until it rots because he cannot sell it to anyone else.

I will use the analogy of a manufacturer whether he is in Ontario, Manitoba, Saskatchewan, New Brunswick or Newfoundland. The manufacturer makes a product, controls the capital to produce that product and controls the inputs. When he has that final finished product in his hands he can sell it to whomever he wants.

• (1220)

If it is below the cost of production, the manufacturer will not be making that product very much longer. If he does not have competition here in Canada to purchase his product, he can sell it internationally. He can sell it to the United States or to Europe. When the manufacturer makes the product, he has the option to sell it to whomever he wishes.

Very simply, that is the free market system, being in business and selling to whomever one wants. Unfortunately today with wheat and barley the producer does not have the same options.

Let us talk a little bit about the history of this which is very important. I will get into my philosophical beliefs with respect to the Canadian Wheat Board. The Canadian Wheat Board is a very good institution, make no mistake about that. The problem is that it is not prepared to deal with the 21st century, nor is government today prepared to deal with the 21st century. Let us talk about history.

There is a reason the Canadian Wheat Board came into being a number of years ago. In the early part of the 20th century a lot of producers who were growing that crop I talked about felt they were not getting a fair return for the product they were producing. They voluntarily, and I stress the term voluntarily, got together and said they would have a much better opportunity to sell their product at a higher price if they pooled it. They felt that if they put it all together it would be a bigger commodity and they would be able to go out and sell it to the best buyer.

This was done on a voluntary basis with the Saskatchewan Wheat Pool, the Alberta Wheat Pool and the Manitoba Wheat Pool back in the early 1920s. It worked because they felt they were being taken advantage of by the corporations.

Unfortunately in 1943 the voluntary sale of that product to a pooling system was made mandatory. Now the producers had no choice. When it was voluntary they could do what they wanted. They could pool it with their neighbours or they could go somewhere else and sell it. In 1943 for any number of reasons and probably very good reasons for the times, it was made mandatory. Make no mistake about that, it was probably done for the right reasons in 1943. I was not around as I was not even born yet. However, it was probably for the right reasons and probably was the right thing to do at that time.

**An hon. member:** I wasn't born yet either.

**An hon. member:** I was.

**Mr. Rick Borotsik:** I obviously made a mistake by giving my age away here. Anyway, I am giving a passionate speech here.

In 1943 the right decision was made. However between 1943 and 1998 a number of changes occurred not only in farming techniques as we have seen, and I could get into a five hour debate on that, but also in marketing techniques. The CWB has not kept up with the final marketing techniques.

As was mentioned earlier, we recognize that the Canadian Wheat Board in 1943 brought three pillars to the Canadian farmer. It brought a pooling system where at that time all farmers in wheat, oats and barley would pool their crops and would sell them as a single desk seller. It brought in what was known as a government guarantee. The farmer would have an initial payment which would be the lowest amount the farmer would ever get for his commodity. Usually it was lower than what the market would pay but it was guaranteed. It also brought a single desk seller. The farmer could not sell it to anybody else and that individual or corporation would go out and sell it to the marketplace.

Those pillars are still in place at the present time but times have changed. It reminds me of an adage I have heard many times, that it is much better to manage change than to have change manage you. Unfortunately the government with this legislation is not managing change. The change is managing the government and it is not going to work.

I would also like to talk about the process. As members are well aware, I have not had the opportunity of being in this House very long. It has been about a six or seven month period. The first piece of legislation that was thrown on the table was that of the Canadian Wheat Board, my area of responsibility as critic. I wanted to follow the process of this legislation.

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Like my colleague in the New Democratic Party, I was perhaps a little naive to say the least because I felt very honestly that in the committee forum we would be able to have input. I thought the federal government would listen to well thought out logical concerns about this legislation.

• (1225)

I have always said I will be constructive in my comments. I will give the government some constructive opportunities and alternatives to what it has put forward as this piece of legislation.

In my estimation the process in this legislation was flawed. Bill C-4 went from this House to the committee. We were told that the minister would listen not only to the people who would make presentations before the committee, but also to the other members on the committee, particularly those from the opposition. The process was rushed. It was flawed. Everybody who talked to us, the witnesses, had concerns, opinions and problems with the legislation. None of those concerns and problems was dealt with at committee stage, when the legislation came back to this House, or at this third reading stage.

It should not work that way. I like the committee. It is an opportunity to share with not only members of government, but other opposition members. It should be the venue where we can work out our differences, where we can put forward some of the more positive alternatives than what have been presented by government.

Nobody has a lock on the best possible legislation. There is always a chance for improvement and we had that. We had it with some amendments that were put forward but unfortunately the government would not do that.

Not only that, but in talking about the process, the bill came back here from committee. We asked to have the minister responsible for the Canadian Wheat Board come back to the committee so we could tell him what we had heard. We were told that the minister could not be there, that this legislation had to go through and it had to go through then. It had to go through before the Christmas recess. Unfortunately it is now February. It did not go through before Christmas. Why could we not have talked to the minister once again and told him what we had heard at that committee session?

Why could we not have heard from the Ontario Wheat Board which is a parallel organization? It could have explained to us what is good and what is bad about that organization so we could try to implement the good into the Canadian Wheat Board. Why could we not have heard from it? Because we did not have time in committee. Unfortunately we had the time but the government did not want to give us the time.

Then the bill came to this House. This was the opportunity to talk to the House, to the government, to the opposition, to the minister and put up our amendments to the legislation. Good amendments in some cases, not so good in other cases.

Then the government decided that too much debate was going on in this House on C-4, so it implemented closure. Closure is not a good term. No, no, it was not closure. I am told it was time allocation. I accept the argument of the government that it was time allocation, semantics. The government said "We no longer want you to talk about this legislation because we do not like what you are saying, we do not care what you are saying and we are going to stop the debate". So the government stopped the debate.

That was the process I had the opportunity of taking part in for the very first time. I hope beyond hope the next time a piece of legislation is presented by government that we do not follow the same process. I hope it will be much more open, that it will be much more honest and that we will have the opportunity to put forward what we consider to be good, solid, well thought out changes to a flawed piece of legislation.

Let me go on to some of the areas which we still have concerns with. I said there were some good things in the legislation, and I mean that sincerely. The Canadian Wheat Board right now under its form of management and governance does not work well. But do not forget, this was put into place in 1943 so there should be some changes. A commissioner form of governance does not work as management.

• (1230)

Anybody who has any dealing with the private sector, with private business, knows that a single CEO or manager or owner is the best and only management for a corporation. Instead of having a commissioner form of government where there are up to five commissioners making the law or rules for the board, the government said it will have one individual to be the CEO, a very good move. Unfortunately it did not go far enough because it said it would appoint that CEO. It was the wrong thing to do. The government was almost there, but it did not go far enough. We now have a chief executive officer of the Canadian Wheat Board to be appointed by government.

Then we go to the board of directors. The government was almost there. It said very emphatically and passionately that this board is to be controlled by the farmers, the producers. It is a farmer-producer board. But it did not go far enough. There are 15 members on the board, 10 elected and 5 appointed by government. If the government really believes in what it says all 15 members should have been elected and the CEO should have been appointed by the board. Then it would have been truly accountable to the producers it is supposed to be working for.

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There was an amendment I cannot believe the government turned down. It came from the Reform Party and me. It said simply that the corporation should be working for the farmers. The corporation will be working for the producers. The government turned it down. The corporation is working for the corporation, not for those producers the government says it wants it to represent. I cannot believe it turned that amendment down.

Let us talk about accountability and access to information. If it is true that the government believes that this is for the producers why not be open to the producers, the same people who own the corporation? Let them have access to the corporation, its books and its operations. There was an internal report done in 1992, some six years ago, and the producers cannot get access to it. What if the corporation is not working in their best interests? They should have access to information.

We talk about choice. There were some amendments put forward that would allow producers a choice with respect to opt-in, opt-out and hedging. The government would not accept those as well.

The last one is the one I have the most serious concern with, the inclusion clause. That clause was never in place in Bill C-72 when it came before this House, before the last election. Now all of a sudden it rears its head. It is the clause that has to be put into this legislation, Bill C-4. It means to include other commodities on a single desk selling basis, a monopoly basis. Quite frankly I have not found anybody who wants that clause. I have not found anybody who says give us the inclusion clause. I am very disappointed.

We have been dealing with this for six months. I have been dealing with it for six months and others have been dealing with it for much longer. The inclusion clause has always been an issue. Yesterday, three hours before the final vote on the amendments, we were approached by the minister who said we are prepared to talk about some minor amendments to the inclusion clause. Where was the minister and where was the government six months ago when we talked about this? It cannot be done three hours before the amendment is going to be voted on.

The only way we can deal with this logically and legitimately is to have this government send this legislation back to committee and let us talk just about the inclusion clause. Let us talk about some amendments to that clause that are going to be accepted by everybody in the House, including the opposition.

I see that my time is up. It has been a very interesting process, to say the least. It has been an interesting piece of legislation. When it is passed today it is still not going to solve the problem. The government has not managed the change.

• (1235)

**Mr. Wayne Easter (Parliamentary Secretary to Minister of Fisheries and Oceans, Lib.):** Madam Speaker, we have heard a fairly slanted view of history from the hon. member.

I would like to answer one question he raised at the end of his speech. He said where was the government the last six months. The government has been consulting, listening and meeting with producers on this issue since 1993. I happened to be on the last committee which held hearings in western Canada. That is where some of the changes came from.

The hon. member for Brandon—Souris began his remarks by talking about free enterprise. He believes in free enterprise and he believes in choice. Let me submit to him that if he believes in choice, why is he opposing the inclusion clause? That gives producers a choice other than the Winnipeg commodity exchange and the open market.

The fact is the Canadian Wheat Board is making the free enterprise system work to the advantage of Canadian producers. It is collective selling. In any market the lowest seller sets the price. The Canadian Wheat Board is ensuring that Canadian producers do not compete against each other in the international marketplace. As a result, the returns are pooled and the maximized returns are given to the producers. That is good marketing management. I am surprised that members opposite do not support good marketing management.

The member also talked about marketing techniques which the Canadian Wheat Board has not kept up. Nothing could be further from the truth. He lives in Alberta, but I do not know if he has ever been in the offices of the Canadian Wheat Board. It is marketing intelligence and marketing at its best.

Study after study has been done. The wheat board report talked about the additional \$265 million per year in wheat revenue which the Canadian Wheat Board obtained for producers because of collective selling over what the open market would have brought in. That is good marketing. It is using techniques. It is using a war room in terms of marketing, finding out what its customers are doing and maximizing the returns to producers.

Would the member not agree that this bill, improved as a result of consultations and discussions, offers choice, both in terms of excluding and including crops? It offers the choice which he claims to support.

Does he also not agree that this bill puts producers in charge of their own destiny and in charge of their own industry?

Those are the kinds of improvements which came about as a result of committee hearings. If we look at the original Bill C-72 and compare it to Bill C-4 and its conclusions we will see that

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producers are now in charge when previously they were not. Would he not agree?

**Mr. Rick Borotsik:** Madam Speaker, there were some wonderful questions in that rhetoric.

First I should point out that my hon. colleague is, without question, the strongest defender of not only the Canadian Wheat Board but, obviously, of monopoly selling, single desk selling and the inclusion clause. He was the author of the inclusion clause which is in Bill C-4.

I learned a long time ago that philosophically I differ with some people on certain issues. This is one of those cases. I have learned that as much as I argue my position I will never convince that individual of my position, nor, conversely, will the hon. member in his arguments convince me to think his way. So we agree to disagree.

I will answer his questions. Yes, I said that there have been some changes made to the Canadian Wheat Board Act by Bill C-4 which are positive. I said that governance has been changed and I like the governance. The fact that producers can cash buy now as opposed to pooling is a positive change, but the government did not go far enough. It did not manage change into the 21st century.

The hon. member, who probably wants to be minister responsible for the Canadian Wheat Board, talked about the best marketer ever.

• (1240)

If that is the case, and it may well be, then what is the concern of the Canadian Wheat Board to open itself to the competition?

If it is the best marketer ever and if it gets the best price ever, every producer will continue to be a customer of the Canadian Wheat Board. What is the member afraid of? If it is that good, it should be able to compete.

I made a comment in this House not long ago. It happened with other utilities that were afraid to compete. They were opened to competition, telephones, electric and gas. They are now open to competition and those monopoly utilities are just as good now if not better than they were as a monopoly.

Why is the Canadian Wheat Board afraid to compete on that basis if it is the best marketer of that commodity?

**Mr. Jay Hill (Prince George—Peace River, Ref.):** Madam Speaker, it is always a pleasure to listen to the lone Tory from out west. It is really encouraging that he is trying to encourage the eastern members of his party to come on side, to Reform's position on the Canadian Wheat Board and we certainly support his efforts in that regard.

My question revolves around the fact that this minister, as the hon. member so eloquently put it, came into this House with an

11th hour amendment at the last point. He has had a year and a half with this legislation. We had it at committee. We have had the travelling road show during the last Parliament and yet he comes in at the 11th hour and accuses the opposition of trying to somehow not better the bill by some opposition members denying unanimous consent to put forward this amendment.

I had some consultation, as did the hon. member, with the minister a couple of hours before he proceeded to bring into the House his last minute amendment. Is his understanding the same as mine that it would not substantively change the inclusion-exclusion process, merely put it into a different part of the act?

Second, will the fifth party be supporting my amendment to send this back to committee? At that time the hon. minister, like all other members of this House, will have ample opportunity to put forward whatever amendments he sees fit once the bill is back in committee.

**Mr. Rick Borotsik:** Madam Speaker, first of all I would like to introduce the Reform members to some of my colleagues from Atlantic Canada. They do not have any Atlantic Canada representatives. I have one from Ontario as well. We truly are representative across Canada. We have a national party. We will get that out of the way first of all.

Second, the hon. member had indicated whether we would support the amendment of the Reform Party. I told him before and I will make it public now that we will support the amendment to have this legislation sent back to the committee for the very simple reason, as the minister did in a last minute attempt, to massage the inclusion clause.

Unfortunately it did not change it substantively. It took the trigger point of the inclusion from a representative of a producer group to the minister.

I have some faith in that minister, that he would not trigger the inclusion clause. But there are other people opposite who, if they ever became minister of that board, I would have very serious concerns about, having the kind of power to trigger an inclusion clause.

I believe the minister is on the right track. I believe the minister should have this clause rethought, looked at again. The best way to do that is to take it back to committee. Therefore we will be supporting the amendment to go to committee.

**Mr. Joe McGuire (Egmont, Lib.):** Madam Speaker, I too have had a very interesting experience dealing with this piece of legislation. My experience may be as interesting as that of the member for Brandon—Souris, as both of us entered into this debate probably two years after the debate started on the changes to the wheat board.

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• (1245)

Given the various opinions that exist in the western provinces with regard to the role and function of the wheat board, the legislation struck the right changes to satisfy most producers affected in the Canadian west.

As previous speakers have said, western Canadian farmers need every possible advantage to tackle head on the challenges inherent in the changing global economy. We have heard that said over and over. The Canadian Wheat Board gives them an advantage that makes them the envy of farmers around the world.

Farmers have said clearly that they want the Canadian Wheat Board, but they want it to be more democratic, more responsive and more accountable, and this legislation does that. It would maintain the single desk system of selling grain that allows the wheat board to command premium prices from its customers around the world. It is a system that the majority of western farmers appreciates and wants.

The legislation fundamentally changes how the wheat board would be run. Farmers would be empowered to direct their own wheat board. While government would continue to be a partner, it would play a much smaller role in the new modernized Canadian Wheat Board.

Bill C-4 would not only change who runs the wheat board but how it would be run. The bottom line in Bill C-4 is that farmers through a majority elected board of directors would decide their own future. Directors elected by farmers would assess the performance of the Canadian Wheat Board and of senior management. They would be able to make changes if performance were not up to expectations.

Farmers quite rightly would make these important decisions about their own destinies through the board of directors which they would control through their two-thirds majority. If this is not democratic, if this is not transparent and if this is not fair and appropriate, I do not know what is.

With the passage of Bill C-4 the wheat board's future would not be determined by the government or by members of the House. Bill C-4 will come as a great relief to tens of thousands of farmers whose livelihoods are linked to the Canadian Wheat Board. They deserve to have the power to design their own futures.

I emphasize the support which exists outside the Chamber for this legislation. The precursor of this bill, Bill C-72, was widely debated. The agriculture and agri-food committee held about 40 hours of hearings on it in Ottawa and more critically in Winnipeg, Regina, Saskatoon, Calgary and Grande Prairie. The committee heard from more than 40 groups and 40 individuals. Many more people supported the legislation than opposed it.

There were concerns. The government listened and the committee took action. After these hearings the standing committee made more than 20 amendments to the bill. Those amendments are reflected in Bill C-4.

Under Bill C-4 the system by which the Canadian Wheat Board is currently run, that is by government appointed commissioners, would end and be replaced by a 15 member board of directors. The majority of directors, 10 out of 15, would be elected directly by farmers themselves.

Could anyone in the House of Commons name another \$6 billion corporation that would be run by a board of directors, most of whom are elected by the clients they serve? This is more than unique. It is unprecedented.

The directors would have real power to direct all the business affairs of a modernized Canadian Wheat Board. They would have the power to review all Canadian Wheat Board sales and financial data, bar none. They would have the power to select their chairperson, set their own salaries as well as those of the chair and the president and, if necessary, recommend that the president be fired.

As farmer elected representatives, the directors would be as responsible to their electorate as we are. They will listen and respond to the needs of producers. If they do not they would likely not gain re-election. That is accountability.

We have heard a number of calls in the House for farmers to elect all members of the Canadian Wheat Board to the board of directors. Usually those calls point to the Ontario Wheat Producers' Marketing Board as an example of a grain marketing agency with a fully elected board. The question that usually follows is why the same cannot be done for the Canadian Wheat Board.

• (1250)

There is a number of quite valid reasons for treating the Canadian Wheat Board differently from the situation for grain marketing currently found in Ontario. The Ontario Wheat Producers' Marketing Board does not benefit from the same government guarantees as does the Canadian Wheat Board. The government does not guarantee the borrowings of the Ontario board while it does guarantee Canadian Wheat Board borrowings of more than \$6 billion.

The situation is also different with respect to export credit guarantees. The Ontario board does not have its own export credit program. Rather it obtains export credit from the Export Development Corporation, an organization with a board of directors appointed entirely by government.

The Canadian Wheat Board operates its own credit grain sales program which benefits from a government guarantee. This is

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another reason for having the government appoint at least some members of the Canadian Wheat Board board of directors.

The financial implications of decisions made by the Canadian Wheat Board are much larger than those associated with the Ontario board. On average the Ontario Wheat Producers' Marketing Board markets about 900,000 tonnes of wheat per year mainly in Canada and the United States, while the Canadian Wheat Board markets an average of 25 million tonnes of wheat and barley per year in more than 70 countries.

The Canadian Wheat Board would continue to exercise certain public powers conferred by parliament such as the issuing of export licences for wheat and barley for all areas of the country. The Ontario board does not have such powers. For example, it must obtain export licences from the Canadian Wheat Board.

The government's role in Canadian Wheat Board operations would change from one of paternalism to one of partnership. The government would guarantee to provide financial guarantees to the wheat board. As these guarantees are worth billions of dollars, the government would need to continue to ensure the guarantees did not become a drain on the public treasury, as is only prudent.

The government would appoint five directors but the directors would be in a minority. The majority elected by farmers would clearly hold sway. Farmers in the Canadian Wheat Board have also asked for more options in how grain is marketed and paid for. As I mentioned earlier the Canadian Wheat Board is envied around the world for its size, its clout and its success. Of course it comes under attack by our trading competitors. Its high rating among global buyers clearly makes it a threat to our competitors.

The governor of North Dakota recently said that farmers from both countries should work together. He suggested that as a first step North Dakota farmers should be able to sell their grain to the Canadian Wheat Board. At the same time the United States bashes the Canadian Wheat Board.

If it were not doing a good job for Canadian farmers, would the U.S. government give a tinker's damn about the Canadian Wheat Board? I think not.

With Bill C-4 we are doing the right thing. We are positioning the Canadian Wheat Board for the new millennium and giving farmers the power to steer their own future. Bill C-4 deserves the full support of all members of the House.

**Mr. Garry Breitkreuz (Yorkton—Melville, Ref.):** Madam Speaker, I have a couple of very simple questions for the chairman of the agriculture committee.

How much opposition would there have to be to Bill C-4 before the government would withdraw the bill and send it back to committee? Does it matter what producers on the prairies think, or is the government going to simply ram it through?

The reason I ask is that by accident it was delayed over the Christmas break and I was allowed to go back and consult with the producers of wheat and barley. They told me clearly what they thought about it. I have ample evidence, which I have already talked about, that clearly points out they do not want Bill C-4.

How high does the level of opposition have to be before the government would withdraw it? Would it have to simply be 35%? Would it have to be 50%? Would it have to be 75%, or would it have to be over 80%?

The reason I ask is that it is over 80%. We have taken surveys. We have checked with people on both sides of the debate and they do not want Bill C-4.

What do they want? They want some of the amendments we have put forward. I know how they feel. I gave them ample opportunity to examine the amendments. Ninety-seven per cent of them want a preamble to the bill to change the mandate of the board. Yesterday the government nixed all 48 of the amendments put forward.

• (1255)

How many wanted an opt out clause: 83%. How many wanted a sunset clause and the auditor general to check it: 86%. How much opposition does there have to be?

The second question ties in with the first one. So far the government has not allowed the auditor general to measure the performance of the board against its mandate. It continues not to allow it. It says that it allows an auditor to look at the books, but the government well knows that auditor does not do what the Auditor General of Canada does, that is measure whether it is meeting its mandate.

Why does the government hide the fact that some employees get a \$120,800 annual salary, a \$110,635 annual salary, a \$119,113 annual salary, a \$129,999 annual salary or a \$115,000 annual salary? The Auditor General of Canada would expose that kind of stuff. Why is the government hiding that information from farmers?

**Mr. Joe McGuire:** Madam Speaker, to accuse the government of ramming through the legislation is going beyond the credible stage. We have been at this for three years. At some time all good things must come to an end. In this case the debate over the Canadian Wheat Board has gone on long enough. Farmers in the western provinces would agree that the debate has gone on long enough and that it is time to make a decision and get on with life.

Everything in the bill is not etched in stone forever and ever. If there comes such a time that the changes do not work then the appropriate measures will be taken. However, to accuse the government of ramming through the legislation with time allocation is stretching credulity.

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If 10 of the 15 members of the new farmer board want to hide things from their fellow farmers who elected them, I suppose that is up to them. If Canadian wheat farmers who elected the majority of members are not satisfied with the auditing procedures of the people who were hired by the board, I have no doubt the members would change it and institute measures that would be more acceptable to the people who elected them.

**Mr. Roy Bailey (Souris—Moose Mountain, Ref.):** Madam Speaker, I have a comment for the member opposite. Not only did my colleague from Yorkton—Melville give some statistics of what happened during the Christmas break. I too could give some that are very similar to his. This is not making up something. These are real and actual.

Does the minister realize that every MP elected to the House whose majority of constituents come from the rural wheat producing area, with the exception of one, will be voting against the bill? Does that not make any difference to the government opposite?

We have listened to our constituents say no way and the government does not even listen to that.

**Mr. Joe McGuire:** Madam Speaker, the hon. member forgets that the minister responsible for the wheat board also lives in Saskatchewan. The member was not the only one who was home during the Christmas holidays. The minister was there taking the pulse of the producers out west. He came back and offered an olive branch to members opposite which they rejected to a man. They will not consider any other option but the destruction of the wheat board.

**The Acting Speaker (Ms. Thibeault):** On questions and comments, the hon. Parliamentary Secretary to the Minister of Fisheries and Oceans.

• (1300)

**Mr. Jay Hill:** I rise on a point of order, Madam Speaker. The hon. member who just spoke is from the government side. Normally the process is for the questions and comments to come from the opposition.

**The Acting Speaker (Ms. Thibeault):** The rule is usually that we go from one side of the House to the other.

**Mr. Wayne Easter (Parliamentary Secretary to Minister of Fisheries and Oceans, Lib.):** Madam Speaker, obviously with the questions coming from the other side, those members have not listened to what the chair of the committee and the hon. member for Egmont have said. Clearly they have not listened. If the rhetoric we hear from the other side in this debate is the same as they are telling producers, it is no wonder they are confused.

I have been fortunate enough to have followed this debate in the first hearings. We held hearings in western Canada. I was very fortunate to have attended those hearings. At them we had support

for this bill, in particular the inclusion clause, from Canadian organic certification co-operatives, Canadian registered organic producers marketing, the Saskatchewan Catholic rural life ministry, the National Farmers' Union, the Canadian Wheat Board advisory committee, the Saskatchewan women's agriculture network, pro-Canadian Wheat Board campaign, the sustainable agricultural association, the Government of Saskatchewan, quite a list of individual presentations in support of the inclusion clause.

My question, because obviously the members opposite were not listening—

**Mr. Garry Breitreuz (Yorkton—Melville, Ref.):** Madam Speaker, on a point of order, some of the things the member is citing are blatantly false. We are talking about Bill C-4. Those people are not in support of it. The Government of Saskatchewan does not support Bill C-4.

**Mr. Wayne Easter:** Maybe the hon. member did not hear me correctly. These are groups and individuals calling for or supporting an inclusion clause during hearings of the House of Commons committee on agriculture. That is what we were talking about.

Maybe the member for Egmont could summarize what he said by explaining again, because they never heard him the first time, how he sees the board being more accountable under this new system under Bill C-4.

**Mr. Joe McGuire:** Madam Speaker, I believe members opposite know the amount of consultation that has gone into this piece of legislation. As I said earlier, there are a lot of different of opinions being expressed in the wheat producing provinces with regard to the wheat board and what should or should not be done there.

I think the minister has struck a proper level here in consulting and listening to the people who are affected by the wheat board.

**Mr. Jake E. Hoepfner (Portage—Lisgar, Ref.):** Madam Speaker, it has been an interesting morning. I would like to announce that my colleague from Yorkton—Melville will split the time with me.

I heard the question asked today why are farmers against ten elected directors. I will tell members exactly why they are against it. They have had over a dozen elected advisory board members and they have never represented the farmers who elected them, to work for them and to try and promote things that make the board more transparent and accountable to farmers.

They would not even come out and support the board when the courts ruled that it had no mandate to act on behalf of farmers but rather on government.

• (1305)

What has happened recently is that it is not just the farmers who do not want the board anymore, the people working for the board

are concerned that their jobs are going down the road if the board does not become transparent and accountable.

I got a document from the wheat board last weekend showing how much management deadwood is on that board. Out of 454 employees, there are 130 some with management titles. I can list them, every single one, if members want to know. There are 131 management people who are probably eligible for a huge pension and a severance package. If the hon. member for Malpeque wants to look in the book and turn to compensation, it says there is \$21.991 million in wages. Out of that there is another \$5.139 million in benefits, like EI, pension, group insurance and medical; 24.5% per cent are benefits out of a \$21 million wage package.

That is better than being a Liberal MP. They should start running to be elected to the wheat board. That is where the big bucks are. The farmers starve but the wheat board lives pretty well. That is why farmers are getting disgusted. That is why they are going to change the system. It will not take a government to change it. They will do it themselves. Farmers have done it before and they will do it again.

Why are farmers so dead set against a marketing system that did work for them? Because of the secrecy and suspicion in it. Nobody trusts the wheat board anymore. Why do they not trust it? In 1994 when we had the fusarium wheat in southern Manitoba, the wheat board said we could not sell that wheat because there was no market. The farmers could dump it, burn it, do anything they wanted.

David Sawatzky found a market for it. He exported I do not know how many millions of dollars worth. What did he get for it? Wheat that was worthless. He got thrown in jail. What did he do? He went to the law books and he started studying law. He won the case. The government was not happy with that so it appealed it. He beat it again. That is why farmers are upset. That is why farmers are going to beat this lousy system. That is corrupt.

I hope I am not getting too loud because I do get excited. Mr. Speaker's nerves are a little better, so I can start going ahead. Mr. Speaker, you can turn your ear this way because the Liberal government's hearing is kind of bad, but the Speaker sometimes does hear things that he should not. We will forgive you for that.

That is one example. I want to point out another example. Andy McMechan was another one of those farmers who trucked over a couple of million bushels of fusarium rotten wheat. What did they do to him? The minister changed the Customs Act as soon as Sawatzky was declared innocent.

**An hon. member:** By order in council.

**Mr. Jake E. Hoepfner:** By order in council. What did they do? They through thousands of dollars of forfeitures against him. They

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took his truck. In 1995 all of a sudden they figured they could not beat this little farmer either. What did they do? They got farm credit to put a collection agency on him to collect the bill of \$27 that was overdue for a year. That is how this Liberal government treats farmers.

**The Deputy Speaker:** The hon. Parliamentary Secretary to the Minister of Fisheries and Oceans on a point of order.

**Mr. Wayne Easter:** Mr. Speaker, it is a quite an allegation when the member claims that the government asks FCC to send a bill—

• (1310)

**The Deputy Speaker:** This is debate, not a point of order.

**Mr. Jake E. Hoepfner:** If the hon. member would like the documents, I can show them to him. I have them all in my office.

When they could not shut him down that way, what did they do? They caught him taking a load of barley across with his old trailer and a tractor. Because he had to have some income, he took a tractor and a trailer. When he came back, the government said "You cannot get \$6 for that barley in the U.S. when the wheat board only wants to give you \$2. That is criminal".

The Liberals were going to stick a forfeiture on the tractor and he said "I am sorry, sir, I have to use the front end loader of that tractor to feed my cattle or they will starve. I cannot do it all by fork". Do you know what the crown prosecutor did to this man, Mr. Speaker? He gave him six months in jail for taking his tractor home to feed his cattle. Six months in shackles.

**An hon. member:** That is not Canada, is it?

**Mr. Jake E. Hoepfner:** That is Canada. That is the Canadian Wheat Board. That is the Liberal government. That is the Canada we live in.

What did the judge do? He gave him a \$2,000 fine and the crown prosecutor said hold it a minute, that is not tough enough, not for this terrible criminal. That is not enough, we have to increase that to \$20,000, and that is what he did. So they got rid of one more farmer.

That is why farmers are mad today and why they are not going to sit by and look at legislation like this and leave it go. They are going to change it and they are going to make that wheat board accountable and they are going to make it transparent.

It happened before that farmers had to take the bull by the horns and do something, and they will do it this time. There is no rule, no law in this country that dictates that kind of treatment. Rapists and murderers are allowed to run loose on the streets and a farmer is thrown in jail for selling his grain at a proper price. That is Canada. That is the Liberal government.

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When the minister is asked just to put a preamble into that bill that will say we have to be accountable to the farmer and sell the grain for the best price, he cannot do it. That is not democracy. Why not make a bill that spells out clearly what that bill should be doing? Oh no, I know what I have spent to get the wheat board to say finally we have absolutely no authority or responsibility or duty to a farmer. That bill is there for the government and the corporation. That is there and if hon. members want to change it, they can.

Tonight hon. members can be men and women who stand up for democracy and defeat this bill, because that is what every farmer in western Canada has said so far. Tear it up, start all over again because we need a wheat board that is accountable and that is going to work for us, not just for us but for this country, something that will protect democracy and will protect the rights of individuals.

If this bill is implemented the way it is, it sets at risk every marketing scheme in this country. It sets at risk every RRSP plan. It sets at risk every pension plan. Everything can be confiscated if this is the type of bill we are going to pass in this House.

I hope the Liberals take it to heart tonight and show that they are men and women who work for this country. Stand up and vote against the government. They will go down in history just like Andy McMechan some day will probably have his face carved on those snow carvings, being a real hero just like Louis Riel.

**Mr. Wayne Easter (Parliamentary Secretary to Minister of Fisheries and Oceans, Lib.):** Mr. Speaker, I tried to get up on a point of order and I might even have been out of order.

I do seriously believe that the allegation the member made is very serious and very wrong. I believe his heart is certainly in the right place in terms of fighting for farmers in the farm community, and I think he sees some good points in the Canadian Wheat Board as well. Probably he is not as in favour of it as I am, but he knows there are some very good points.

• (1315)

To accuse the Government of Canada of asking the Farm Credit Corporation, a crown corporation which operates with its own mandate, to push a farmer against the wall financially is a wrong allegation. I would ask the member if he has information to back up that allegation to table it. He is seriously wrong on that point.

The member raised the issue of salaries. The Canadian Wheat Board is a major \$6 billion operation. It maximizes returns to producers. It is the paramount selling agency for producers around the world. It is a model which we should be emulating in other industries. I would ask the member what he sees as a legitimate level for administration expenses, including the salaries of board members.

The fact of the matter is that in 1995-96 in the pool accounts the administration expenses of the Canadian Wheat Board on \$5.8 billion worth of sales were only .7%. That is a very efficiently run operation. To pull out figures like he is doing is absolutely going with the kind of rhetoric which Reform tends to go with.

What level does the member see as being efficient?

**Mr. Jake E. Hoepfner:** Mr. Speaker, I would like to address the first question about this government not being capable of doing what I said. I will go a little further than that.

When I asked in this House how the minister could throw one farmer into jail for selling his grain at the best price when another farmer was rewarded for getting \$54 a tonne outside the pooling system, the minister said he did not know what the wheat board act said. He had to get Richard Klassen, the wheat board commissioner, to interpret it. And what did he say? He said "We have no mandate to sell that wheat for the best price. Those kinds of bonuses are legal outside the system".

When the RCMP looked into it they said "He is right". What can we do?

**Mr. Wayne Easter:** Read this report.

**Mr. Jake E. Hoepfner:** Mr. Speaker, I can read all the reports I want, but I have the facts in black and white.

Not only that, when the customs and revenue people laid \$165,000 worth of forfeitures against the farmer who received \$250,000 in bonuses for selling outside the pooling system, he filed a complaint against customs and revenue. Customs and revenue have not filed a defence to date. It is shocking. They admitted they were wrong.

What is the government doing? It prosecutes one farmer and throws him into shackles and it gives another farmer \$250,000 in bonuses for selling outside the pooling system. Is the government just working for the rich or is it working for the farm family which tries to maintain and keep ownership of their land? Which way does it want it? It is in black and white.

This book says there were \$42 million in costs to operate the board. But what did we lose as far as getting a reasonable price when the judge said there is no mandate to sell at the best price? Mr. McMechan could have made \$6 if he had hauled his barley 25 miles from his home and he got \$2 from the wheat board. How much did it cost him to operate the wheat board? I do not think he made too much money on that deal. If I am right, he lost his farm.

**Mr. Garry Breitkreuz (Yorkton—Melville, Ref.):** Mr. Speaker, I might as well be in Mexico. I might as well join the senator down there. Mr. Speaker, you are the only one who is really listening to what I have to say. The government is not listening. We are essentially talking to ourselves in this place, so I might as well be in Mexico. It would do as much good.

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There were 48 amendments proposed to this bill and not one was accepted. That is very significant.

Has the minister answered any of our questions? Has he been here to listen to the debate and to answer any of our questions? Not one. Therefore I went to some other avenues. I wrote him public letters and I never got a single answer. I might as well be in Mexico. I have worked very hard on this issue for a long time.

• (1320)

**Mr. Gerry Byrne:** Mr. Speaker, I rise on a point of order. I believe the Speaker will agree with me that it is not the conduct of this House to make reference to the presence or absence of members in this Chamber.

**The Deputy Speaker:** The hon. member is correct. It is not proper to refer to the presence or absence of hon. members in the Chamber. The member came very close, and since he switched topics quickly, I did not interrupt him. I know he will not do that again.

**Mr. Garry Breitkreuz:** Mr. Speaker, I am sorry that I referred to the convenient absence of the minister.

I asked the minister and I asked the chairman of the committee how much opposition to Bill C-4 there would have to be before the government would withdraw the bill. They never answered that question.

The opposition out there in the three prairie provinces is horrific. I have already stated that and I will not go into it. During the Christmas break and before, I asked farmers what they would like to see done. The minister has given the impression that there are two sides in this debate and they cannot be brought together. That is blatantly false. I went to the farmers and the farmers talked among themselves.

The farmers discussed the issue and came back to me with suggestions. Members know what I did with those suggestions. There was quite an internal kerfuffle in this House for me to get them drawn up and not simply have them sent to clerks. I went through all that and I had those amendments properly drawn up, which the majority of farmers agreed on.

I took the amendments back to the farmers and gave them several weeks to consider them. They went over them and I have already related the support there was for those amendments.

For the mandate of the board to be to maximize profits rather than orderly marketing, there was 97% support. And the minister said that they really do not know what they are thinking, that they do not know what they are talking about, that they are just farmers off in the prairies. How arrogant, how undemocratic can someone be, to ignore what these farmers want? The farmers were willing to allow for a five year opt out clause. In fact the support was 83%.

The minister said that both sides could not be brought together. How come I could do it? How come when I consulted widely I was able to do that in my constituency? How come when the farmers asked for an auditor general to examine the books of the board, I got 86% support for that?

Something is not ringing true in what the minister is saying. He is giving the impression that both sides cannot be brought together. That is blatantly false.

What good has it been for me to work hard and to bring farmers together and to get them to agree? What good has it done? Nothing. I might as well have taken a holiday in Mexico. It would have done as much good because the minister did not listen.

The Canadian Wheat Board minister said that this issue cannot be agreed on. I have proven him wrong. He will not answer the question about who is supporting him. There is virtually nobody. Look at the facts. Producers are opposed to this. But it is not just producers. Public letters from the Canadian Wheat Board Advisory Committee have been put in all papers on the prairies.

The Canadian Wheat Board Advisory Committee is elected by producers to sit on the Canadian Wheat Board and they are opposed to this. What level of opposition is needed? Here there are people who are in the know, who are on the inside of the Canadian Wheat Board structure saying that they do not want Bill C-4. Is it not abhorrent? We might as well all take a vacation in Mexico the way this government listens. It is absolutely ridiculous.

I have a half hour speech that this government is forcing me to make in 10 minutes so I have to go through things very quickly.

• (1325)

**Mr. Wayne Easter:** Mr. Speaker, I rise on a point of order. It was a proposal by the opposition members that they split their time 10 minutes a piece. It is not the government that did that.

**The Deputy Speaker:** I am sure we could have an interesting discussion about the length of the speech but the fact is the hon. member has the floor. I do not believe that is a point of order. It is a matter for debate.

**Mr. Garry Breitkreuz:** Mr. Speaker, can my time be extended when they interrupt with these frivolous comments?

**The Deputy Speaker:** Yes.

**Mr. Garry Breitkreuz:** Thank you.

This bill will create even more inequities. That is the point I am trying to make. I do not understand why this government does not trust farmers to make their own decisions and manage their own affairs.

The minister keeps saying the amendments put forward will put the Canadian Wheat Board at risk. If farmers who have to live with

*Government Orders*

it want these amendments, why does the government not approve them? It is their money. It is their property, is it not?

That brings me to the second main point I would like to make in this small length of time the government has given me to talk. My question is: Whose grain is it? Who has taken the risks to grow it?

Mr. Speaker, you may not be aware, but I have introduced a bill in Parliament to strengthen property rights. I feel that is a fundamental issue and it is going to be the thing that is going to eventually destroy this board because of Bill C-4. Farmers are getting tired of having to hand their grain over to the board and then if they want it they have to buy it back. That is happening in Canada. Mr. Speaker, you look at little doubtful about that. It is happening in this country. Really it is.

The farmers take all the risks. They grow the grain, they have all the input costs and when they harvest the grain they cannot own it. They have to turn it over to the board if it is wheat and barley and is grown in one of the three provinces. If it is grown in Saskatchewan, Alberta or Manitoba they do not own that grain. If it was grown someplace else, in certain regions of British Columbia, they could own it. But they cannot own it if it is grown in certain districts.

The farmers cannot own their own grain. They have to turn it over to the board and if they want it they have to buy it back. Of course they cannot buy it back for the same price. They have to pay a much higher price because the board does not want them to make that profit.

Section 1(a) of the Canadian Bill of Rights says every individual, including prairie farmers, has the right to life, liberty, security of the person and the enjoyment of property and the right not to be deprived thereof except by due process of law. This government is breaking that right. It is removing it from farmers. It is depriving them of the enjoyment of their property.

It is not just on wheat and barley. Because farmers cannot control that, it devalues their land. I will not go into the explanation of how it does that but if you are growing a product and you cannot reap the full benefits of that product, you actually devalue the land on which it is being produced. That is happening in the prairies today.

The United Nations Universal Declaration of Human Rights article 17 says everyone has the right to own property alone as well as in association with others and no one shall be arbitrarily deprived of his property. It is wrong for this government to arbitrarily deprive farmers in only three provinces of their property and only in a narrow area.

I have heard members opposite argue that they do not have to grow wheat and barley. What a display of ignorance. You have to know what the economy of the prairies is. You have to know

something about crop rotation. You have to know that the options these farmers have are very limited and they have no choice. And this government takes away even the choice that they do have and would like to have. Even the United Nations says it is wrong. It is despicable that the federal government used lawyers and its power to override property rights on the prairies.

In this last minute I would like to appeal to the people of Canada, our city cousins who may be listening to this and do not understand the problems that are being experienced by a few people on the prairies and how this government is running roughshod. These farmers are not crying for separation. They are not saying "We do not want to be part of Canada". All they are saying is "We want to control our property". That is what they are asking for.

I appeal to the people in all the other constituencies in Canada to listen to this debate today and help us out. We cannot do anything because we do not have representatives in government. We do not have the power to change this and so we need the help of the Canadian people.

• (1330)

I have much more that needs to be said about the property rights issue. Could I get unanimous consent to finish my speech? I realize the government has imposed time allocation.

**The Deputy Speaker:** Does the hon. member have unanimous consent of the House to conclude his remarks?

**Some hon. members:** Agreed.

**Some hon. members:** No.

**The Deputy Speaker:** The hon. member has run out of time. He will have a chance in reply to questions and comments, which I now invite.

**Mr. Paul Bonwick (Simcoe—Grey, Lib.):** Mr. Speaker, some comments have been made here today that are exaggerated beyond belief. My goodness, unsubstantiated accusations and statements, false truths. It is unbelievable.

I have heard statements like 97% of farmers recently polled want this and 86% of farmers want that. Yet they do not table these documents. They simply throw out numbers and say they ran this survey or that survey back in their ridings. They throw these numbers out with absolute callous disregard.

They have made statements such as the government cut back their allotted time from 30 minutes to 10 minutes. The fact is that this member chose to split his 20 minutes with another Reform member. The government had nothing to do with him splitting his time. It was an untrue statement, a false accusation.

*Government Orders*

If he is making false accusations and untrue statements in the House debating an important bill like Bill C-4, what do we think he is telling his constituents back home? Should they believe anything he says? I suggest not. We in this House should be sitting here telling the truth and giving clear messages, not these false statements. Shame on you.

**The Deputy Speaker:** The hon. member will address his remarks to the Chair, not to the hon. member. I urge him to be prudent in his choice of language. All hon. members, I am sure, are expressing the truth perhaps as they see it.

**Mr. Paul Bonwick:** I apologize, Mr. Speaker, for directing my comments across the floor, but when I hear members heckling, laughing and not taking seriously this bill, I get a bit emotional about it.

This is a \$6 billion industry. It is important to all Canadians, not just those few Reformers across the floor who have very selective memories and believe they are telling the truth. I suggest they take a long look at themselves when they are making false statements like the government instructed farm credit to foreclose or to take legal action on somebody. This is absolutely untrue and they should be ashamed of themselves.

I would like one question answered by the member. We sent out over 200,000 questionnaires or letters of information to farmers, not a specific 600 here or 200 Reformers there. As of the last response, a little over 1,200 farmers were opposed to certain parts of Bill C-4.

Would the hon. member like to respond to why less than 1% of those polled or surveyed responded in a negative way? Could he explain how he got his number of 97% being opposed if they are not prepared to respond?

**Mr. Garry Breitkreuz:** Mr. Speaker, I need one clarification. How many responses were returned?

**Mr. Paul Bonwick:** Mr. Speaker, the hon. member is having difficulty hearing the question because of the heckling. I would suggest that if he listens with clarity he might have an opportunity to answer the question.

The question was fairly simple. Less than 1% of the responses we received back were opposed in the last polling that was sent out. Of over 200,000 letters less than 1,200 came back adamantly opposed. If that is fact then why—

**Mr. Garry Breitkreuz:** Mr. Speaker, what I want to know is how many responses did he get out of the 200,000.

**Mr. Paul Bonwick:** Mr. Speaker, is it question and answer back and forth? I have put a question to the member and—

**Some hon. members:** Oh, oh.

• (1335)

**The Deputy Speaker:** I think the hon. member for Yorkton-Melville will have to make do with the question he has perceived.

**Mr. Garry Breitkreuz:** Mr. Speaker, I hit a nerve. He will not reveal to us how many responses he gets. Out of those 200,000 he will not tell us how many responses he got.

I will tell you what happened in my riding. He says why do I not table this information. It has been published in the paper.

**Mr. Paul Bonwick:** I rise on a point of order, Mr. Speaker. The reason why I requested the point of order and was adamant on it is the member is making a false statement about myself.

**The Deputy Speaker:** Order, please. We are clearly into a bit of a debate here. I do not think there is not a point of order. There is a disagreement about what was said. That is not a point of order.

**Mr. Garry Breitkreuz:** Mr. Speaker, it is very interesting. I wonder if this member is a lawyer. He told us that there were 1,200 that were opposed but he never told us how many were in favour of Bill C-4. We know on the prairies how many are in favour.

With regard to his second point, he talked about the \$6 billion industry. If that is in fact the case, is it not worth continuing?

**Mr. John Herron:** I rise on a point of order, Mr. Speaker. I think we can probably receive unanimous consent of the House for the hon. member to actually address the question that was put forth in terms of the number of responses he actually received.

**The Deputy Speaker:** With respect, I think it is unfair to interrupt the hon. member who has the floor. If there is going to be consent to extend the question and answer period, the Chair is prepared to entertain that. Is there consent to extend the period for questions and comments?

**Some hon. members:** No.

**The Deputy Speaker:** There is no consent.

**Mr. Garry Breitkreuz:** Mr. Speaker, let the record show that government members would not allow this question period to be extended so that they could answer that question. They have not tabled anything in the House. They have not told us how many people were in support of it.

On the second point, why we are limited to 10 minutes, it is because they invoke closure. They do not allow open debate. They talk about it being a \$6 billion industry. If that is the case, why are they not debating it?

*Government Orders*

We who represent the farmers, the producers on the prairies, have no other option but to split our time so that we can speak up on behalf of our constituents because the government is limiting our time.

**The Deputy Speaker:** The Speaker is going to limit further. I am afraid we have to move on with debate.

**Mr. Allan Kerpan:** Mr. Speaker, I rise on a point of order. In the last few minutes we have had a member from across the way who has given a half part of information that is critical to this debate. The member asked—

**The Deputy Speaker:** Order, please. Questions and comments and disagreements about what is said in debate are commonplace in the House, as the hon. member for Blackstrap knows.

Hon. members interrupting other members' speeches with points of order that are not points of order is not really fair to the member who has the floor. It is disruptive to one's train of thought even if the train of thought is one with which the other member disagrees.

In the circumstances I think we should resume debate.

**Mr. Gerry Byrne (Parliamentary Secretary to Minister of Natural Resources, Lib.):** Mr. Speaker, I am confident and assured that all members of the House will be keenly attuned and attentive to what I have to say. I know they want to hear members of the House speak common sense. I am sure it will be refreshing for them to hear it for a change because they certainly have not been practising it.

I am very pleased to speak to Bill C-4, an act to amend the Canadian Wheat Board Act. Faced with increased competition in ever evolving markets and bottom line pressures, western Canadian grain farmers are ready for important change. They have said clearly they want the Canadian Wheat Board, but they want it to be more democratic, more responsive and more accountable to them.

The Government of Canada is delivering on that request. Bill C-4 represents the biggest changes in western Canadian grain marketing in more than 50 years. Allow me to explain what these changes are.

For the first time ever, western Canadian grain producers will be responsible for directing the operations of the Canadian Wheat Board, a \$6 billion corporation doing business in more than 70 countries around the world, one of the top 10 Canadian exporters and our country's biggest single earner of foreign exchange.

• (1340)

Under Bill C-4 the system by which the Canadian Wheat Board is currently run by government appointed commissioners will end. It will be replaced—

**The Deputy Speaker:** I am sorry to interrupt the hon. member.

**Mr. Lee Morrison:** Mr. Speaker, I rise on a point of order. I think the hon. parliamentary secretary has the wrong speech. That is the one the minister gave this morning.

**The Deputy Speaker:** I wish the hon. member would heed my admonition about points of order.

**Mr. Gerry Byrne:** Mr. Speaker, I would like to rise on a point of privilege and ask the Speaker to review this charade that members of the Reform Party are conducting. We are trying to conduct debate in the House. They are reciting false standing orders. This is not parliamentary procedure.

Why do members of the Reform Party not want to stand to debate the bill? Why do they insist on heckling? Why do they insist on interrupting the proceedings of the House? Why do they engage in such frivolous, irresponsible behaviour? This is my speech.

**The Deputy Speaker:** We will hear it in a moment.

**Mr. Cliff Bretkreuz:** Mr. Speaker, I rise on a point of order. This is a very important bill for the government, or so it says, yet I only see five members in the House and would call for a quorum.

**The Deputy Speaker:** There is clearly a quorum. The Speaker can see a quorum. The hon. member knows it is improper to make reference to members who are present or not present in the House.

A lot of spurious points of order are being raised. There is a bill before the House for debate. The hon. parliamentary secretary has the floor and should be permitted to make his remarks.

**Mr. Gerry Byrne:** Mr. Speaker, I appreciate your intervention to try to provide some order in the House. It is certainly an arduous task.

Reform members opposite hold 57 seats. However only eight of them are currently filled. The question arises as to whether they are truly in tune with and feel that the bill is important. We do.

As farmer elected representatives the directors will be responsible to their electorate. They will listen and respond to the needs of producers. If they do not, they will not likely gain re-election. That is something to which Reform members should pay attention as they will be facing that reality.

That is the essence of accountability. The directors will have real power to direct all the business and affairs of a new and reformed Canadian Wheat Board. The directors will have the power to review all the Canadian Wheat Board sales and financial data, bar none. They will have the power to select their chairperson. They will have the power to set their own salaries, as well as those of the chair and the president. If necessary, they will have the power to recommend that the president be fired if he is not doing a satisfactory job.

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The government's role in Canadian Wheat Board operations will change from one of paternalism to one of partnership. It will continue to provide financial guarantees. It will continue to ensure that those guarantees do not become a drain on the public treasury, something with which Reform members, given their position on fiscal restraint and accountability of government, would agree.

Farmers in the Canadian Wheat Board have also asked for more options in how grain is marketed and paid for. Bill C-4 will provide the Canadian Wheat Board with ways to operate more flexibly.

Subject to the approval of the new board of directors, which will be a majority of farmers and producers, the Canadian Wheat Board would be able to make cash purchases of wheat and/or barley, adjust initial payments whenever market conditions warrant, close and pay out pool accounts at any time, issue negotiable producer certificates, provide an early pool cash-out option, fully use modern risk management tools, make payments to producers for their grain storage and/or carrying costs, facilitate deliveries to condo storage systems and receive grain through on farm mobile elevators.

Under Bill C-4 farmers will be empowered to decide whether any grain should be added to or removed from the Canadian Wheat Board's marketing mandate.

Let me stress that if farmers want to remove a grain from the Canadian Wheat Board's existing mandate it can be done, subject to three conditions. First, the directors recommend it. Second, the Canadian Grain Commission approves an identity preservation system to protect quality standards. Third, if the exclusion is considered by the directors to be significant, there must be a vote among farmers to approve it.

• (1345)

Balancing the exclusion clause is an inclusion clause. To add a grain certain conditions must be met. The government must receive a written request from an association, all of whose members are producers of the grain in question and which represents the producers of that grain throughout the designated area. The request would be made public. Interested parties would have 120 days to comment to the minister responsible for the Canadian Wheat Board.

The board of directors must then consider the addition. If producers approve of the idea, there must be a vote among producers of that grain to ratify it. The point is that farmers themselves, not the politicians, will decide if the Canadian Wheat Board's marketing mandate is enlarged or reduced.

With the passage of Bill C-4 the future of the Canadian Wheat Board will truly be in the hands of western farmers. For that very reason, this bill deserves full support of all members in this House.

I wish to take a few moments to further discuss the issue which has generated quite a bit of media attention. That is the calls from some groups for the Canadian Wheat Board to disclose detailed information about its operations and have the Canadian Wheat Board subject to the provisions of the Access to Information Act.

On the surface such a request would seem to be one which every Canadian would probably have little difficulty in supporting. However, if we look at it from the farmers' point of view, as with most issues, careful examination reveals that there is more to this question than simply catching a headline in the newspaper, which is what the Reform party is all about. I will address these issues one at a time.

First I wish to make it clear that the Canadian Wheat Board is not presently subject to the provisions of the Access to Information Act. This is a fact and one which the government will not dispute. I would point out that entities such as the Export Development Corporation and Canada Post are also not covered by the Access to Information Act. However the reasons for this situation are logical and well founded, contrary to the allegations that some groups have been making to the media lately about this particular issue.

The Canadian Wheat Board was not included in the schedule of the Access to Information Act so that the wheat board operations and records would not be subject to significantly greater levels of public access and scrutiny, not from the farmers, but from the private sector grain companies against which it must compete. Information in the hands of competitors can be quite dangerous. Information in the hands of farmers, which is what it will be when the board of directors is elected by the farmers, is quite helpful. That is a good change.

This is not to say that the Canadian Wheat Board is an entirely closed shop. The Canadian Wheat Board is audited every year by one of the country's largest and most respected private sector accounting firms. This is a requirement placed on the Canadian Wheat Board by Parliament. The audited financial statements must be tabled with Parliament by March 31 every year.

The results of this audit can be found in the Canadian Wheat Board's annual report. It is not a closed shop secret. This annual report is public and is freely available to anyone who asks for it. These audited financial statements are also filed with the Auditor General of Canada.

Although this audited financial report does not provide details on salaries for specific employees, overall figures for salaries are included. This is consistent with common practice in both public and private sectors. The information provided through the annual report would also permit producers and others to calculate what percentage of the overall Canadian Wheat Board marketing costs are attributed to salaries.

*Government Orders*

The question of whether salaries of individual employees should be made public has been an issue not only with the Canadian Wheat Board, but with many other Canadian and U.S. companies. In arriving at a solution to this question it is necessary to weigh an individual's right to privacy. However, while there are no specific salary figures given, the salary ranges for all employees are available to farmers on request.

In addition, under the provisions of Bill C-4 the 15 member board of directors would be entitled to complete disclosure of all CWB facts and figures. With their full knowledge of the Canadian Wheat Board and its global competition, as well as the interests of grain producers in obtaining additional information, the directors would be in the best position to assess what information should be made public and what for commercial reasons should remain confidential.

A substantial amount of information about the Canadian Wheat Board's recent performance is also available to any interested individual through grain days, the annual series of 12 information meetings which the Canadian Wheat Board holds across western Canada. I note this year's series of meetings kicked off on January 19 in Hussar, Alberta and wrapped up on February 5 in Humboldt Saskatchewan.

• (1350)

Some groups have criticized the fact that the office of the auditor general does not examine the Canadian Wheat Board's books. These groups would have us believe that the Government of Canada or the Canadian Wheat Board is trying to hide something. As usual, nothing could be further from the truth than what the Reform is saying.

As already noted the Canadian Wheat Board currently retains an independent firm of chartered accountants to audit its operations. As such the Canadian Wheat Board is audited with the same rigour as any other commercial organization, private or public, and probably with more rigour than is the Reform Party as a national institution and organization.

It is worth pointing out that the Canadian Wheat Board audit is conducted in accordance with the standards established by the accounting profession which are the same criteria used by the auditor general in reviewing the public accounts of Canada.

There are a number of factors that support continuing the practice of retaining a private firm to audit the Canadian Wheat Board's operations.

Under Bill C-4, the Canadian Wheat Board would cease to be an agent of Her Majesty and a crown corporation, both of which would reduce the justification for involving the office of the auditor general whose traditional mandate is to audit public institutions.

It is worth noting that the Canadian Wheat Board does not receive any direct financial appropriations from Parliament. Loan guarantees provided to the Canadian Wheat Board are approved by the Minister of Finance and as such are audited by the auditor general when the accounts of the Department of Finance are audited. Thus the auditor general is in a position to evaluate and provide commentary on any current or potential consequential effects of the Canadian Wheat Board operations on the CRF.

Some private sector users of financial reports take comfort in the fact that the private sector auditors, unlike the office of the auditor general, are liable under law for negligence and professional misconduct. This consideration would surely be of interest to any of my hon. friends across the way who are always interested in ensuring that people are liable for their actions under law.

Hon. members opposite have made the suggestion that we need to understand the process of auditing. It is obvious they do not understand it. A suggestion has come forward from this side of the House, unlike that side of the House which has provided no commentary whatsoever. They just crack for the sake of cracking like little barking dogs.

Let us bring the auditors of the Canadian Wheat Board to committee. Let us find out what the chartered accountants who audit the Canadian Wheat Board are all about. That positive idea comes from this side of the House. Let us talk about what the chartered accountant profession is all about. Let us talk about a professional organization. Let us talk about the great job those accountants do for the Canadian Wheat Board.

It is worth getting into the topic instead of just sniping and sniping like the barking cranky little dogs we know they are. We are prepared to put our money where our mouth is and let us get to work.

The new board of directors would be able to direct the Canadian Wheat Board's private sector auditor to conduct special audits just as the auditor general may choose to do. There would be no advantage to having the auditor general doing this job. In view of the commercial environment within which the Canadian Wheat Board operates, it is more appropriate that the audit be performed by a professional chartered accounting firm.

On closer examination, the best solution is to place responsibility for accountability with a board comprised of a majority of democratically elected farmers.

**Mr. Garry Breitkreuz (Yorkton—Melville, Ref.):** Mr. Speaker, farmers are becoming aware of what some of those salaries are. They are becoming aware that some of those people are being paid \$120,800, \$110,635, \$119,000, \$113,000. When I looked through the list I could not find many under \$50,000 and most of them were over \$60,000. The average farmer earns much much less than that.

That is what concerns them. They want the auditor general to look at the books.

Did the member see the information his colleague referred to when he questioned me just before his speech? Did he see that information? If that information is being hidden from us, why? We have a right to know.

• (1355)

I would like to make this point in conclusion. There is a way to solve the dilemma this government is in. Government members are saying that the support we say we have for our amendments is not there, that the opposition to Bill C-4 is not there.

Put Bill C-4 to the test. Put it before farmers. Let them vote on it. There is no need to rush this through. We have until the fall before the directors will be put in place. Support our Reform amendment and let farmers tell this government directly what they think of Bill C-4. Why not do that? Is it not a good thing to do? It affects them.

**Mr. Gerry Byrne:** Mr. Speaker, 200,000 pieces of correspondence were sent out by the minister responsible for the Canadian Wheat Board. I did not sign each and every letter but I certainly did have a good thorough analysis, a solid briefing on exactly what the results were.

I will point to some of the hon. member's comments. The hon. member made specific statements regarding 87% and 92%. Numbers were being thrown out wildly.

I remember not very long ago that the deputy House leader I think it was from the Reform Party stood in this House and what was basically said by the hon. member was that public opinion polling had to be done in a scientific, qualitative way and it had to be accountable and the results exposed.

We have heard a plethora of numbers that have come from members opposite in this Chamber. They cannot explain what those numbers mean. They have not tabled any documents.

I could stand here and say that I saw 101% of all the letters that were received from farmers. The truth is that I only saw 100%.

**Mr. Jake E. Hoepfner (Portage—Lisgar, Ref.):** Mr. Speaker, I was at a Weyburn meeting I think it was on January 20. There was a guest book with the signatures of some 600 people and I imagine they were all farmers.

The question was asked how many people would support single desk selling. Out of some 600 people, not one hand went up. When it was asked how many of those farmers wanted dual marketing, 85% to 90% of the hands went up. I am not saying that there was not one or two people or maybe a dozen who would have supported single desk selling. They were a little cautious in putting their hands up, but I thought that was a pretty good poll.

*S. O. 31*

When I went to Alberta, I had the same experience meeting after meeting. There were 75% to 80% of the people who wanted a marketing choice. If that is not pretty good polling, I do not know what else to do.

The people were there physically. They took the opportunity to come out, to give their ideas and to put up their hands. That is what we do here in the House when we stand up. That is pretty good polling I would say.

**Mr. Gerry Byrne:** Mr. Speaker, hands up for those in this House who feel that the Reform Party does not represent its constituents. I am sure we would get a very high percentage.

Quite frankly we have to use scientific polling. We have a majority in this House. The question that is being asked here is whether this is a reasonable expectation to just have a show of hands on a very single issue. There is more to this issue.

**The Speaker:** My colleagues, it being 2 p.m. we still have a few minutes of questions and answers. We will take these right at the end of question period, but right now we will go to Statements by Members.

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## STATEMENTS BY MEMBERS

[English]

### 1998 WINTER OLYMPICS

**Mr. George Proud (Hillsborough, Lib.):** Mr. Speaker, over the weekend one of P.E.I.'s most famous and most loved athletes struck gold in Nagano, Japan.

Dave MacEachern, Eli as he is known to islanders, and his teammate Pierre Lueders from Edmonton entered their names in the history books when they tied for gold with Italy in the two-man bobsled competition. After four runs both teams had the exact accumulated time. Although a tie is rare, it is not the first time.

• (1400)

However, the importance of this medal is not missed by Canadians. This is the first gold in 34 years for Canadian bobsledders and Eli is the first islander ever to win an Olympic gold medal.

Just to show how supportive islanders are to their athletes, last week over 17,000 islanders put their signatures on a 400 page fax sent to Dave in Nagano.

On behalf of all islanders I want to congratulate Eli for his outstanding performance. At the same time I want to wish him and his team mates the best of luck in the four man bobsled scheduled for this coming week. Good show, Dave.

*S. O. 31*

### THE SENATE

**Mr. Inky Mark (Dauphin—Swan River, Ref.):** Mr. Speaker, a member in the upper house indicated, upon appointment, that reforming the upper chamber would be a chief priority. This member, Senator Carstairs, a former leader of the Liberal Party of Manitoba, said: "I think the Senate should be an elected institution". She criticized Mr. Mulroney's appointment of one of his fundraisers in 1993.

We hope Senator Sharon Carstairs will take a principled stand and insist that she will go down in history as the last Manitoba Senator to be appointed, not elected. We hope Senator Carstairs will take a giant step toward reforming the upper chamber, that she will insist that Manitoba elect a Senator for the next vacancy.

The next vacancy will occur May 6, 1998, the date her Tory colleague is scheduled to retire.

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### LITERACY

**Mr. Gurbax Singh Malhi (Bramalea—Gore—Malton, Lib.):** Mr. Speaker, Thursday is literacy day and Canada's literacy challenge is enormous.

According to a recent international adult literacy survey, almost half of Canada's adult population is functioning at the two lowest levels of literacy defined by the survey. That is about 10 million people from the age of 16 and up.

What it means is that these people are likely struggling in our knowledge based society. If you cannot read well, how do you help your kids with their homework? If you cannot read and write well, how do you get a good job?

I call on fellow members in the House to take our literacy problem very seriously. Our economy, our kids and our future as a country all hinge on building up our literacy skills.

\* \* \*

### NATIONAL UNITY

**Mrs. Karen Redman (Kitchener Centre, Lib.):** Mr. Speaker, in the midst of this year's ice storm and the devastation there was also great beauty. Canadians demonstrated a unifying sense of community that embraces the expanse of this great country.

In light of the initiatives during the ice storm and the current media focus on national unity it is essential that Canadians and Quebecers have this context in mind when dealing with the future of our country.

Unity requires the ongoing effort of all Canadians, for my constituents of Kitchener Centre here in Ontario, the people of British Columbia, Manitoba and Newfoundland to reach out to the

hearts of Quebecers, to make a connection on a personal level as we saw during the ice storm aftermath.

The future of this country cannot be seen as a clash of titans, as a tug of war between governments. It should not be depicted as a political issue, as some are trying to do.

This is a people issue. It is an issue of the Canadian people.

\* \* \*

[*Translation*]

### ECONOMIC DEVELOPMENT

**Mr. Claude Drouin (Beauce, Lib.):** Mr. Speaker, I would like to share with the members of this House some excellent news for the Beauce region.

On January 30, the Hon. Secretary of State for the Federal Office of Regional Development announced a \$360,000 repayable contribution to Metubec Inc. of Saint-Jules de Beauce.

This investment by the Government of Canada will ensure the establishment of the only automated plant specializing in the manufacture of metal handles in Canada. It will use advanced technology developed in Italy.

Our government is proud to be associated with this project through the Gatiq-Technorégion Québec—Chaudière-Appalaches fund, because not only is this an innovative project but it will also result in the creation of approximately 15 jobs in Saint-Jules.

This is another excellent example of the importance we in Canada attach to the economic development of Quebec regions.

Congratulations to the two main developers, Marcel Paré and René Beaupré.

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[*English*]

### THE SENATE

**Mr. John Duncan (Vancouver Island North, Ref.):** Mr. Speaker, in British Columbia I have done random testing and most British Columbians can name only one of our six senators, Pat Carney.

It goes without saying that if facing elections five of our six might as well not even file. We are in danger of becoming the only western democracy sleep walking into the 21st century without an elected Senate.

• (1405)

Recently I spent some time with some American senators and congressmen. They were very interested in the workings of the Canadian Parliament and in some of the democratic reforms which the Reform Party promotes.

I had a simple response to their questions about the Canadian Senate. Canadians understand that in the United States if one wants to become a senator one has to win an election, but in Canada one has to lose an election.

When is the government going to fix this dysfunctional setup?

\* \* \*

[*Translation*]

#### REFERENCE TO SUPREME COURT

**Mrs. Christiane Gagnon (Québec, BQ):** Mr. Speaker, today Quebec artists conveyed to the Supreme Court of Canada the message that the Quebec people will not agree to be bound by a decision made on the basis of the Constitution Act, 1982, an act that was never recognized by the Quebec National Assembly.

Because they believe in democratic values, artists have continued to think and create freely, in spite of the Minister of National Heritage, who wanted to use them as Canadian flag bearers.

It is therefore with pride that I quote Pierre Graveline, who recently wrote: "While our existence and freedom are once again being challenged by the Canadian government, we assert today that Quebecers are a free people with a legitimate right to self-determination that no court can take away. Our destiny does not belong to anyone but ourselves. It is not up to the Supreme Court but to us and us alone to decide our future".

\* \* \*

[*English*]

#### NATIONAL UNITY

**Mr. Ted McWhinney (Vancouver Quadra, Lib.):** Mr. Speaker, the British Columbia panel on national unity, appointed by Premier Glen Clark and including MPs from the three federal parties now holding seats from B.C., has just reported on its province-wide hearings on the nine provincial premiers' recent Calgary declaration.

The panel has found that British Columbians, by a very large majority, support constitutional recognition of the status of the French civil law, the French language and the French culture within Quebec. British Columbians' constitutional recognition of Quebec as a unique society within our federal system flowed logically and inevitably from that by an equally large majority.

British Columbians have accepted Quebec as a unique society without demanding any constitutional quid pro quo or recognition of any B.C. special historical constitutional claims. They have made a unilateral gesture of goodwill to Quebec in an expression of faith in the future of a plural Canadian society within a plural Canadian federal system.

*S. O. 31*

After 30 years it may be time now to close the constitutional files.

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[*Translation*]

#### REFERENCE TO SUPREME COURT

**Mrs. Maud Debien (Laval East, BQ):** Mr. Speaker, yesterday men and women from all regions of Quebec demonstrated unanimously in front of the supreme court, proclaiming for all to hear their pride and deep sense of belonging to Quebec and reaffirming that only Quebecers have the right to decide their own future.

On Monday, Quebecers of all ages reiterated their disagreement with, and declared illegitimate, null and void, any attempt to have a court of law overrule the sovereign will of a people.

Quebec's democrats, sovereigntists and federalists alike, whatever their political affiliation, are calling on people to join forces against this unprecedented attack on Quebec's democratic institutions, and against the use of the supreme court for political and partisan ends.

At this crossroads, it is clear which direction we must take: the people of Quebec will follow the way of democracy pure and simple.

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#### TRANSITIONAL JOB CREATION FUND

**Ms. Eleni Bakopanos (Ahuntsic, Lib.):** Mr. Speaker, Montreal has suffered greatly, from an economic point of view in particular, as a result of the political and economic instability brought about by the propaganda of the separatist government in Quebec.

In order to provide assistance to small and medium size businesses, the federal government has created the transitional job creation fund.

[*English*]

Since September, this fund has created 366 new jobs and provided \$1.5 million for many textile manufacturers in my riding of Ahuntsic; to name a few, Tricot Giorgio, Tricot Terrytex and Christina Canada, all of which have used these funds to purchase new high tech equipment and export their Canadian products to new markets.

[*Translation*]

This is another good example of the importance this government attaches to job creation and to the development of a dynamic economy in Montreal.

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[*English*]

#### CANADIAN WHEAT BOARD

**Mr. David Chatters (Athabasca, Ref.):** Mr. Speaker, it is truly a sad day for western Canadian farmers. Today this government is

*S. O. 31*

ending debate on changes to the Canadian Wheat Board by invoking closure. Even worse, in spite of ample and verifiable evidence that the government has long used the wheat board as a foreign policy tool at a cost of billions of dollars to Canadian grain producers, wheat board lawyers even went as far as to argue before the courts that the wheat board had no obligation to prairie farmers.

• (1410)

In spite of this, both the minister of agriculture and the wheat board minister last night voted against an amendment proposed to make the primary legal responsibility of the wheat board to act in the best interests of wheat and barley producers.

All other arguments aside, is it not reasonable that the producers of the grain should be able to expect their marketing agent to act primarily in their interest? Truly a sad day for democracy and property rights.

\* \* \*

[Translation]

### THE ECONOMY

**Ms. Raymonde Folco (Laval West, Lib.):** Mr. Speaker, our Prime Minister issued a vigorous call today at noon before the members of the Canadian Club inviting Canadians to join him in facing the vital economic challenges arising at the dawn of the year 2000. These challenges will involve ensuring sustained economic growth, as we have since 1993, for our children and future generations. This is what vision is about.

Vision, for most Canadians, means taking advantage of the incredible opportunity to live in Canada. The Prime Minister made the commitment today to give young Canadians the opportunity to take part in improving the quality of our life.

Our government finds solutions for the problems facing us. The sovereignists would do well to note this speech expressing common sense and the realities of our country.

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[English]

### NATIONAL DEFENCE

**Mr. Gordon Earle (Halifax West, NDP):** Mr. Speaker, this government has downsized the Department of National Defence, hurting both civilian and military employees. Since 1993 the civilian work force has been cut by over 11,000.

The threat now facing DND employees is the government's alternative service delivery which will be used to cut another 3,800 workers; 600 to 800 job losses in the Halifax area alone.

The government argues the ASD process will find workers who can provide support service for the best price. Yet when civilian military workers successfully beat the ASD contract bids of private companies, the government changed the rules in favour of the large corporations. What is the real agenda here, an efficient military or a privatized military?

The devastation of the ASD is evident at CFB Goose Bay in Newfoundland where support services were recently privatized to a foreign corporation which is now slashing jobs and reducing the leftover wages by 20% to 30%. The impacts on the community have been dire, with everyone from DND workers to the local chamber of commerce denouncing the privatization deal.

\* \* \*

[Translation]

### MONIQUE VÉZINA

**Mr. Denis Coderre (Bourassa, Lib.):** Mr. Speaker, a number of separatists switch sides over the years. They call that progressing, except that in certain instances, there is a certain lack of subtlety.

For example, a former minister in the Conservative government of Brian Mulroney and a friend of the current Conservative leader, Monique Vézina, yesterday said she never had been a federalist. So what was she doing in the Conservative government? What was she doing in a party that was promising to bring Quebec back into the constitutional fold with honour, as former Prime Minister Brian Mulroney put it? Was Ms. Vézina a separatist while she was representing the Conservative government as part of her duties abroad?

That is the essence of the separatist coalition, which comprises individuals who will try to obliterate their past to make way for their proposal to separate Quebec from the rest of Canada. If that is democracy, I far prefer commitments by people who speak frankly, coherently, with their past—

**The Speaker:** The hon. member for Sherbrooke.

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[English]

### NATIONAL UNITY

**Hon. Jean J. Charest (Sherbrooke, PC):** Mr. Speaker, I rise today to speak to the issue of the supreme court reference.

I have opposed this initiative for these reasons. Every national political party and its leader in this House agrees that this matter, the future of Canada, is ultimately a political decision. A court ruling cannot be a substitute for the common will of Canadians to live together and share the same destiny.

We should not kid ourselves on the ultimate effect this strategy will have. The separatists can only rejoice in the fact that this

*Oral Questions*

keeps their issue on the top of the national agenda. The discussion now revolves around how the country can be broken up as opposed to how we can make it work better.

At every turn and every moment of my political life, I have fought for my belief in Canada. Canadians deserve leaders able to see beyond the next horizon, to do what is right instead of succumbing to what is easy. I will never give up my fight for Canada.

\* \* \*

● (1415)

**JUSTICE**

**Mr. John Maloney (Erie—Lincoln, Lib.):** Mr. Speaker, I congratulate the Ontario Court of Appeal on its insight while ruling on the “no means no” rape shield law.

When the new amendments were introduced and became more commonly known as the “no means no” rape shield law, defence lawyers and civil libertarians predicted the new rules would be found unconstitutional.

This provision restricts the ability of defence lawyers to question sexual assault complainants about their previous sexual history, even with that of the accused.

In a major decision the Ontario Court of Appeal ruled that the rape shield provision does not violate the charter of rights and freedoms.

Regarding the constitutionality of the new provision, the three judge panel decided: “The admission of evidence of the prior sexual activity of a complainant clearly infringes the complainant’s privacy interests and these should be protected to the fullest extent possible while maintaining an accused’s right to make full answer and defence”.

This decision is a sound and sensible precedent. It makes good law.

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**ORAL QUESTION PERIOD**

[English]

**THE ECONOMY**

**Mr. Preston Manning (Leader of the Opposition, Ref.):** Mr. Speaker, earlier today the Prime Minister announced that much of the fiscal dividend will go toward his millennium scholarship fund. His fund is full of lofty promises, but it will not replace the \$7 billion the Liberals have slashed in payments to the provinces for health and education. It will not help students graduating this year with \$30,000 of debt. It will not help the 17% of our young people currently out of work.

Instead of this millennium band-aid, why does the government not reward Canadians with tax relief, the real way to a brighter future for all?

**Hon. Paul Martin (Minister of Finance, Lib.):** Mr. Speaker, I find it difficult to understand why the Leader of the Opposition would oppose the millennium fund. What better way is there, as the Prime Minister said in this House, to celebrate the millennium than by investing in the education of young Canadians, by investing in the future of young Canadians, by investing in the intellectual capacity of this country so that we can succeed in the modern economy?

**Mr. Preston Manning (Leader of the Opposition, Ref.):** Mr. Speaker, I am surprised that the would-be prime minister would defend the speech of the current Prime Minister when it did not contain a single word about debt reduction or tax relief.

If the Prime Minister wants to help children in Brandon, as he says, why does he load every child with \$20,000 worth of debt on the day it is born?

If the Prime Minister wants to help the single mother in Brandon, why does he tax \$1,300 out of her pocket every year?

Instead of getting out the chequebook, why does the government not reward Canadians with debt reduction and tax relief?

**Hon. Paul Martin (Minister of Finance, Lib.):** Mr. Speaker, the Prime Minister has on numerous occasions talked about debt reduction and its need. The Prime Minister has spoken about the need for tax reduction.

The difference between the Prime Minister and the leader of the Reform Party is that the Prime Minister is also capable of talking about the kind of vision, the kind of country we want to build. He is capable of talking about investing in Canadians. He is capable of talking about the needs of young people and the needs of seniors.

This country is not a balance sheet. This country is made up of human beings who believe in their country. That is what the Prime Minister has spoken about.

**Mr. Preston Manning (Leader of the Opposition, Ref.):** Mr. Speaker, that is the problem, the Prime Minister talks and that is it. He does not do anything.

Since the Liberals came to power the take home pay of the average Canadian family has dropped by \$3,000. Tuition is up 45% for the students the government is so passionately concerned about. Student debt has tripled and unemployment for young people is at record levels.

Instead of creating another band-aid for publicity purposes, why does the Prime Minister not stabilize health and education funding and give Canadians debt reduction and tax relief?

**Hon. Paul Martin (Minister of Finance, Lib.):** Mr. Speaker, the Prime Minister inherited a deficit of \$42 billion. It is going down.

*Oral Questions*

The Prime Minister inherited a country which had interest rates 200 to 300 basis points above the Americans and now they are 200 basis points below.

The Prime Minister inherited a country where productivity was declining. Now it is on the rise.

If the leader of the Reform Party wants to talk about tax cuts, why is he prepared to cut taxes and pay for that by cutting health care, education, old age pensions and equalization payments? Why is the leader of the Reform Party prepared to cut taxes for the rich on the backs—

• (1420)

**The Speaker:** The hon. member for Medicine Hat.

**Mr. Monte Solberg (Medicine Hat, Ref.):** Mr. Speaker, that answer was slightly ironic, coming from the finance minister who cut health care transfers by 35% or \$7 billion.

Today's prebudget speech told Canadians they could expect exactly zip-a-de-doo-dah in terms of tax relief for Canadians in next week's budget. Absolutely nothing. Not a single word about tax relief or about debt reduction.

Why is the government insisting on repeating the same mistakes of the past 30 years, continuing down the same track of high spending and more debt for Canadians?

**Hon. Paul Martin (Minister of Finance, Lib.):** Mr. Speaker, that is the Reform version of the full monty.

The hon. member can rest assured that we will continue on the path we set out in 1994. We will reduce the deficit and we will reduce the debt the same way. We will bring taxes down and we will invest in the future of Canadians because that is what Canadians want their government to do.

**Mr. Monte Solberg (Medicine Hat, Ref.):** Mr. Speaker, the Prime Minister made it abundantly clear today that his vision for Canada means more big government programs from Ottawa. That is his vision for Canada. He made it abundantly clear in his speech today.

My question is for the finance minister. Is the Liberal vision for Canada a bunch of higher taxes for Canadians? Is it their vision that Canadian families should be paying \$6,000 a year in taxes just for the interest on the debt? Is it their vision that we should see disposable incomes falling by \$3,000 since the government came to power? Is that their vision for Canada? Is that what the Liberals are all about?

**Hon. Paul Martin (Minister of Finance, Lib.):** Mr. Speaker, when Canadians read the Prime Minister's speech they will understand what he was talking about and they will understand what Reformers are objecting to.

They are objecting to investment in young Canadians. They are objecting to great national projects. They are objecting to the

country facing the modern economy. They are objecting to the country saying that globalization will not dominate our economy but that we will take charge.

The issue really is, and the line in the sand has been drawn, why the Reform Party thinks that the only responsibility of government is to cut debt. Does it not understand that there is also a human deficit and that the government will make sure that disappears?

\* \* \*

[Translation]

**REFERENCE TO SUPREME COURT**

**Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ):** Mr. Speaker, the government is digging itself in deeper with the Supreme Court reference, as we learn that the Minister of Justice has taken a position completely at odds with that of the government lawyer, Yves Fortier.

Can the Minister of Justice tell us which is the government's real position in this reference, the position that she expressed and that appeared in yesterday's *Toronto Star*, or the one argued by Yves Fortier, yesterday as well, before the Supreme Court?

[English]

**Hon. Anne McLellan (Minister of Justice and Attorney General of Canada, Lib.):** Mr. Speaker, obviously this case is being argued before the court today. Therefore we are all limited in that which we should say because this case is not to be argued outside the court.

Let me, however, make it very plain. We believe that we the Government of Canada put three fundamental questions before the court. Mr. Fortier argued yesterday that the court should answer those three fundamental questions. There may well be other questions that in the future need to be addressed, but those are not questions before the court. I am in complete agreement with—

[Translation]

**Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ):** Mr. Speaker, the minister tells us we should not speak about it, but she goes ahead anyway. She spoke about it two seconds ago; she speaks about it in the *Toronto Star*. So, we might as well keep right on.

The Minister of Justice said that Quebec's sovereignty created such a special situation that the Constitution would be of no help.

• (1425)

How does she square this statement with Mr. Fortier's position that Quebec's sovereignty is subject to the Canadian Constitution, because it seems that Mr. Fortier is speaking on her behalf?

[English]

**Hon. Anne McLellan (Minister of Justice and Attorney General of Canada, Lib.):** Mr. Speaker, what Mr. Fortier said

yesterday on behalf of the Government of Canada is completely consistent with what I and some of my colleagues have said.

We have always made the argument that we must proceed on the basis of the rule of law. That is what Mr. Fortier said yesterday. That is what the government is going to do.

[Translation]

**Mr. Michel Bellehumeur (Berthier—Montcalm, BQ):** Mr. Speaker, the minister does not see any contradiction. Let me give her another example.

How can the Minister of Justice state that the court should rule on the rights of Aboriginal people in the event of secession when, yesterday, her own counsel, Yves Fortier, explicitly asked the court not to rule on the rights of Aboriginal people should Quebec secede?

That is a contradiction, is it not, Madam?

**The Speaker:** Dear colleagues, questions must always be put to the Chair.

**Hon. Stéphane Dion (President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs, Lib.):** Mr. Speaker, there are numerous legal implications to secession. There are the Aboriginal people, to whom the Government of Canada has a fiduciary responsibility. There is the issue of the territories. There is the issue of the charter of rights. And the list goes on.

The Government of Canada asked what it felt were the most fundamental questions regarding the legality of a unilateral declaration of independence, and that is what we have asked the court to rule on.

**Mr. Michel Bellehumeur (Berthier—Montcalm, BQ):** Mr. Speaker, the government across the way has a big problem on its hands. In her statements, the minister contradicts not only her counsel but also Mr. Canada, the Minister of Intergovernmental Affairs.

How can the minister explain, on the one hand, her contention that the Constitution would be of no use in the event of a yes vote for sovereignty in Quebec and, on the other hand, the Minister of Intergovernmental Affairs' old refrain that Quebec separation would be subject to the terms of the Constitution Act, 1982?

Is that not yet another contradiction?

[English]

**Hon. Anne McLellan (Minister of Justice and Attorney General of Canada, Lib.):** Mr. Speaker, let me clarify for hon. members across the way that there is absolutely no contradiction between the Minister of Intergovernmental Affairs and me. Nor is there any contradiction between what we believe and what our counsel is arguing in the supreme court today.

### Oral Questions

Let me make it absolutely clear for everybody in the House that the government's fundamental position is that we must proceed only on the basis of the rule of law and respect for the law.

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### MIDDLE EAST

**Ms. Alexa McDonough (Halifax, NDP):** Mr. Speaker, the United States representative on the security council has refused to sanction the diplomatic mission to Baghdad by UN Secretary General Kofi Annan.

Will the foreign affairs minister ensure that the Prime Minister picks up the phone immediately and asks President Clinton to remove U.S. obstacles to the United Nations brokered diplomatic proposal to allow weapons inspections and prevent the bombing of Iraq?

**Hon. Lloyd Axworthy (Minister of Foreign Affairs, Lib.):** Mr. Speaker, I am very pleased to report to the House that over the last three or four days the Prime Minister has undertaken a number of phone calls. We have had a number of connections with other ministers and my counterparts. There is some momentum being developed for initiatives coming out of the United Nations.

The secretary general has taken control of a series of proposals. We and other countries have been working very closely with him. Rather than asking uninformed questions about the status, the hon. member should be trying to support the diplomatic initiatives that are under way.

**Ms. Alexa McDonough (Halifax, NDP):** Mr. Speaker, we are asking the U.S. to do it and they are blocking those initiatives.

Former key United States allies Bahrain, Qatar and Oman have joined Saudi Arabia and declared their airfields off limits to U.S. forces.

Will this declaration give the government cause to rethink its hasty support for bombing? Will the Prime Minister now call President Clinton to remove the U.S. veto that is crippling the secretary general's mission to Iraq?

**Hon. Lloyd Axworthy (Minister of Foreign Affairs, Lib.):** Mr. Speaker, the hon. member is not correctly informed. Countries in the gulf like Oman and Bahrain have offered to provide support for the coalition task force.

• (1430)

As well the Netherlands, the Czech Republic, Poland and Denmark have all indicated that they are prepared to support the effort to stop Saddam Hussein from using weapons of mass destruction that could really threaten the security of the entire world.

*Oral Questions*

[Translation]

**REFERENCE TO SUPREME COURT**

**Hon. Jean J. Charest (Sherbrooke, PC):** Mr. Speaker, as the Prime Minister has handed over his responsibilities to the Supreme Court and its justices on the subject of Canadian unity, I would like to know today whether the Prime Minister and the government intend to ask the justices to campaign in the unfortunate event of another referendum.

**Hon. Stéphane Dion (President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs, Lib.):** Mr. Speaker, on a number of occasions, the Conservative leader has said that, in an ambiguous situation, the federal and provincial governments should not doubt prevent Quebecers from destroying Canada. This is the opposite of the remarks by the Bloc Québécois and the Quebec premier, who are saying that they have the right to proclaim Quebec's independence unilaterally.

There is a fundamental question of law here. So who is right in legal terms, the leader of the Conservatives or the leader of the Bloc Québécois?

**Hon. Jean J. Charest (Sherbrooke, PC):** Mr. Speaker, this is not a legal question, but a political one.

[English]

I want to offer the government an opportunity to inform Canadians about its plans. Today I would like to know in a straightforward manner what the government's plan is once the supreme court ruling is rendered. What will be the next step?

**Hon. Herb Gray (Deputy Prime Minister, Lib.):** Mr. Speaker, I can tell the House one thing. Unlike the leader of the Conservative Party we will not be campaigning with Monique Vézina with whom he sat in the House of Commons for nine years even though she was not a federalist.

**Mr. Preston Manning (Leader of the Opposition, Ref.):** Mr. Speaker, the Bloc Québécois and the federal Conservatives are in bed together on the supreme court rhetoric. They both argue that the rule of law has no place in settling the issue of Quebec's secession, only the democratic will of the Quebec people.

If the government's position is that it is necessary to respect both the rule of law and democratic consent in this matter, will the government answer this question? How does it believe the democratic will of Quebecers should be respected on this matter?

**Hon. Stéphane Dion (President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs, Lib.):** Mr. Speaker, it has been said many times that what will be necessary is a clear expression that Quebecers do not want to be Canadian any more.

We think Quebecers would never say that unless the question was confused or the process was confused. We want to make sure that this will not happen.

**Mr. Preston Manning (Leader of the Opposition, Ref.):** Mr. Speaker, in its presentation to the supreme court the federal government is quite clear on what it means with respect to the rule of law on this issue, but when it comes to what the federal government thinks about respecting the democratic will of Quebecers on this question, the Prime Minister's position has been weak and unclear. This plays into the hands of the separatists and their new found friends.

When it comes to respecting the democratic will, does the government mean that if a majority of Quebecers were to vote yes to a fair question in a fair process it would respect that decision, or does it mean something else?

**Hon. Stéphane Dion (President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs, Lib.):** Mr. Speaker, with a very clear question, a clear majority and after proper negotiations within the legal framework, the country could break up.

We do not believe in that. We strongly believe that Quebecers and other Canadians will stay together, united.

[Translation]

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

Yesterday, the Minister said that, if there were a yes to sovereignty, the circumstances would be so extraordinary that they could not be accommodated by the constitutional framework. Yet Yves Fortier is arguing the opposite.

Also, in connection with the aboriginal people, she stated that the court ought to decide on their right to secede, while Yves Fortier is arguing the exact opposite.

My question is very simple: Where does Mr. Fortier's mandate come from?

• (1435)

**Hon. Stéphane Dion (President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs, Lib.):** Mr. Speaker, as I just said, the threat of secession raises many very serious issues, a huge number of issues, including the aboriginal question, including the statements by my counterpart, Minister Brassard, that he would use the police to keep people within an independent Quebec against their will. These are serious matters.

The first question, the most essential one, is this: Does the PQ government have the right to proclaim itself the government of an independent state, or does it not? We believe it does not. The leader

of the Conservatives describes this as a black hole, but we shall see what the court has to say.

**Mr. Pierre Brien (Témiscamingue, BQ):** Mr. Speaker, my supplemental question is for the Minister of Justice.

When she says that the constitutional framework could not accommodate a circumstance such as the sovereignty of Quebec, if she really believes that, what is the government doing before the supreme court?

**Hon. Stéphane Dion (President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs, Lib.):** Mr. Speaker, the Government of Canada has stated on a number of occasions that the purpose of the reference is not to hold Quebecers in Canada against their will, and that if secession were to be negotiated, this could be done within the framework of the law.

Yesterday my counterpart, Mr. Brassard, again said that international law gave them the right to proclaim themselves the government of a state. We need to know if this is true or false. If this is a wrong theory, we will all find this out, including the Conservative leader, who will learn it is no black hole. International law does not give the right to secession within a democracy.

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[English]

#### SENATE OF CANADA

**Miss Deborah Grey (Edmonton North, Ref.):** Mr. Speaker, today, Ontario MPP Jim Brown unveiled a bill that would bring true democracy to Canada's decrepit Senate. The Ontario Senate selection act would allow ordinary Ontarians to choose their senators in a democratic vote. This would be a real millennium project, bringing the Senate into the 21st century.

Will the Prime Minister honour Ontario's choice to replace Senator Andrew Thompson with an elected senator?

**Hon. Herb Gray (Deputy Prime Minister, Lib.):** Mr. Speaker, it would be interesting to see what happens to Mr. Brown's bill. The hon. member said it was simply tabled in the House. Will it be supported by the Ontario Tory government? Will it die on the order paper? We do not know.

One thing I do want to say is that the Prime Minister has constitutional responsibilities that he has to carry out. Unless and until the constitution is changed, that is the position.

**Miss Deborah Grey (Edmonton North, Ref.):** Mr. Speaker, the minister talks about it dying on the order paper. We do not have any say over what happens in the Ontario legislature but we do have a say over what happens here. Whether it dies here or not, I think it is certainly something we need to ask about.

#### Oral Questions

The Prime Minister has said how he dearly wished he could throw Senator Andrew Thompson out, but he also gave a million excuses to defend the same man.

When Ontarians choose to elect a senator, will the government and the Prime Minister send him to the Senate, or will he just yammer on about the dead Charlottetown accord?

**Hon. Herb Gray (Deputy Prime Minister, Lib.):** Mr. Speaker, when the government proposes an amendment to create an elected Senate, elected truly by the people, will the Reform Party vote against it as it did with the amendments to the Charlottetown accord?

\* \* \*

[Translation]

#### REFERENCE TO SUPREME COURT

**Mr. Michel Gauthier (Roberval, BQ):** Mr. Speaker, the Minister of Intergovernmental Affairs seems to like answering other people's questions. We will see if he answers his own.

The government is becoming increasingly mired in contradictions. Not only does the Minister of Justice not agree with her lawyer, or with her intergovernmental affairs colleague but, what is more, the latter does not agree with the Prime Minister.

Last week, he claimed that states always acted within the rule of law. How does he explain the fact that, in 1970, as Minister of Indian and Northern Affairs, the Prime Minister took unilateral action to—

**The Speaker:** I am sorry to interrupt the hon. member. The Minister of Intergovernmental Affairs.

**Hon. Stéphane Dion (President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs, Lib.):** Mr. Speaker, international law may recognize innovative actions by governments when states deem them beneficial and proper.

But, in the case of unilateral declarations of independence, which have been tried on many occasions throughout the world, states have almost always replied that that was not something they would wish to encourage, and this did not enter into international law, in our opinion, outside of colonial situations.

• (1440)

**Mr. Michel Gauthier (Roberval, BQ):** Mr. Speaker, it is troubling to hear him speak about international law, when the government's Minister of Justice does not agree with her lawyer or with the Minister of Intergovernmental Affairs, and the Minister of Intergovernmental Affairs does not agree with the Prime Minister.

Does he not think he should try to clarify matters for the benefit of everyone, instead of adding to the confusion?

*Oral Questions*

**Hon. Stéphane Dion (President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs, Lib.):** Mr. Speaker, yesterday my counterpart in the Quebec government, Minister Brassard, said "Quebec's efforts to achieve sovereignty are consistent with the right of peoples to decide their own future, as recognized by the international community. They are therefore not subject to the Canadian Constitution".

That is one legal theory. Is it right? Is it wrong? We are submitting this legal opinion to the court.

\* \* \*

[English]

**ABORIGINAL AFFAIRS**

**Mr. Mike Scott (Skeena, Ref.):** Mr. Speaker, the saga for us in the department of Indian affairs continues. I have in my possession an internal departmental memo in which one senior Indian affairs bureaucrat instructs another not to release information requested under access to information because it might embarrass the department. Requested under access to information and denied because it might embarrass the department.

Does the Indian affairs minister agree that this is nothing more than a cover-up?

**Hon. Jane Stewart (Minister of Indian Affairs and Northern Development, Lib.):** Mr. Speaker, as I have said on numerous occasions in this House, we are working very hard to look at the implications surrounding a particular letter with regard to access to information.

The investigation I have asked for will make recommendations to me not only about this letter but about other procedures and policies in the department. From those recommendations we will act.

**Mr. Mike Scott (Skeena, Ref.):** Mr. Speaker, that investigator will have a full time job pretty quickly over there.

Let me quote from the internal memo: "It is suspected that the requester plans to use the information in an attempt to embarrass either the chief and council of the Gull Bay First Nation or the department, or both. Particular diligence and review of the information prior to its release is recommended".

How can anybody have faith in the current investigation, necessitated because of the department's breach of Bruce Starlight's privacy, when we have evidence of such cover-ups?

**Hon. Jane Stewart (Minister of Indian Affairs and Northern Development, Lib.):** Mr. Speaker, as I have said time and again, I take these issues very seriously. That is why I asked for an outside investigator to come in to review the issues facing us with regard to access to information and letters of confidentiality.

I wish the opposition would let this process take its course and let us deal with facts and recommendations by the investigator.

\* \* \*

[Translation]

**BILL C-28**

**Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ):** Mr. Speaker, this morning the government's ethics commissioner acknowledged that the Minister of Finance did indeed sponsor Bill C-28 and he added that the measures intended to eliminate any whisper of conflict of interest were not implemented, contrary to the remarks of the Prime Minister and Deputy Prime Minister.

Since the ethics commissioner has just destroyed the principal argument in the defence of the Minister of Finance, does the Prime Minister continue to deny so categorically any appearance of conflict of interest with respect to the shipowner-legislator?

**Hon. Herb Gray (Deputy Prime Minister, Lib.):** Mr. Speaker, I personally spoke to the ethics commissioner, Mr. Wilson, just before oral question period. He informed me there was no conflict of interest and therefore no appearance of a conflict of interest.

\* \* \*

[English]

**EMPLOYMENT**

**Mr. Paul Bonwick (Simcoe—Grey, Lib.):** Mr. Speaker, my question is for the Minister of Industry.

We as a government have made tremendous strides toward reducing unemployment in this great country, but many of my constituents in Simcoe—Grey still cannot find work. What strategy does the minister have in place to ensure that we continue to see a reduction in unemployment, in particular unemployment in rural Canada and Simcoe—Grey?

**Hon. John Manley (Minister of Industry, Lib.):** Mr. Speaker, the challenge of encouraging economic growth and jobs in rural and remote communities largely lies with access issues, access to financing. We have made major progress through changes in the Business Development Bank of Canada and the Farm Credit Corporation, access to markets with a network of international trade agreements and Team Canada and access to technology.

• (1445)

In communities as different and as remote as Otterville, Ontario or Montague, Prince Edward Island, or even Rankin Inlet in the Northwest Territories, the community access program has put these communities on the mainstream of the information highway providing opportunities for economic growth and job creation.

*Oral Questions***NATIONAL REVENUE**

**Mr. Howard Hilstrom (Selkirk—Interlake, Ref.):** Mr. Speaker, yesterday the Minister of National Revenue denied that John Thiessen's tax returns were released without authorization. I have a letter from the RCMP confirming that Revenue Canada has been told of this leak.

Does the minister want more black and white evidence or will he tell us on what authority the tax returns of John Thiessen were released?

**Hon. Harbance Singh Dhaliwal (Minister of National Revenue, Lib.):** Mr. Speaker, as I said yesterday, confidential tax information cannot be released outside of Revenue Canada unless authorized by the client or by the law.

The matter of which the member speaks is with Manitoba Public Insurance Corporation. Last year we looked at that particular issue and we have cleared up any ambiguity that may have existed.

\* \* \*

**CENSUS**

**Mr. Deepak Obhrai (Calgary East, Ref.):** Mr. Speaker, two years ago StatsCanada asked Canadians who they were and being Canadian was not an option. It is reassuring to note that over 8.6 million defied the bureaucrats at StatsCanada and wrote "Canadian" as their heritage. Good for them.

Will the government stop conducting surveys which categorize us racially rather than as Canadians?

**Hon. John Manley (Minister of Industry, Lib.):** Mr. Speaker, I note that in the census results that have recently been published virtually all persons who reported Canadian origins had either English or French as a mother tongue and were born in Canada.

I point out to the hon. member that the information Statistics Canada tries to gather is important in order to provide a basis for policy making. Members may not be interested in the answer but I think they should be interested in the information that the census generates.

\* \* \*

**TRADE**

**Ms. Wendy Lill (Dartmouth, NDP):** Mr. Speaker, on February 12 I asked the Minister for International Trade if I was correct in saying that I had heard him state that unless he was able to get a complete carve out for culture within the MAI he would walk away from the table. He answered "Yes, you are". The next day he told the Centre for Trade Policy and Law that if the pursuit of a total carve out was unsuccessful they would proceed by a country specific reservation.

I would like to ask the minister yet again which is it? Is it yes to a total carve out or depending on how the political winds are blowing a country specific reservation? The people of Canada want to know.

**Hon. Sergio Marchi (Minister for International Trade, Lib.):** Mr. Speaker, obviously the NDP is very confused. What I said to the member is that our first preference for Canadian culture would be that it be off the MAI table. In fact a number of countries would agree with us. Failing that we would take a country specific exemption.

What the hon. lady does not understand is that for Canadian culture the exact same thing is going to be applied. If you have a country specific exemption or if the issue is off the table it means that for Canadian culture MAI will have no impact.

\* \* \*

**BILL C-28**

**Mr. Nelson Riis (Kamloops, NDP):** Mr. Speaker, my question is for the Minister of Finance.

Before the Deputy Prime Minister says much more about the finance committee's proceedings this morning, he should be aware that the ethics counsellor indicated to the committee that internal procedures normally used when the Minister of Finance's corporate interests are involved were not followed in this case.

Therefore my question for the Minister of Finance is the following. Recognizing that Bill C-28 has provisions that could very directly relate financially to his major holding company, does he believe it was appropriate that he introduced that legislation, that he sponsored that legislation as opposed to some other minister?

**Hon. Herb Gray (Deputy Prime Minister, Lib.):** Mr. Speaker, the counsellor on ethics made very clear that the allegations against the Minister of Finance were without any foundation. Therefore the Minister of Finance does not find himself in any conflict of interest, nor any appearance of conflict of interest.

• (1450)

It is very interesting that the hon. member does not ask a question about taxes. He does not ask a question about unemployment. He does not ask a question about debt. The critic for the NDP obviously is endorsing the policies of the Minister of Finance by the very question he has asked today.

\* \* \*

**QUEBEC**

**Hon. Jean J. Charest (Sherbrooke, PC):** Mr. Speaker, on the weekend the Minister of Justice gave several interviews. I want to quote from one statement that she made. She said: "One would probably acknowledge the extraordinary nature and determine what process would be pursued at that point" in referring to the

*Oral Questions*

secession of Quebec. I want to know whether this is the government's position.

**Hon. Anne McLellan (Minister of Justice and Attorney General of Canada, Lib.):** Mr. Speaker, I want to clarify one more time for hon. members in this House. The government's position is clear. The fundamental principle of the rule of law will apply to any secession.

**Hon. Jean J. Charest (Sherbrooke, PC):** Mr. Speaker, I am glad the minister said that because that is my next question.

In the same interview the hon. minister said that this is not comprehended, this scenario, within the existing constitutional framework, that there is no rule in law.

I would like to know two things. Is this the government's position? If it is the government's position, what is the point of making reference to the supreme court?

**Hon. Anne McLellan (Minister of Justice and Attorney General of Canada, Lib.):** Mr. Speaker, as the hon. member is probably aware, the rule of law is a fundamental principle enshrined in the preamble to the Constitution of Canada.

This government's position has been absolutely clear throughout this reference procedure. The rule of law is a primary principle on which all processes in the future will be based. It is our belief that any secession in the future must be based on respect for the rule of law.

\* \* \*

**HEMP**

**Mr. John Finlay (Oxford, Lib.):** Mr. Speaker, farmers in southwestern Ontario have been waiting for years for regulations to permit the planting of industrial hemp. Why is the minister stalling on this? Can farmers plan now to plant industrial hemp this spring?

**Mr. Joseph Volpe (Parliamentary Secretary to Minister of Health, Lib.):** Mr. Speaker, the member will know that several members on this side of the House approached the minister last year. They asked him to present regulations to govern the commercial growing of hemp. The minister met with these members and listened to them. Subsequently he ordered his department to move posthaste in developing regulations for such activity.

An interparliamentary committee was struck and presented draft regulations. I am pleased to advise the House that on December 27, 1997 these were published in *The Canada Gazette*. Since then there have been a series of meetings including—

**The Speaker:** The hon. member of Calgary West.

**CANADIAN BLOOD BANK CORPORATION**

**Mr. Rob Anders (Calgary West, Ref.):** Mr. Speaker, there is another scandal at the Atlantic Canada Opportunities agency. The Canadian Blood Bank Corporation received over a \$1 million from ACOA and HRD. This money went to fund Rolex watches and expensive cars for the chief executives. Now the company is going down, the executives have resigned and the taxpayer is left holding the bag.

What is the minister going to do to get our money back?

**Hon. Fred Mifflin (Minister of Veterans Affairs and Secretary of State (Atlantic Canada Opportunities Agency), Lib.):** Mr. Speaker, I find it difficult to understand the position of the Reform Party, particularly on ACOA. I know that Reform members are against TAGS and I know that they are against the infrastructure program. I gather the hon. member does not like TAGS. He does not like the infrastructure program and apparently he does not like ACOA.

Let me tell hon. members what one of the Reform members said. The hon. member for Medicine Hat, in the maritimes not long ago, in referring to the delivery of programs in ACOA said that spending money in this way is going to help Atlantic Canadians much better than anything else.

\* \* \*

● (1455)

[Translation]

**MULTILATERAL INVESTMENT AGREEMENT**

**Mr. Benoît Sauvageau (Repentigny, BQ):** Mr. Speaker, we will try to dissipate the confusion somewhat.

On February 12, the Minister for International Trade assured us in this House that Canada would not sign the MIA without the cultural exemption clause. The next morning, this very minister said that the clause would be preferable, but that, if it proved impossible, Canada would be satisfied with a few stipulations.

My question is very simple: What is the minister saying in his speech? Is the cultural exemption clause an essential condition to the signing of the agreement, yes or no?

[English]

**Hon. Sergio Marchi (Minister for International Trade, Lib.):** Mr. Speaker, the answer is yes, there is no confusion. What the Canadian position has advocated is that culture not even be on the table. A number of countries support that.

Having said that, if some countries want it on the table, those other countries including Canada have said that they will take a country specific exemption. Therefore, the exemption for culture

for Canada is very much on. Given our preference that we would rather not even have it debated, for Canadian culture either position is the same. It will not be affected.

\* \* \*

### NATIONAL DEFENCE

**Mr. Peter Stoffer (Sackville—Eastern Shore, NDP):** Mr. Speaker, my question is for the Minister of National Defence.

Mr. Mac Campbell, former director general of management review systems with DND in Goose Bay, has cashed in and is now working for SERCO, the British firm now handling the contract for alternative service delivery. It seems some people are getting rich off ASD, but it is not the front line workers in Goose Bay who will see their wages slashed from \$13 to just over \$6.

Will the government admit today that the savings from alternative service delivery are coming on the backs of everyday Canadians? Will it also admit that opportunities for Liberal policies are only open to those with Liberal politics?

**Hon. Arthur C. Eggleton (Minister of National Defence, Lib.):** Mr. Speaker, obviously no. I find this very puzzling. For years the NDP has wanted to cut defence spending. Here is an opportunity to save the taxpayers \$20 million a year and it wants the defence department to spend more money, not less.

We are out to save the taxpayers money, to provide support services to the Canadian military in a more efficient and effective way and to do it in a way that is fair and humane to our employees. We intend to do that.

\* \* \*

### QUEBEC

**Mr. Rick Borotsik (Brandon—Souris, PC):** Mr. Speaker, the Prime Minister yesterday said that he does not want to roll the dice with the future of Canada. However that is exactly what his government did in 1995. The Prime Minister and his advisers threw together a plan at the last minute and it failed.

We deal with important issues in this House every day. The most important issue we deal with right now is the future of this country. It is my country.

After the legal opinion is given, what is the plan that this government has in place to make sure that we will continue to survive as a country?

[Translation]

**Hon. Stéphane Dion (President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs, Lib.):** Mr. Speaker, the Conservative leader said the following, in English naturally, on January 29, 1996, and I quote:

### Oral Questions

[English]

“If separatists have the right to dissent, they cannot deny the right of dissent to others. It is far from being clear that Quebec is not divisible. I think the Crees and Inuit would have a very good case”.

My question to him is, is he speaking about the legal case, or is it only the political case of anarchy? We need to know.

\* \* \*

### BANKING

**Mr. Alex Shepherd (Durham, Lib.):** Mr. Speaker, my question is for the secretary of state for financial institutions.

With reference to the announced statement by President's Choice, Loblaws will provide financial services throughout Canada. What assurance can the secretary of state give this House that these changes in services will be in the best interests of all Canadians?

**Hon. Jim Peterson (Secretary of State (International Financial Institutions), Lib.):** Mr. Speaker, I would like to thank the member for Durham not only for his question but also for his leadership on economic and financial sector questions in Parliament.

Banks with no service fees, free chequing and ready access are certainly welcome and good for Canada. More competition means more choices for consumers. Our government will continue to welcome and encourage even more innovation and more competition in the provision of financial services to Canadians.

\* \* \*

• (1500)

### THE BUDGET

**Mr. Jim Abbott (Kootenay—Columbia, Ref.):** Mr. Speaker, the finance minister has stated that he will not announce whether Canadians will have a balanced budget until budget day. The heritage minister has already announced a \$100 million, one year extension for the cable production fund, yet he will not say anything about health care, he will not tell us about research and development and he will not talk about tax relief.

Why was this announcement more important than talking about Canadians' health care—

**The Speaker:** The hon. Deputy Prime Minister.

**Hon. Herb Gray (Deputy Prime Minister, Lib.):** Mr. Speaker, the announcement in question is simply that of something which is being renewed. It was already there.

The hon. member has given me the chance to remind him and the House that the Minister of Finance had spoken in his last budget and since then of the tax reductions given to post-secondary

*Points of Order*

students and their parents, the tax reductions given to disabled people and the extra moneys for health care.

The hon. member is living in a state of blind ignorance if he refuses to recognize what we have already done to reduce taxes. He is afraid to look forward to the constructive—

**The Speaker:** My colleagues, that will bring to a close our question period.

\* \* \*

**PRESENCE IN GALLERY**

**The Speaker:** I wish to draw to members' attention the presence in our gallery of Geraldine Fraser-Moleketi, Minister for Welfare and Social Development of South Africa.

**Some hon. members:** Hear, hear.

\* \* \*

**PRIVILEGE**

**The Speaker:** I will entertain a question of privilege from the hon. member for Charlotte. Then I will entertain a point of order from the hon. member for Medicine Hat, as well as a point of order from the hon. member for Calgary West.

**HEALTH**

**Mr. Greg Thompson (Charlotte, PC):** Mr. Speaker, I rise on a question of privilege which relates to the Minister of Health. He is denying information to members, specifically to me in my role as health critic for the Progressive Conservative Party.

I believe I am also speaking on behalf of other critics in the health field.

What I am talking about specifically is that all ministers routinely provide information to the critics in their legitimate roles in order for them to be able to perform their duties as critics.

Mr. Speaker, you are aware that this House has to operate on the best information available and we are being denied some of that information. For example, the Minister of Health has a budget of \$1.5 billion. He has 6,400 employees to provide him with the best information. He is not doing it for the critics.

• (1505)

I am referring specifically to the clippings collected by members of his department from coast to coast every single day. We have always had the courtesy extended to us of having those clippings in our possession each and every day in order to perform in our roles as critics.

I will quote certain sections from Beauchesne's that relate exactly to the point I am making. In chapter two under privilege it states:

The privileges of Parliament are rights which are "absolutely necessary for the due execution of powers". They are enjoyed by individual Members, because the House cannot perform its functions without unimpeded use of the services of its Members; and by each House for the protection of its members and the vindication of its own authority and dignity—

**The Speaker:** My colleague, if I understand correctly the papers to which you are alluding are newspaper clippings that appear in newspapers across Canada. Perhaps it was a courtesy that ministers in days gone by supplied these clippings but at this point I would not see that as a question of privilege in this House. I would hope the hon. minister would take that into consideration. He could share that information if it would save some money.

I am loathe to suggest another means of doing it, but if the hon. member would consider a question on the Order Paper, the question of privilege would be taken care of. This question of privilege is finished.

\* \* \*

**POINTS OF ORDER****QUESTION PERIOD**

**Mr. Monte Solberg (Medicine Hat, Ref.):** Mr. Speaker, during question period the veteran's affairs minister quoted from a document that was allegedly from me. I am not aware of this document. Could the minister table that document so I can have a look at exactly what he was quoting from?

**Hon. Don Boudria (Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, my understanding is that the minister referred to a document but did not read from the document. According to our rules, when a minister reads from a document there is a compulsion to table it. If he has read from a document other than the briefing notes of ministers, I will endeavour to have the document tabled, provided it is not the usual briefing notes ministers receive from cabinet.

**The Speaker:** We will wait to see what the minister will say.

**HOUSE OF COMMONS**

**Mr. Roy Bailey (Souris—Moose Mountain, Ref.):** Mr. Speaker, yesterday during the debate while I was absent there were accusations that were totally untrue levelled against me in this House. One of the hon. members from the NDP levelled the accusation that I was a member of the Grant Devine government. That is absolutely false. That member should stand in the House and clarify that and apologize.

**The Speaker:** The hon. member will know that is probably cause for debate. I am glad that he pointed out to the House that he was not a member of the Devine government. That will show on the record.

*Government Orders***GOVERNMENT ORDERS**

• (1510)

[*English*]

**CANADIAN WHEAT BOARD ACT**

The House resumed consideration of the motion that Bill C-4, an act to amend the Canadian Wheat Board Act, be read the third time and passed; and of the amendment.

**Mr. Lee Morrison (Cypress Hills—Grasslands, Ref.):** Madam Speaker, the hon. parliamentary secretary should read the Access to Information Act before he starts making reference to it in the House. He should know well that any commercially sensitive information for it matters not what department or organization is protected and privileged. If you put in an application for access to information and it has any immediate commercial aspect, you will get a bunch of blank papers or you will get papers with whiteout. I have had this experience many times, so the hon. parliamentary secretary should inform himself.

The other point I would like to raise with the parliamentary secretary is that with respect to this vaunted consultation and all this approval that farmers have for Bill C-4, I attended a Grain Days meeting, and I would inform him that people who attend Grain Days meetings are almost without exception strong supporters of the Canadian Wheat Board.

A motion was proposed at that meeting asking that the government withdraw Bill C-4 and it was passed unanimously. There is something here that does not compute. Incidentally, the instigator of the motion, he did not actually propose it, was our local representative to the advisory council. So do not tell me that the minister has the support of the producers or of wheat board supporters. He does not.

**Mr. Gerry Byrne (Parliamentary Secretary to Minister of Natural Resources, Lib.):** Madam Speaker, just on the point of the Access to Information Act and release of documents, I think it is important for all producers as well as all Canadians to appreciate and understand, which I think they do when listening to reasoned arguments, but this is very sensitive information and I do not think, quite frankly, the producers would feel very comfortable about foreign buyers, foreign markets, foreign competitors, foreign companies having access to, very, very sensitive information which could impact negatively upon the Canadian Wheat Board's ability to market their grains abroad.

That is exactly what the Reform Party are asking for our competitors. They are not asking for Canadians. They are asking on behalf of competitors to the Canadian Wheat Board to open up the books so that they can have all the information they need to be able

to help defeat Canadian wheat producers, and that is something I will not stand for. We will protect the Canadian Wheat Board. We will protect Canadian producers, and quite frankly, we will have a more competitive environment.

**The Acting Speaker (Ms. Thibeault):** On a point of order, the hon. member for Yorkton—Melville.

**Mr. Garry Breitkreuz:** Madam Speaker, this is a red herring. That is not what farmers have been asking for. Farmers want a wheat board that is accountable. They want a wheat board that will allow the auditor general to look at the books. For this minister to twist that—

**The Acting Speaker (Ms. Thibeault):** That is not a point of order. Will you conclude very quickly.

**Mr. Gerry Byrne:** Madam Speaker, I will resume. It provides me with an opportunity to once again reiterate the point that the Canadian Wheat Board has proposed within C-4. It is an elected body of 10 directors who will be installed into the directorship of the Canadian Wheat Board. That provides a majority position for producers, not for political appointees, which I think is what the other members from the opposite side of the House want. They want to be able to control the wheat board by politicians. We want to put it in the hands of producers. That is what this government states.

• (1515)

**Mr. Chris Axworthy (Saskatoon—Rosetown—Biggar, NDP):** Madam Speaker, I am pleased to stand again and discuss Bill C-4, the wheat board bill. As members will know, the New Democratic Party remains the only party in this House to stand four square behind the board and behind farmers who support the board, which is the vast majority of farmers, in total contradiction to what the Reform Party tries to say.

We know from the barley plebiscite that 63 per cent of farmers supported the board there. We know that whenever asked, farmers will support the Canadian Wheat Board. That is because they are rational economic actors. They support the wheat board because the wheat board is being good to them. The wheat board has paid them a premium year over year. As a consequence, because they have benefited from the wheat board, farmers support the board.

There are those, of course, who will put common sense aside and will argue they want to use the open market where they will make less money than they would under the board. We should, of course, not pay too much attention to those who are not acting rationally in this regard. The Reform Party would rather pay considerable attention to those few farmers who ignore common sense, ignore reality, ignore the fact that the wheat board has been of significant benefit to farmers. They want to destroy something which has been critical to agriculture in Saskatchewan and the rest of the prairies

*Government Orders*

and remains critically important to farming, to farmers and to farm families across the west.

As is clear, over and over the Reform Party chooses ideology over common sense, ideology over what is good for farmers, but farmers will not listen to that argument. Farmers across the prairies, as we know, contrary to everything that the Reform Party would want and contrary to what it says, support the board whenever they are given the opportunity to be asked on that.

When farmers were asked about barley and the board, fully 63 per cent supported the board. That is not a number that the Reform Party likes and it is not a number it wants to accept, but the truth of the matter is on that plebiscite farmers supported the board because the board makes sense. The board makes sense over and over again to farmers every time they are asked.

We know it is in the hundreds of millions of dollars a year that the wheat board makes for farmers. Significant studies by the very best agriculture economists here and in the United States point out that farmers make around \$265 million a year more by selling wheat through the wheat board than they would by selling through the private grain trade.

Why would the Reform Party be opposed to farmers making \$265 million a year more than they would by using the private grain trade? The Reform Party, being ideologues, being neo-conservatives, wants to make sure the private grain traders who support it so well and support it financially and support it in its arguments with regard to the wheat board make more money, rather than the farmers. We know that the wheat board ships that profit that it makes back to the farmers.

It is not just wheat, it is in barley too. Studies show that \$72 million a year extra goes to barley farmers than would otherwise be the case. Again, the Reform Party because of its ideology, because of its distaste for any good government program, any program that works, opposes barley farmers' getting that extra \$72 million a year.

When ideology does not work it should be discarded. This ideology of the Reform Party should be discarded too.

There are problems with Bill C-4. We know that. We know and farmers know that the Liberal government cannot be trusted with the wheat board either. There are significant problems in Bill C-4 which point that out. They support that rightful concern by farmers.

• (1520)

Bill C-4 proposes cash buying. This is a significant problem and will undermine farmer confidence in the board. Regarding the contingency fund, why does the government want to take \$575 million or thereabouts in check-offs from farmers?

It would not be necessary to take that money from farmers were the Liberal government to stand firmly behind the board in the way in which the board was designed to be protected by the federal government.

What about control? It is true that we will have farmers elected to the board. Still, the government will choose the chief executive officer, a critically important functionary, and thereby take away a chunk of the control that farmers would otherwise have.

I should point out, too, a point that I omitted with regard to the support for the wheat board. Not only when asked in plebiscites do farmers support the wheat board, but when asked to elect wheat board advisory members farmers overwhelmingly choose farmers who support the wheat board.

In other words, whenever asked, farmers have stood up for and supported the wheat board. The Reform Party is simply not supporting the views of its constituents when it wants to destroy the very thing that, in short, farmers make the extra profit with on a yearly basis.

What about the inclusion clause? The Reform Party goes on so much about democracy. What could be more democratic than asking farmers whether they would wish to add a grain, a commodity under the wheat board jurisdiction? What would it have to be afraid of if farmers make that decision on a free vote?

Why would it be opposed to that democratic decision making when it goes on so much about democracy with regard to the wheat board in general?

Let us look at who wants to get rid of the wheat board. It is not Canadian farmers, as I have said, because they have consistently supported the board. It is the kind of people, the kind of big business, the kind of anti-farmer interest that supports the Reform Party in all of its endeavours.

The Canadian Federation of Independent Business, the commodity exchange in Winnipeg, Cargill, these kinds of corporations stand to gain by farmers' not having the wheat board on their side.

It is time the Reform Party put its ideology aside. It is time those agribusiness organizations put their self-interests aside and let farmers get a crack for once.

We have known all along that Reformers and Conservatives are fundamentally opposed to the wheat board and will do everything in their power to attack the wheat board and its credibility. They will do everything in their power to enhance the profit making abilities of the private grain trade and those who would oppose the interests of farmers.

We even know that they are prepared to say that farmers are opposed to the wheat board when they favour the wheat board.

*Government Orders*

Nothing is left to chance by the Reform Party. Its members will say black is white in order to pursue their ideology.

**Mr. Jake E. Hoepfner:** Madam Speaker, I rise on a point of order. The member for Saskatoon—Rosetown—Biggar is indicating that we brought forward Bill C-4. It is a government bill and that is what he should be addressing.

**The Acting Speaker (Ms. Thibeault):** That is not a point of order.

**Mr. Chris Axworthy:** Madam Speaker, I am glad that some Reformers are listening. It is too bad that they do not change their minds on any of these things. As I said, common sense is not in great currency over there on the Reform Party benches.

The opponents will also talk about dual marketing as if this is not the end of single desk selling and the end of the wheat board. Not only Judge Muldoon but many others and all those who look at this matter sensibly can see that this is the beginning of the end for the board.

This is another tactic by the Reform Party. It has nothing to do with wanting dual marketing. It is just a step along the way. It wants to get rid of the wheat board and will do anything it possibly can to ensure that. I note the Liberals cannot be trusted on the wheat board either. There has been very little in the last while to suggest this government would stand up for farmers in a pinch.

• (1525)

Word was mentioned of grain days. There was a grain day hearing in Rosetown in my riding. From past experience many might feel there would not be support for the wheat board although they voted overwhelmingly in favour of the barley plebiscite. It was a surprise to the local community that during that day not one person spoke out against the wheat board.

There are problems with Bill C-4 but there are greater problems with the approaches of the Reform Party and the Conservative Party which would get rid of the wheat board altogether. We need to look carefully and long and hard at the amendments that have been made. We need to do what we can to make sure the wheat board is there to support farmers into the future.

**Mr. Garry Breitkreuz (Yorkton—Melville, Ref.):** Madam Speaker, I listened to the rhetoric of the last few minutes with great interest. During the campaign the member said “if elected, we will hold the government accountable”. Yet every single speech I have heard from him and other NDP members in this House has mentioned the Reform Party. They are constantly analysing Reform Party policies.

Could the member give some explanation of why he did not talk about Bill C-4, the bill before the House? He should recognize that farmers are supportive of the board but a vast majority of farmers,

over 80%, are opposed to Bill C-4. Not once in his speech did he recognize that people of Saskatchewan, his rural constituents, are opposed to Bill C-4. He did not express any of their concerns with regard to this bill. I have many articles from the *Western Producer* that he could read. They are written by strong wheat board supporters who would like to have the wheat board held accountable for its performance, for higher returns, for more information, for more openness.

I do not understand why NDP MPs are not speaking up on behalf of their constituents. The board should be accountable and these NDP members should be accountable.

What is his position on Bill C-4?

**Mr. Chris Axworthy:** Madam Speaker, I should indicate that the NDP has consistently opposed measures introduced by the Liberal government that it deems undesirable to Canadians. There has been no hesitation on our part in criticizing this government on a whole range of questions. An example is the MAI. We remain the only party in this House that is concerned about the MAI.

Reform Party members are a bunch of applauders to the Liberal Party's decision to drive another stake in the heart of Canadian jobs and the Canadian economy.

The NDP position on Bill C-4 is quite clear, as my position is quite clear. I am opposed to the bill introduced by the Liberal government for the reasons I gave in my speech and for the reasons in the speeches of other members from my party. One thing that distinguishes my position from the position of the member for Yorkton—Melville is that I support the Canadian Wheat Board. He does not.

**Mr. Garry Breitkreuz:** Madam Speaker, I rise on a point of order. I made it abundantly clear in my speech that I support the board, and all the amendments that were introduced were to support it.

**Mr. Chris Axworthy:** Madam Speaker, farmers in the west will know full well the position of the member for Yorkton—Melville.

• (1530)

**Mr. Gerry Byrne:** Madam Speaker, I rise on a question of privilege.

To assist in the conduct of the affairs of the House could I ask members to recite specifically under what standing orders they are rising on a point of order?

We are conducting debate here. It is very important that all members have the opportunity to debate. I feel members are being restricted by the frivolous, nonsensical, useless waste of time in which Reformers continually engage.

If members could simply state the specific standing order under which they are rising on a point of order it would facilitate debate.

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**The Acting Speaker (Ms. Thibeault):** I take note of your comments.

**Mr. Garry Breitkreuz:** Madam Speaker, I rise on a point of order. If he raises a question of privilege I may comment on it.

What question of privilege did he raise and what particular edition of Beuchesne's is he—

**The Acting Speaker (Ms. Thibeault):** It is not privilege at this point.

**Mr. Roy Bailey (Souris—Moose Mountain, Ref.):** Madam Speaker, listening to the hon. member in the party to my left, the far left, I could not help but think how badly they feel because they could not control in any way the rural vote in Saskatchewan. The rural vote left them completely, even the hon. member.

This is a sad day for the people of the prairies. Right now the passage of the bill is as much concern to the people of the prairies as what is going on in the supreme court this afternoon. They are fearful of the passage of the bill.

If the bill passes tonight I will have an arm band ready because it will mean the death of many industries in Saskatchewan which I will point out.

The hon. member referred to a project conducted by the wheat board which indicated that the majority of farmers gained more money by selling to the wheat board. What did he expect?

**The Acting Speaker (Ms. Thibeault):** I am sorry but the time has expired.

**Mr. Chris Axworthy:** Madam Speaker, I fail to see the concern the member voices with the barley plebiscite and with the studies done by renowned, reputed economists that support the wheat board.

Agricultural economists looked at the issue from the perspective of their disciplines. They concluded in peer evaluated reviews and studies time after time that the wheat board was good for farmers. Why does the member not accept that?

**Mr. Larry McCormick (Hastings—Frontenac—Lennox and Addington, Lib.):** Madam Speaker, I am pleased to speak to Bill C-4. The amendments contained in Bill C-4 are based on nearly three years of extensive consultation and discussion with western Canadian grain farmers to determine what kind of grain marketing organization they wanted.

Western Canadian grain farmers have asked to retain the Canadian Wheat Board, but they also wanted a more democratic, accountable and responsive Canadian Wheat Board, one that was truly in their hands, allowing them to shape the Canadian Wheat Board to meet their needs. That is in fact what the proposed changes in Bill C-4 provide for.

The proposed changes in Bill C-4 would put more power into the hands of producers than they have ever had throughout the 63 year history of the Canadian Wheat Board. The proposed changes would modernize the governance of the Canadian Wheat Board. They would improve its accountability to producers through the creation of a producer elected majority board of directors. The marketing changes proposed to Bill C-4 are enabling. They would give farmers the tools and the power necessary to shape the CWB's marketing structure to fit their present and future needs.

• (1535)

I would like to address some of the questions that have been raised and in so doing clear up some of the misconceptions that have arisen around Bill C-4 and its proposed amendments to the CWB.

Some farmers have asked if they would have more control under the new system of CWB governance. The answer is yes. The 15 member board of directors would be comprised of 10 producer elected directors and 5 federal appointees. In essence, farmer elected directors would enjoy a two to one majority. Directors would have effective control of the strategic direction of the new CWB and would be able to reflect the views and the needs of farmers in all future operational and marketing decisions.

These elected directors would not be subject to dismissal by the minister responsible for the CWB. Only those who elected them would be able to accomplish this through subsequent elections.

Under Bill C-4 all directors would be entitled to complete disclosure of all CWB facts and figures, bar none. They would be able to examine the prices at which grain is sold, the price premiums achieved, all operating costs and whether the CWB is operating effectively.

With their full knowledge of the CWB and its global competition, the directors would be in the best position to assess what information should be made public and what for commercial reasons should remain confidential.

Why is the board of directors not 100 per cent producer elected? Under the proposed legislation, the government would continue to maintain a substantial financial commitment to the Canadian Wheat Board. The government would continue to guarantee the Canadian Wheat Board's initial payments, its borrowings and its credit sales made under the credit grain sales program.

This represents a strong case for the government having a continued role in appointing some of the members of the board of directors. In addition, the CWB has public policy responsibilities. For example, the CWB is charged with issuing all wheat and barley export licences for all of Canada, not just the prairies.

I have heard the question asked about why the Canadian wheat board is not legally obliged to get the best price for farmers' grain. The Canadian wheat board seeks to obtain the best price possible as

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a matter of policy. However, making this the corporation's legal objective would be difficult.

Because the CWB seeks to obtain the best price for producers jointly through the pool accounts, it would almost always be possible to show after the fact that somewhat higher returns could have been realized for individual producers had a different set of marketing decisions been made. Therefore, to make the CWB legally responsible to achieve the best price for individual farmer's grain would result in countless legal challenges respecting the board's marketing decisions.

Looking to the future, the board of directors would be responsible for ensuring that the sales program is well managed and that the Canadian wheat board operates in the best interests of producers. This would be preferable to taking a legalistic approach.

Why does the Canadian wheat board need to establish a contingency fund? What would this money be used for? A contingency fund would be developed in order for the CWB to make adjustments to initial payments during the crop year on its own responsibility without the delays involved in getting government approval to provide for potential losses in cash trading operations and to provide for an early pool cash out.

The contingency fund would provide the CWB with the ability to adjust initial payments and get money into farmers' hands more quickly. Given the history of adjusted initial payments, the related risk would be minimal and less than the related benefits to farmers. It would be up to the board of directors with its two-thirds producer elected majority to determine if, when and how to create the contingency fund. The opposition asks why the Auditor General of Canada cannot examine the CWB's books.

The Canadian Wheat Board currently retains an independent firm of chartered accountants to audit its operations. Through its pool accounts, the CWB is managing farmers' money and not government appropriations. Therefore it has always made sense that a private sector auditor rather than the auditor general audit the books.

Under Bills C-4 the CWB would cease to be an agent of Her Majesty and a crown corporation and become a mixed enterprise. This reduces even further the justification for involving the office of the auditor general.

• (1540)

Finally, some private sector users of financial reports take comfort in the fact that private sector auditors unlike the OAG are liable under the law for negligence and other professional misconduct.

The proposed changes in Bill C-4 are balanced and fair. The government realizes the changes contained in Bill C-4 cannot hope

to satisfy all parties in what would have been a polarized debate among western grain producers. The government feels nonetheless that these proposed changes to the CWB would equip farmers with the tools and the power to shape the CWB as they see fit so the Canadian Wheat Board could meet the needs of farmers both today and in the future.

I want to share my time with my hon. colleague from St. Boniface.

**Mr. Garry Breitkreuz (Yorkton—Melville, Ref.):** Madam Speaker, the member opposite made some points with regard to the election of the directors. Ten would be elected by farmers and five by producers under Bill C-4.

The member is from Ontario. The Ontario wheat board is completely controlled by farmers. Why would he have a different standard in this regard? That is not my question. It is more of a question I asked previously.

He referred to an export licence. Has he ever seen that export licence? The export licence he is referring to, which the Canadian Wheat Board has the power to veto or whatever, has a blank on it. If you put three words in the blank you cannot export your grain. What are those three words? I am wondering if the hon. member knows. If you put Alberta, Saskatchewan or Manitoba in the blank you have no control over their grain; you do not own it.

The member is from Ontario. If you put Ontario in that blank, there is not even a charge for it and away you go. You own the grain and you can export it.

What does the member think about the form he referred to? Does he think that export licence is a way to maintain equality in this country? Is that fair? How is he representing his constituents when he supports Bill C-4? I know that farmers on the prairies see this as a big government, Ottawa controlled wheat board.

**Mr. Larry McCormick:** Madam Speaker, I thank my colleague opposite for his question. As I started to make my remarks in this Chamber, one of my hon. friends in the Reform Party—he is a good friend and a fine gentleman—asked whether I had ever handled wheat, whether I had ever been on a wheat farm. I may have combined as much wheat and I am certain more than several Reform Party members. I just thought I would answer that.

The hon. member from Yorkton asked about the board of directors in his question. He compared it to Ontario. There is a difference between the wheat board in Ontario and the wheat board in western Canada.

The Ontario Producers' Marketing Board markets about 900,000 tonnes of wheat a year, mainly in Canada and the United States, while the Canadian Wheat Board markets an average of 25 million tonnes of wheat and barley per year to more than 70 countries. It should be noted that the financial implications of the decision by

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the Canadian Wheat Board are much larger than those associated with the Ontario wheat board.

The bottom line is that the power has been given to the directors. Ten out of fifteen of these directors will be elected by the producers and two to one is a good majority.

**Mr. Jay Hill (Prince George—Peace River, Ref.):** Madam Speaker, the hon. member mentioned the export licence and the permitting process in his speech. I do not know who wrote the speech for him. Obviously he did not know anything about it. He did not answer my hon. colleague's question about it.

My question is on a different issue—

• (1545)

**Mr. Larry McCormick:** Madam Speaker, on a point of order. I am going to take this opportunity to learn something about how this Chamber works. I am not trying to get extra time. Madam Speaker, you can kindly add the time on.

My colleague who just spoke said I did not answer that question. I want to ask you, Madam Speaker, to look at the record on how many times questions have been asked across the floor and did they always answer those questions? I would be very glad to speak to any part of this bill, but I do not think I want to accept that from—

**The Acting Speaker (Ms. Thibeault):** Would the hon. member for Prince George—Peace River carry on with his question.

**Mr. Jay Hill:** Madam Speaker, obviously the hon. member is responding quite defensively with good reason because he did not answer the question. He had no intention of answering the question.

My question, very quickly because I know time is of the essence, the hon. member, as I am, is a member of the Standing Committee on Agriculture and Agri-Foods. He sat in on the very shortened period of time that we had to consider Bill C-4. As a committee member, I would ask him to cite a list of those presenters who appeared before that committee who actually supported Bill C-4 and the inclusion clause.

**Mr. Larry McCormick:** Madam Speaker, I thank the hon. member for the question because I was very concerned about this.

I wanted to make sure that my colleagues and my friends in western Canada were being represented well and not just by the Reform Party. I went to the minister's office, I went to the records office and I found that more than 100,000 letters have been sent to the producers and only a very few hundred people responded. I have talked to people from the west. Not all people are represented by Reformers. I would like to put the facts on the table.

[Translation]

**Hon. Ronald J. Duhamel (Secretary of State (Science, Research and Development) (Western Economic Diversification), Lib.):** Madam Speaker, I must thank you for this opportunity to speak in favour of Bill C-4, an act to amend the Canadian Wheat Board Act and to make consequential amendments to other Acts.

Bill C-4 is an innovative bill, which will result in fundamental changes to the relationship between western grain producers and their single window marketing body, the Canadian Wheat Board.

This bill, the result of consultations that were both intensive and extensive, will give grain producers unprecedented power. Not only can they direct the activities of the Canadian Wheat Board, but they can also determine the impact of its future role on their lives. Under the scrutiny of the producers it serves, the CWB will be more open, more responsible, and more attuned to the needs of producers where marketing is concerned.

Under Bill C-4, the CWB will be directed, not as it is at present by government-appointed board members, but by a board of directors. At least 10 of the 15 directors will be directly chosen by western producers. Since the government will continue to provide substantial financial assistance to the Canadian Wheat Board, it will appoint four directors, plus the president.

However, since this is a partnership between the government and the western producers, the directors will set the president's salary and will be entitled to evaluate his performance, and recommend his dismissal if necessary. The directors will have complete control over the activities of the Canadian Wheat Board.

• (1550)

They will have access to complete information on the CWB's sales and finances. In addition, the board of directors, two thirds of whom will be elected by farmers, will decide which information should not be made public for reasons of commercial confidentiality.

Bill C-4 will also give the Canadian Wheat Board's board of directors the authority to use new marketing tools. For example, such tools could be used to offer farmers new grain payment methods and to speed up fund transactions.

For instance, the Canadian Wheat Board could do the following: pay cash for wheat and/or barley; rapidly increase initial payments, if necessary, without having to obtain government approval, as is now the case; and allow farmers to be paid for their participation and for pooling before the end of the crop year.

Some people have expressed the concern that cash purchases will undermine the Canadian Wheat Board. It should be remembered, however, that such measures come under the authority of the

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board of directors, which is controlled by farmers, and that there is thus a safety mechanism.

Under the exclusion and inclusion provisions of Bill C-4, a democratic process gives farmers full authority regarding which products the Canadian Wheat Board decides to market. The exclusion clause would make it possible for any type or category of wheat or barley to be withdrawn in whole or in part from CWB jurisdiction. Any exclusion would have to be supported by the board of directors, and there would have to be guarantees that the grain would not get mixed with grain marketed by the CWB.

If the directors consider the exclusion to be significant, the exemption should also be approved by the producers in a democratic vote.

Under Bill C-4, the board of directors, controlled by the producers, could make use of numerous innovations in the area of marketing which have been looked at by producers in recent years, voluntary pooling in particular.

Inclusion of a grain in the Board's mandate would not be even contemplated without a request in writing from a legitimate body, the entire membership of which are producers of the grain in question.

When the board of directors has examined and approved inclusion of a grain within the mandate of the CWB, the question should also be submitted to the growers in a democratic vote.

As I have already said, Bill C-4 is the outcome of extensive consultations in all parts of western Canada. Although a strong majority of growers came out clearly in favour of the Canadian Wheat Board, they still wish it to be more accessible and more open, as well as more accountable to growers. Bill C-4 complies fully with that wish.

The government is anxious to get the Canadian Wheat Board into the hands of the producers.

For all of these reasons, I am asking all hon. members of this House to support Bill C-4.

[*English*]

**Mr. Cliff Breitkreuz (Yellowhead, Ref.):** Madam Speaker, I am sure the member from Manitoba who just spoke is familiar with the tremendous diversification in the prairies, and probably right across the country, that has been occurring for the last 20 years or more. The most recent I know of is in Alberta with the production of hay for export, more specifically timothy and alfalfa. There is a tremendous amount of tonnage going to places around the world, across the Pacific to Japan, Taiwan, the Middle East, the United States, Britain and North Africa.

• (1555)

Another one, of course, is canola, which the member would know more about. In the last 20 years or so canola has really bit into the Canadian acreage of what is sown in the spring. It is a major commodity for many producers in western Canada.

Peas and lentils are pulse crops. Tremendous strides have been made in developing these crops as well. Oats is another one. Since oats have been taken off the wheat board, they have been processed and shipped as pony oats right around the world, especially from Alberta.

Once the regulations were gone, beef just went through the ceiling. My home province of Alberta has over 50% of Canada's beef which is exported to the south, whether alive or in boxes it does not matter. There has been a tremendous growth in that particular sector.

Hog products are the same, especially once the marketing boards were gone. There are hog barns going all over the western provinces taking advantage of that particular sector.

We then have wheat. Now these sectors have increased phenomenally over the last number of years. They are not controlled and do not come under the control of the board, and the Canadian Wheat Board especially in terms of the grains. However, what has happened to wheat? This statement is from the wheat board. Its 10-year export forecast for wheat shows a decline in market share.

Let me just read out exactly where the wheat board stands or Canada stands in this particular situation on the increase in wheat exports. The export of wheat from Argentina will increase by 67% over the next 10 years. The export of wheat from Australia shows a 39% increase. The export of wheat from the European Union shows a 25% increase. Where is Canada? Canada is at 15%, lagging behind most of the major wheat exporting countries.

I am wondering how the member can reconcile the crops that are not under the Canadian Wheat Board flourishing while the crops, particularly the wheat, under the Canadian Wheat Board are lagging behind with a dismal record. I would like the member to respond to that.

[*Translation*]

**Hon. Ronald J. Duhamel:** Madam Speaker, I appreciate my colleague's question. First of all, it is obvious that he has quite considerable knowledge in this area. While listening to him, I found a considerable number of his comments very worthwhile. I would like to answer him as follows.

[*English*]

It is rather interesting because my colleague obviously demonstrates a significant knowledge of that sector, but at the same time he falls into a trap, which is the suggestion that by comparing gross

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rates in certain sectors in other countries with respect to the same commodity that all of a sudden it is the fault of the Canadian grain commission. It just does not follow.

One of the reasons why we wanted to do this, as I stated before, is because the producers wanted to control, decide and carve out that vision. They wanted to develop new instruments so that they could be creative and increase their sales. However, I do not accept the basic supposition that the statistics that were shared are a result of the Canadian grain commission. It simply does not follow and I think my colleague, upon reflection, will agree that is a correct statement.

**Mr. Roy Bailey (Souris—Moose Mountain, Ref.):** Madam Speaker, it is very interesting on this day, which is a sad day, as I mentioned earlier, for western Canada and especially sad for the wheat board itself, that this instrument, this act and this potential that we have to meet the demands of the new western Canada simply is not being addressed. The same old monopoly, the same old act which makes the people of western Canada hewers of wood and drawers of water is still there.

• (1600)

It is a very sad day for the wheat board. There are no fundamental changes. This bill will be passed in its present form which will mean that the wheat board will self-destruct. There is no question about it.

When the wheat board initiated a survey to see how it was doing, it received the answer that it was doing very well. That was on February 5. A former agriculture and economics professor at the University of Manitoba said this: "There is no question that producers will pocket more cash under a dual market system".

Why do we never listen to economists outside the wheat board?

This same chap went on to say: "There is one world price out there and I don't believe the board fetches a higher price, but I do believe there is a lot of efficiencies associated with the current arrangement".

Every one of my Reform colleagues, in every speech we have made, has attempted to save the fundamental principles of the wheat board. Hon. members opposite are so devoted to destroying something they will not even listen to one amendment.

It is a sad day for our farmers. Many of our young farmers want to get into private enterprise so they can use the grain products presently under the control of the board. They will not be allowed to develop those businesses on the prairies under the current arrangement.

I will be sharing my time with the hon. member for Yellowhead; however, I would like to make one further comment.

In my constituency we have three big projects going on. I want to mention the largest one. There is a group of farmers who grow the

world's best durum. Naturally the best durum makes the best pasta. They are taking thousands upon thousands of dollars from their pockets to conduct a survey with respect to making available a closed co-op. These durum producers are doing that so they will be able to grow their own grain and deliver it to their own plant. But, no, the long arm of the Ottawa wheat board thinks that is a business which should be here in eastern Canada and it will not allow them to do that.

I hope that the people of my constituency will see how this vote goes tonight. If the bill is passed and the wheat board maintains its current legal monopoly, it will have to stand very soon and tell those people "No, you cannot proceed with that because you do not own your grain". It is an absolute farce. It is a terrible thing to do.

I want these members to tell me and the people of the Souris—Moose Mountain constituency that my farmers cannot go into business for themselves growing their own grain. Let them answer that question. Let them tell the people why, when they want to mill organic grain, the wheat board reaches over and says "No. You can do it. But we want this". We cannot even have a small mill in Saskatchewan to send the organically grown grain to to be made into flour without the heavy hand of the wheat board.

This is 1998. It is time hon. members opposite said "Let's free the west. Let's let them do what they are doing in eastern Canada. Let them develop their own industries there with the products they grow".

Shame on this government if it prevents one of the potential industries from being developed in my constituency. If the government does that it will hear from more than just my constituents' representative in this House.

It is a crying shame. It is totally out of date. We should defeat this bill, take it back to the drawing board and make it relevant to 1998.

• (1605)

**Mr. Garry Breitkreuz (Yorkton—Melville, Ref.):** Madam Speaker, I have made one observation. Many of the members opposite have not answered our questions. A couple of days ago we asked a question with regard to the CEO of the Canadian Wheat Board.

Many people watching probably do not realize that with Bill C-4 the minister has actually retained and increased his power to manage the board. He has left the most important appointment, the appointment of the chief executive officer, in his hands. He has the power to appoint that person. With that power the chief executive officer can make decisions from day to day in the workings of the board that farmers have no control over.

The Canadian Wheat Board is not the biggest problem farmers have. Farmers have huge problems with the transportation system

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and with the heavy taxation this government imposes upon them. Farmers pay an inordinate amount of tax. It is terrible.

In terms of the transportation problem, the chief executive officer can continue to dictate where the grain will be sent. At the present time in my riding farmers are very concerned that the Canadian Wheat Board has been forcing them to ship their grain through Thunder Bay and through Vancouver. They could save \$25 to \$30 a tonne by shipping it through Churchill. But they always get the answer from all the people in the wheat board that for one reason or another they cannot ship it through Churchill. If the government is giving control to the farmers, it has refused to answer why the farmers cannot appoint the CEO who would be directly accountable to them.

Does this member have any comments on what I have just said? This is a very critical question which the government has left unanswered. I see no people over there ready to jump up and answer it because I know they cannot. Just like all the other questions we have asked, they cannot answer.

**Mr. Rey D. Pagtakhani:** Madam Speaker, I rise on a point of order. The member has made a statement that is wrong. I point to paragraph 3.1 of the bill where it states that the decision and operation and authority to act on the part of the chief executive officer is subject to the resolution of the board.

**The Acting Speaker (Ms. Thibeault):** I am afraid this is debate.

**Mr. Garry Breitkreuz:** Madam Speaker, I rise on a point of order. I said that the minister has the power to appoint the chief executive officer. He said something completely different. I said that the power rests within the minister to appoint the chief executive officer and he is—

**The Acting Speaker (Ms. Thibeault):** We are on questions and comments and the question is directed to the member for Souris—Moose Mountain.

**Mr. Roy Bailey:** Madam Speaker, in reply to my colleague, yes it is true. It is very true that from time to time all over western Canada the chief executive officer of the wheat board and the wheat board determine where the rail cars go and what the allotment is. The farmer who grows the grain has no say whatsoever as to where that grain will go, through what port it will go and only the wheat board makes that decision.

We now have the opportunity with a new structure coming into the Hudson's Bay area to double or triple the amount of grain going. I have been told by these people that they can fill the terminals more cheaply in Montreal, Saint John and Halifax by going that route. If it is cheaper it should be done. Every time you can save the western Canadian farmer a dollar you should. The

farmer should get the money and not the Canadian Wheat Board. The board should not get the money if it is not acting in the best interest of the farmer to bring about maximum returns, a statement you would not put into the wheat board itself.

**The Acting Speaker (Ms. Thibeault):** There are 25 seconds for a very quick question.

• (1610)

**Mr. Jay Hill (Prince George—Peace River, Ref.):** Madam Speaker, 25 seconds. Is that calculating in the time that was taken by the Liberals for a point of order that was not a point of order?

I wonder if the hon. member would care to comment on what steps he has taken to ascertain the feelings of his constituents, the grain farmers who are actually going to be affected by this bill in his riding.

**Mr. Roy Bailey:** Madam Speaker, to give my colleague the answer to the question, in order for an industry on the prairies to become viable, it first must escape and not have to pay the freight rate because they do not use any freight and they must escape the handling charges because they do not use any handling charges.

The Saskatchewan Wheat Pool soon learned that they had to get out from the long arm of the wheat board. If industries are going to develop on the prairies, then the wheat board must recognize it and free the farmers to establish their own industry.

**Mr. Cliff Breitkreuz (Yellowhead, Ref.):** Madam Speaker, my colleague who spoke just prior made the statement that it is a sad day on the prairies with the passing, as it of course will, of C-4, an act to amend the Canadian Wheat Board Act, and of course it is.

In the 35th Parliament, we had Bill C-68, the gun control legislation. It was a sad day then especially for Western Canada. Of course, we know where that particular bill is now insofar as four or five governments are concerned in taking the federal government to court.

Already in this term with not even a year gone by, we have Bill C-4, which is going to be disastrous to say the least for a lot of Western Canadian producers, and it is going to do some harm.

I want to quote a little bit from a column in the Western Producer. It is written by Reverend J.A. Davidson and this is what he has to say when he quotes T.S. Eliot in the play, *The Cocktail Party*:

“Half the harm that is done in this world is due to people who want to feel important”.

Then of course Reilly, who is the psychiatrist in this play, and I can see Reilly already being a psychiatrist and the minister of the wheat board lying on the couch, further explains that quote:

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“They don’t mean to do harm—but the harm does not interest them. Or they just do not see it, or they justify it because they are absorbed in the endless struggle to think well of themselves”.

Harm is done by a lot of people. Just what harm is being done with the passing of Bill C-4, an act to amend the Canadian Wheat Board Act? I suggest there are going to be a number of harms done. In fact there were harms done to Canadian western farmers away back in 1943 when the Canadian Wheat Board became a monopoly.

Of course, the history goes back prior to that. The Canadian Wheat Board was actually established in 1935, but it was a voluntary wheat board up until 1943 when the government invoked the War Measures Act and passed the Canadian Wheat Board Act and made it a monopoly in Western Canada. Already back then, more than 50 years ago, what happened was this: the Canadian government made a deal with Great Britain—it was during the war—to supply Great Britain with 600 million bushels of wheat at a set price to be delivered over a four year period. This wheat was all sold at below market price to Great Britain, all 600 million bushels. The extent to which it was sold under market price ranged between \$1 and \$1.50. In late 1940 dollars, \$1 and \$1.50 below market price, accumulating actually almost \$1 billion that western farmers lost in four years due to the monopoly of the wheat board.

• (1615)

Imagine those dollars in terms of today’s dollars. There would be tens of billions of dollars lost to their prairie economy because of a control mongered government here in Ottawa. But it does not stop there.

Economists right through the wheat board’s history have come up with this figure that over the 30, 40, 50 years, in addition to these four years that I have just talked about, western Canadian farmers have lost on average about a dollar a bushel on all the grain they have sold over those years, and of course we cannot get it. This is so ridiculous that we cannot know for sure because of the nature of the Canadian Wheat Board. Nobody can get into it. It operates in secrecy and this bill does nothing to open it up at all. It is still in the control of the minister and executive council.

We have over the 30 or 40 years hundreds of millions of bushels a year, about a dollar a bushel, billions of dollars that the centralist government here in Ottawa has taken out of the prairie economy. Imagine where the western provinces would be today if all those dollars could have been reinvested back in western Canada. Imagine that.

So that is how they have lost. It was about a dollar a bushel over all those years. There is going to be harm done democratically as well. Not only will the wheat board be not operating democratically, but also in the greater context the other provinces are all bound to honour the Canadian Wheat Board Act.

Alberta has voted to opt out, to set up a dual marketing system. We cannot do that. Even though Alberta has voted to do that, we cannot do that because of the Canadian Wheat Board Act. It is undemocratic. It does not matter which way you slice it or dice it. Regardless of this law, it is still undemocratic.

It will continue to be undemocratic in spite of the amendments. The government would not accept our amendments, none of them. Shame on the government.

It has already harmed a number of western farmers. It has made criminals out of grain producers. The act has and I suggest it probably will continue to make criminals out of western grain producers. Already 219 charges have been laid against western producing farmers. What did they do? They must have raped their neighbour’s wife or stolen or murdered. They must have done something like that to be charged, some of them shackled and thrown into jail.

What did these western producers do to warrant a trip to jail? They did the absolute unpardonable, they sold their grain to the Americans. Prairie farmers cannot sell grain to the Americans, that is not acceptable. They pay way less in taxes down there. You cannot sell grain into a country like that, a capitalist system where they can move grain back and forth freely. Of course they cannot into here but they can around the world.

They are charged under a law that is absolutely confusing. Some are charged, some are not. Others are convicted. The charges are stayed. You wonder really where we are at. I suggested already that it is going to keep young people from going into active farming in western Canada because of Bill C-4.

Why should young people go into wheat or barley production? After they have invested all the money, went out in the spring, did all the work, invested in fertilizer, in seed, machinery, land, the sweat and the stress of putting the crop in, taking care of it and of course harvesting it, why should they go into that when the government is going to control it?

They do not even own it, really. If they want to export milling wheat, they do not even own it. The government owns it, for heaven’s sake.

• (1620)

Why should they go into a sector of our economy when it is the only sector in Canada’s economy where the producers do not have control over where they market? It is absolutely a shame. This is a sad day for western Canadian farmers.

I have already mentioned that it will hurt the western economy because of the diversification that will not occur in so far as the processing of wheat is concerned. If people who want to add value to wheat have to buy it first, sell it to the Canadian Wheat Board

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then buy it back at greater price, there is a good chunk of their profit gone.

It is a bill that should be withdrawn. I plead with the members across the way that they not support it in the vote tonight.

\* \* \*

**BUSINESS OF THE HOUSE**

**Mr. Peter Adams (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.):** Madam Speaker, I rise on a point of order. Following discussion between the parties I think you will find unanimous consent for two motions. I will present one first and we will see if there is unanimous consent. Then I will present the second.

The first motion has to do with the days of the national conventions of some of the parties represented in the House. I move:

That the House shall not sit on Friday, February 27, 1998, Friday, March 20, 1998 and Friday, May 29, 1998, provided that, for the purposes of Standing Order 28, the House shall be deemed to have sat and adjourned on Friday, February 27, 1998.

(Motion agreed to)

**Mr. Peter Adams (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.):** Madam Speaker, the second motion deals with the business of the House and the representation of the opposition parties in the House. I move:

That, on Wednesday, February 18, 1998, the House shall sit until 8.30 p.m., provided that Private Members' Business shall be taken up at 7.30 p.m., that no proceedings pursuant to Standing Order 38 shall be taken up that day and that any division requested that day on any business pursuant to Standing Order 81 shall be deferred to the time of expiry of the time for consideration for Government Orders on Monday, February 23, 1998.

(Motion agreed to)

\* \* \*

**CANADIAN WHEAT BOARD ACT**

The House resumed consideration of the motion that Bill C-4, an act to amend the Canadian Wheat Board Act, be read the third time and passed; and of the amendment.

**The Acting Speaker (Ms. Thibeault):** Questions and comments, the parliamentary secretary to the Minister of Natural Resources.

**Mr. Gerry Byrne (Parliamentary Secretary to Minister of Natural Resources, Lib.):** Madam Speaker, the hon. members opposite have raised several issues which deserve comment and question.

One of the points made by the hon. members opposite from the Reform Party was that there are no net benefits gained through single desk selling. Quite frankly, in other industries and other agricultural sectors there are benefits that have accrued above and beyond the wildest imaginations of producers upon the suspension of regulatory marketing and other regulations affecting the industries. The hog industry was used as an example. Producers obtained unbelievable, unsurpassed profits.

One of the points which has to be made is that what the Reform Party is advocating is a move to a complete market based system, one that is in full competition with the Canadian Wheat Board, one that is in full competition with the private sector and operates almost under parallel circumstances to the private sector. In other words, everybody sells to wherever they want.

This is a question that was raised to me while I was travelling in Saskatoon—Humboldt not too long ago. It should have been addressed to the Reform Party. The Canadian Wheat Board and farmers benefit from financial guarantees provided by the government.

They understood that the farmers and producers benefit from the financial guarantees provided by government. These guarantees currently cover initial payments, credit grain sales and the Canadian Wheat Board's general borrowings.

• (1625 )

The Reform Party wants the Canadian Wheat Board to compete with private trade. It wants it to act as though it were in the private sector and basically wants farmers to compete 100% in the private sector.

This is the question that was raised to me and I raise it to the hon. member. Would the Reform Party view it as fair to have one enterprise benefiting from special government guarantees competing with the private sector companies which must risk their own capital or would the Reform Party want to see the Canadian Wheat Board and farmers no longer benefit from these guarantees?

That is a specific question and I would really appreciate a specific answer. Does the Reform Party want the Canadian Wheat Board to operate as a private sector enterprise and not have the benefit from unfair competition by federal government guarantees or does it support the Canadian Wheat Board and the federal government's position?

**The Acting Speaker (Ms. Thibeault):** The hon. member for Yellowhead is not here to answer the question. Therefore we will be resuming debate.

**Mr. Gerry Byrne:** I have taken time in this House to ask a question to the hon. member who stood before and took time. Can I please get—

**The Acting Speaker (Ms. Thibeault):** We will be resuming debate.

**Mr. John Harvard (Parliamentary Secretary to Minister of Agriculture and Agri-Food, Lib.):** Madam Speaker, it is my pleasure to rise today to speak on Bill C-4.

I listened intently to the member of the Reform Party from Alberta, the last speaker for the official opposition. After listening to him, I really hope that no young Canadian boys and girls were listening to this debate. I say that because I think young people who listen to the debate and especially the contributions made by the Reform Party would come away from this debate believing that it is all right to distort the truth, that it is all right to twist the facts, that

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when it comes to this type of parliamentary debate, anything goes, there are no rules, no honour in this debate.

They never want to listen to debate. I have never seen a political party that is so afraid of the truth. Those members quake in their boots every time a government member stands up.

This member from Alberta mentioned that at one time back in the late thirties and in the forties the Canadian Wheat Board was a voluntary board and it was not a monopolistic board. Somehow he tried to leave the impression that it became a monopoly because that is what the government of the day wanted.

The fact is that from day one farmers on the prairies wanted a monopoly. They wanted single desk selling. If the truth were to be told, it was the Liberal government of the day that was reluctant to make it anything but a voluntary board. It was not until the 1950s that it became what it is today.

The sentiment and opinions of prairie farmers have changed very little. They do not want a voluntary board. They did not want a voluntary board then and they do not want a voluntary board now, despite anything the Reform Party says.

This Reform Party member who spoke a few moments ago talked about the board's not being democratic and that whatever the board would do under Bill C-4 somehow would be shoved down the throats of prairie farmers.

• (1630)

What is the fact of the matter? The fact is that Bill C-4 takes away many of the powers the government now has and puts those powers into the hands of farmers. The major mechanism of that is through a board and most of its members will be elected by farmers. On a 15 member board, there will be 10 elected by farmers and 5 appointed by the government. It sounds to me that it is going to be a board which reflects a democratic exercise.

A Reform Party member is saying just the opposite. This is why I am concerned about boys and girls who might be listening to this debate today. I do not want listeners especially the young people to believe that an opposition party can come into this House and just say whatever it likes. You cannot if you want to be ethical, and if you are bound to the truth, you will stick to the facts.

I want to touch on some other things. The official opposition which happens to be the Reform Party, and a number of other groups that oppose Bill C-4 have said that the federal government has ignored the Western Grain Marketing Panel and its recommendations. They have accused the government of not listening to the

panel which it selected. This is clearly not the case and I will try to deal in facts.

I would like to indicate the extent to which Bill C-4 reflects the recommendations of the Western Grain Marketing Panel. I wonder if members of the Reform Party would like to listen to some facts. We will see if they want to listen to facts.

It was worth noting that in introducing its recommendations, the panel stated: "The principle behind these amendments would be one of making the act a more enabling piece of legislation, thereby giving the minister responsible more authority to make changes by regulation rather than having to refer the act to Parliament for amendment on each occasion". This is lesson number one for the Reform Party. This principle is clearly embodied in Bill C-4.

Many aspects of the bill, such as those providing for more flexible payment options for farmers, would allow the CWB to do many things it cannot do today. However, the decision to implement these new services or not would rest where it should be, with the farmer controlled board of directors. I want to remind the Reform Party members that if they have not read Bill C-4, we are going to have a democratically controlled board of directors.

**Mr. Ken Epp:** Do not mislead the children now, John.

**Mr. John Harvard:** Reform members do not want to listen. I know the facts really grate on them. When someone is given to ideology, it is very, very difficult to listen to facts. I invite them, if they would just put aside the ideology for just five minutes, maybe we could get through this.

With respect to the panel's specific recommendations regarding the board, the first recommendation was that the amendments should accommodate restructuring the governance of the Canadian Wheat Board in accordance with a number of guidelines.

Certainly Bill C-4 would restructure the Canadian Wheat Board from being a crown corporation with five appointed commissioners to a mixed enterprise where farmers would control the majority of the board of directors. I will get into that more when looking at the specific recommendations of the panel.

The second panel recommendation was to permit the Canadian Wheat Board to make cash purchases and that is in Bill C-4. The third recommendation was to permit the Canadian Wheat Board to make payments to farmers for grain storage and/or carrying costs. That is in Bill C-4.

We are just trying to teach these little children a few things. I know it is very difficult for the Reform Party. It is very difficult but we on this side will not give up.

The fourth recommendation was to allow deliveries to farmer owned condo storage without regard to the delivery quotas or contracts. That happens to be in Bill C-4.

• (1635)

The fifth recommendation was to permit the Canadian Wheat Board to purchase grain from other than an elevator, rail car or from any other origin. That is in Bill C-4.

These are just some facts to see if we can help these poor little members from the Reform Party.

**Mr. Ken Epp (Elk Island, Ref.):** Madam Speaker, I rise on a point of order. I have tried to restrain myself here. The member keeps demeaning other members of Parliament. That is against the rules of this House. It destroys the decorum of this House. I wish that you would request him to withdraw those negative statements that he has made and to start treating us like the fellow adults that we are.

**The Acting Speaker (Ms. Thibeault):** I will try to be more attentive to the debate. At this point I would like to request to see the "blues".

[Translation]

Then, I will get back to the House, if anything was said that should not have been.

[English]

**Mr. John Harvard:** Madam Speaker, I will see if I can just stick with the facts. I know it upsets the Reform Party but we are just going to stick with the facts.

The sixth recommendation of the grain panel was to allow for pool accounts to be terminated and paid out at any time following closure of the pool. That is in Bill C-4. It is just another fact.

The seventh recommendation of the panel was to allow for the assignment of negotiable producer certificates. That is in Bill C-4 which is just another little fact for the Reform Party members. I know they have trouble listening.

The eighth recommendation of the panel was to clarify the board's authority to utilize risk management tools including futures and options in dealing with the farmers and customers. That is in Bill C-4. That is just another little fact for members of the Reform Party. I know it is difficult for them to absorb.

The recommendations that deal with the powers of the Canadian Wheat Board that came from the Western Grain Marketing Panel are all contained in Bill C-4.

Turning to the governance issue, the panel recommended that the board should be governed by a board of directors of not less than 11 and not more than 15 elected and appointed members. The panel went on to recommend that the board should be composed of a majority of farmers, a minimum of three representatives from the

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trade and a minimum of two representatives from the federal government.

Bill C-4 follows that pretty closely I would say. There would be 15 directors with a two-thirds majority elected by farmers. There is no requirement in Bill C-4 that the trade be represented on the board of directors as there are a number of groups who are concerned with having individuals with financial interests in the grain trade on the board. But the government would appoint five directors and they could well come from the industry, the financial sector, academia or other backgrounds.

Another recommendation of the panel on governance was that there should be a modern corporate structure under which a chief executive officer would be hired and would be responsible for the overall operations of the board reporting to the board through its chairperson. This recommendation has been largely fulfilled in Bill C-4. There would be a chief executive officer responsible for overall operations and there would be a chairperson of the board. The one difference is that the chief executive officer would be a member of the board of directors itself.

Another recommendation from the panel was to ensure a rapid and smooth transition to the new governance structure. The panel recommended that the first members of the board of directors should be appointed.

• (1640)

This recommendation was followed in C-72. However when the bill did not pass, it was decided that in order to live up to the commitment to have a board of directors with elected members in place by the end of this year, Bill C-4 could dispense with that interim board of fully appointed members. The change in C-4 has been well received.

Another recommendation was that the Canadian Wheat Board Advisory Committee should continue to function until all farmer members of the board are elected. In Bill C-4 the Canadian Wheat Board Advisory Committee would continue until their terms are up, which is expected to be at the same time the new board members would be ready to take office.

Finally there was a recommendation that a mechanism should be established which makes it possible for the Canadian Wheat Board to begin development of a capital base. Bill C-4 goes part way in that direction in that there is a provision for a contingency fund but it is limited to three uses. It could not be used to make investments in facilities but the contingency fund partly goes in the direction of this recommendation.

If we look objectively at the 13 recommendations that were made by the panel with respect to the Canadian Wheat Board, Bill C-4 in many cases follows them exactly and in the other cases follows them quite closely. Those are absolutely the facts. I dare any member of the Reform Party to try to refute those facts.

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Where Bill C-4 does not follow the recommendations of the panel is with respect to the recommendations it made on feed barley being placed under an open market system not precluding the Canadian Wheat Board while malt barley would be marketed solely through the Canadian Wheat Board. Another recommendation that was not followed was that unregistered varieties of wheat should be exempt from the jurisdiction of the wheat board.

Those recommendations were not followed up in C-4. The government did not believe that those recommendations were workable. In fact the panel itself had some doubts about the workability of the recommendation on barley. Instead what is in Bill C-4 is the mechanism for farmers to decide themselves, through whom they elect to the board of directors or in some cases through a vote of farmers, to what extent wheat and barley could be covered under the Canadian Wheat Board or in an open market system with or without the participation of the Canadian Wheat Board.

As well there is a provision in the bill that provides a process for farmers to add oats, canola, flax and rye to the jurisdiction of the wheat board with or without the export control provisions.

Let me summarize. With respect to the organization and operational tools of the Canadian Wheat Board, Bill C-4 follows very closely the recommendations of the Western Grain Marketing Panel. With respect to the panel's recommendations on jurisdiction for wheat and barley marketing, the bill puts in place a full democratic process for farmers to make those decisions themselves, and I underline themselves.

As members can see, contrary to what the official opposition has claimed, we have in fact followed the recommendations of the Western Grain Marketing Panel very closely.

Madam Speaker, how much time do I have left?

**The Acting Speaker (Ms. Thibeault):** You have three minutes.

**An hon. member:** You are done.

**Mr. John Harvard:** There goes the Reform Party again. It really kills them to listen, does it not? It really kills them.

I want to pay tribute to all the prairie farmers who have participated in this debate with regard to changing the wheat board.

Prairie farmers are very democratically inclined. They take their business very seriously. They take the wheat board very seriously. They take the government seriously and they take politics seriously. They have made an enormous contribution to the debate which has been going on for a long, long time. I want to pay tribute to all the farmers who have worked so hard in trying to improve this bill as much as possible and who have given us the benefit of their views.

• (1645)

I know this is going to kill the Reform Party, but I would like to pay tribute to the minister responsible for the wheat board. If ever there was a minister who worked harder and who listened more to the stakeholders I would like to know who that minister is. This minister has bent over backward to find common ground, balance, equilibrium and compromise so that everyone's aspirations and desires would be reflected in the bill. The minister has done a magnificent job.

Let us be absolutely frank. If you are on the fringe of this debate, if you are a fanatic, you are not going to appreciate the hard work of this minister.

I know that most prairie farmers are fair minded. They are moderate people. They belong to the mainstream. What they want is a workable bill. They want a bill which will work. They do not expect that absolutely everything they desire will be in it. That is simply not possible in this kind of world.

We would have to exclude the Reform Party because its members live in some kind of ideological dream.

I wanted to put those remarks on the record for the sake of facts.

[*Translation*]

**The Acting Speaker (Ms. Thibeault):** It is my duty pursuant to Standing Order 38 to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Pictou—Antigonish—Guysborough, Airbus; the hon. member for Qu'Appelle, banking; the hon. member for Vancouver East, education.

[*English*]

**Mr. Jim Pankiw (Saskatoon—Humboldt, Ref.):** Madam Speaker, I will get to my question in a minute. First I would like to say that the refusal of the Liberal government to address the monopoly of the Canadian Wheat Board means that it will continue to not be subject to competition. It will continue to not have to get the best price for farmers' grain. Canadian farmers will be forced to continue to accept far below world market prices for the grain they grow.

I was raised on a farm. The reason I chose a career other than farming is because there is no money in farming. I was forced to embark on a career other than what I might have had simply for economic reasons and simply because of the fact that the Canadian Wheat Board has been keeping farmers poor and not giving them the price for their grain which they deserve.

I resent eastern politicians and Ottawa lawyers telling my family, my friends, my neighbours and the constituents I represent "Here is how you must market your grain. You must accept lower than market value because we are going to dictate how you do it. But that does not apply to Ontario. It does not apply to the people

we represent, but you people out west have to accept what we tell you”.

How dare they have the audacity and the contempt to force the bill down the throats of western farmers.

**Mr. John Harvard:** Madam Speaker, I would be absolutely delighted to answer that question.

First I would like to remind the hon. member from Saskatoon or wherever he comes from—

**Some hon. members:** Oh, oh.

**Mr. John Harvard:** Two people can play that game. If the hon. member thinks that he can tell eastern Canadians they are off limits when it comes to debating the wheat board, there are people who might want to say to members of the Reform Party “You are from Saskatchewan” or “You are from Alberta” or “You are from Manitoba and because of some residency clause you cannot speak”. I think that members of the Reform Party would be offended. If they were offended they would be right.

• (1650)

When we come to the House we all enjoy equal rights. We do not have a residency clause. We do not say to the people in the west that they cannot talk about a problem in Quebec or in the maritimes. We do not say to people in eastern Canada that they cannot say anything about farm issues in the west. The Reform Party simply does not get it.

I will address the member’s question about monopoly. He seemed to imply in his question that we did not address monopoly. I have another small fact for the Reform Party. We did. We left it in place because prairie farmers want single desk selling. They want an agency. They want the Canadian Wheat Board to sell their grain. Why do they want single desk selling? Because the Canadian Wheat Board has proven over and over again that it is the best in the marketplace. Nobody can touch it. That has been shown.

When the Reform Party says that we have not addressed monopoly, we have. We have addressed it because farmers want single desk selling. If they want it, that is what they are going to have, and they deserve it.

**Mr. Darrel Stinson (Okanagan—Shuswap, Ref.):** Madam Speaker, I sat here and listened to the member opposite give his speech. Now I fully understand why out west the House in Ottawa is called the bull capital of Canada. There is no doubt about that.

The hon. member talked a lot about democracy. He mentioned democracy in his speech. To me democracy is the understanding that we have freedom of choice. Bill C-4 does not give us that freedom of choice.

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I have a very specific question for the member. What assurance do the farmers on the prairies have that the people the government will appoint to these boards will have farming or marketing experience? What assurance is there in Bill C-4 of that?

**Mr. John Harvard:** Madam Speaker, that is actually a pretty good question coming from the Reform Party. He has probably overshot his mark but it is a good question.

The answer goes something like this. We trust farmers. Farmers know their business very well. They know whom to pick to represent their best interests. I have absolutely no doubt in my mind for a minute that they will pick outstanding representatives of their interests to sit on the board.

The Reform Party has members from Saskatchewan. I suspect some of these members may have heard of the Saskatchewan Wheat Pool, a pretty successful organization. Would the member not agree? What does it have? It has farmers who sit on its board through its system of delegation and selection. They do a pretty darn good job. Look at the growth of the Saskatchewan Wheat Pool. It has done well.

If farmers can do a very good job of representing farmers’ interests on the board of directors of the Saskatchewan Wheat Pool, I suspect they can do a job that is equally good or perhaps even better on the Canadian Wheat Board.

In this whole thing we have to trust farmers. They have good judgment, something the Reform Party does not seem to get.

**Mr. Jay Hill (Prince George—Peace River, Ref.):** Madam Speaker, the most accurate thing the hon. member for Charleswood—Assiniboine said during his ramblings of the past 20 minutes was something to the effect that now he would try to stick to the facts.

• (1655)

I want to ask him the question I asked his hon. colleague from Hastings—Frontenac—Lennox and Addington earlier in the debate. I asked a very specific question, one that is very simple to answer.

The hon. member is the parliamentary secretary to the minister of agriculture. He sits from time to time on the standing committee, as I do. He was present, I believe, during most of the presentations that were made over the very shortened time that we had Bill C-4 before the committee. I would like to know how many presenters appearing before the standing committee—and I would like him to identify who they would be—supported Bill C-4. How many farm groups would there be?

Second, since he has such great faith in the Canadian farmer, as I do, especially since I was one for about 20 years, would he be willing to have the farmers decide the fate of Bill C-4 with a straightforward plebiscite question?

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**Mr. John Harvard:** Madam Speaker, on the question of plebiscite, not too long ago, I guess about a year ago, we had a plebiscite on the prairies regarding barley and it was approved by farmers. They wanted barley to stay under the jurisdiction of the board, something the Reform Party did not want.

The member from Prince George mentioned that I sit on the Standing Committee on Agriculture and Agri-Food. I am there all the time, not occasionally. I am a full member. There is no such thing as a part time member of the committee on agriculture.

He raised a question about how many groups showed up that were opposed to the bill and how many were in support of the bill. Is that the question?

**Mr. Jay Hill:** How many supported it.

**Mr. John Harvard:** Anybody who knows the committee process knows full well it is those organizations that have a concern about a bill that are put to the front of the queue. They are the ones who are heard more than anyone else. Organizations, individuals and in this case farmers who are happy with the bill or just have some minor reservations about it do not seek to come before the committee. So, yes, we had a number of organizations concerned about the so-called exclusion clause and they were allowed to come before the committee.

**Mr. Allan Kerpan (Blackstrap, Ref.):** Madam Speaker, I appreciate the opportunity to rise at this late date to speak to Bill C-4. I have a few comments to make. I would like to inform the Chair that I will be sharing my time with the member for Elk Island.

Two things I am going to open with and I am also going to close with were mentioned just a couple of minutes ago by my colleague from Prince George—Peace River. If the government is convinced that farmers support Bill C-4 then put it to a binding referendum, straight and simple. There is no question.

When we look at Bill C-4 and the farmers and farm groups I have talked to about the bill over the last few months I do not see anybody on either side of the debate who likes the bill. The people who are solidly in support of single desk monopolies do not like the bill. Neither do some of the other people who would like the choice of a dual marketing system or any other type of system.

When nobody likes a particular piece of legislation it kind of reminds me of Bill C-68. We have a government which is saying "This is what is good for you people. Do what we tell you to do and be nice little children out in western Canada. Do as we say and we will get along just fine". It does not work. It cannot work. It is the same type of arrogance we saw in Bill C-68 from the government in the last parliament.

I remember particularly one day in June 1996 that we held a debate on the wheat board in the House. That was in the last parliament. I looked across the way and we counted 15 lawyers who were Liberal members and 12 farmers on the Reform side in the House at that time. It struck me as ironic that there would be 15 lawyers, most of whom had never been to a farm in Saskatchewan, telling farmers from Saskatchewan, Manitoba and Alberta how they should do their business. I do not understand that kind of thinking. It is something that I just cannot accept.

• (1700 )

I look at this bill and I see tinkering around the edges of the wheat board. I think the minister knows full well that unless he makes some changes, the wheat board will most likely explode from within rather than from without. He knows of the tremendous pressure from farmers and farm groups on the Canadian Wheat Board and yet he has failed. He has a very good opportunity here to make some changes that farmers can accept, yet he has failed to do that.

The two things that farmers tell me most is that they would like to have the opportunity to look at the books of the Canadian Wheat Board. They also tell me that they would like to elect all of the wheat board directors. Quite simple.

I think if you had those two basic fundamental steps, a lot of the pressure on the wheat board would be taken off. There is no question about it.

I think what Bill C-4 is about, almost as much as it is about the right to market grain, is basic rights in this country. Again, as I said before, we have seen over the past number of years the inability of this Liberal government to recognize the basic fundamental rights of Canadians on a lot of issues.

Another one that is before the Supreme Court is the right of Quebec to decide its own future. Our government fails to recognize the need for Canadians to have those particular rights and the rights of property, as I mentioned before, Bill C-16, the right to own a gun, the right to sell that bushel of wheat that you grew on your farm, yet you have no right to sell it in your own best interests.

A fellow came into my office when I was the member for Moose Jaw—Lake Centre in the last parliament. He said he had a pile of durum on his ground in his yard, about 10,000 bushels. He said he could take that durum across the line and get \$8 a bushel for it. In Canada there was no market at that point in time to sell that durum. He asked what he was supposed to do. He said he was going broke, that if he did not sell the durum he would most likely lose his farm. He asked if he should take it across the line.

What is anyone in their right mind going to tell this man? You have to tell him that he has to do the best that he thinks is right for him. Nobody could argue that. I have no idea what the man did but

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if it was me and it was my durum, I would be hauling it across the line to save my farm. I would just do that.

I want to touch on the arrogance that we see from this government. I have listened to the debate today about how farmers support Bill C-4. I would like to ask the government how many Liberal MPs have been to Saskatchewan, how many have been in the communities of Dundurn, Val Marie or Smuts, gone to the coffee shop and asked the farmers what they think about C-4.

I do not recall one Liberal MP being in Saskatchewan. Of course, we have to remember there are very few Liberal MPs in Saskatchewan. The parliamentary secretary said he believed farmers were fairly intelligent people. They are. They did kick out four Liberal MPs in the last election. Yes, I think they are relatively intelligent.

The question is how can you make a statement saying that farmers support this bill when you do not listen to the farmers in British Columbia, Alberta, Saskatchewan and Manitoba. You cannot have consensus unless you listen to people. They have not done that. They have taken the advisory committee recommendations and put half measures in place in many cases. The minister said they acted on all the recommendations.

There was one. The advisory committee recommended that farmers be allowed to sell a certain portion of their wheat off-board. I do not recall the minister saying they acted on that one. Maybe I was not in my chair at that time, but I do not think he mentioned that.

It comes down to rights, to democracy and to the ability of any government, whether it be this Liberal government or any other government, to listen to the people, to let the farmers decide how they want to run their business, within certain regulations of course.

In Saskatchewan if you look at the state of agriculture, the NDP provincial government will say that all is wonderful.

• (1705 )

That is a far cry from the truth. The fact is that there are 3,500 in my province who are in arrears to the Saskatchewan Crop Insurance Corporation. More farmers will probably go bankrupt this year than have in the last two or three years put together. That is what I would consider the edge of disaster for agriculture in Saskatchewan.

One of those concerns is the wheat board and one of those is transportation. We have problems out there. If only this government would take the simple time to listen to what the people are saying, some of those problems could be avoided. Some of those bankruptcies that will ultimately happen, and have happened, in our province of Saskatchewan will rest on the shoulders of this

Liberal government. Indirectly, the blame for those bankruptcies can go to this Liberal government. In my opinion that is a shame.

I want to end by saying if this government has so much faith in Bill C-4 and if they believe that the farmers in western Canada who live under the Canadian Wheat Board support that bill by a vast majority, as most of the government members will tell us, then put your money where your mouth is. Let us put Bill C-4 to the test, to a binding referendum among farmers. I tell you, Mr. Speaker, if it comes back and the result is in favour of Bill C-4, I will stand by that decision as well.

**The Speaker:** Questions and comments? I see two members standing who are going to split the time.

**Mr. Rey D. Pagtakhan (Parliamentary Secretary to Prime Minister, Lib.):** Mr. Speaker, I am perplexed that when an issue is before Parliament that is composed of members elected from across the country and who are given a mandate to debate an issue, all of a sudden the Reform will surrender that responsibility to another election process, a referendum.

We have been given the mandate to debate. I recall three kinds of politics articulated by Robert Bellah in his book "Habits of the Heart". He speaks about the politics of the community when there is a consensus. That will be difficult to find in this Chamber. Then there is the second kind of politics, the politics of interest, that by definition there has to be competing and sometimes conflicting interests. But then we, in Parliament, must govern. We in Parliament must make a decision and not relinquish that again to yet another process that will be costly and time consuming.

I appeal to the Reform Party to make its decision known and to give its votes, but let the politics of the nation prevail and that of the majority. If you live in a democracy, when the majority of this Chamber so wills, let it be done and not surrender to yet another election process.

**Mr. Allan Kerpan:** Mr. Speaker, I can almost say after this member has spoken, that I can rest my case. That is exactly what I am saying. Let us have a full democratic process where the people who are most affected by this legislation have the opportunity to make a decision.

The member opposite was alluding to the fact that we are all elected from across the country to make those decisions. He is right. If there is a bill in this House on fisheries and oceans in Atlantic Canada, I do not have much expertise in that. I like fishing but that is as far as it goes. I am not going to be the guy who stands up and says "this is what you should do in Newfoundland" because I have no idea what the fishermen in Newfoundland think.

On the flip side of that, there is no way on God's green earth that an MP who probably has never travelled to central Saskatchewan can say "this is what I want you to do farmer Jones in Kedleston, Saskatchewan, because it is good for you". It is not because they

*Government Orders*

are bad people, it is because they have no ability. There is no possible way that they could know what that farmer in central Saskatchewan faces.

**The Speaker:** The hon. member for Saskatoon—Humboldt you have one minute.

• (1710)

**Mr. Jim Pankiw (Saskatoon—Humboldt, Ref.):** Mr. Speaker, my question is for the hon. member for Blackstrap.

How does he tell his constituents or what does he say to the farmers that he represents? How does he explain that Bill C-4 will apply only to farmers in Saskatchewan, Alberta and Manitoba, but the restrictions that are placed upon them by the bill will not affect farmers in other provinces? How does he explain that?

**Mr. Allan Kerpan:** Mr. Speaker, that is a very good question from my colleague for Saskatoon—Humboldt.

What I tell the people in my riding or the farmers that I speak with on a daily basis is that it is a very unusual type of situation where we would have three prairie provinces which live under different rules, forced rules from the government of Canada, than farmers in other provinces.

I think that is part of the frustration that farmers see. They see farmers in Ontario who do not live under the same rules. In fact, I don't believe the name of the Canadian Wheat Board should be the Canadian Wheat Board. It should be the "Western Canadian Wheat Board" because it really only does apply to provinces in western Canada. That is part of that whole frustration.

As I said in my speech, if we don't make big changes to the wheat board, it is not the farmers or the Reform Party or the Grain Growers Association who are going to erode and destroy the wheat board. The wheat board is going to destroy itself.

**Mr. Ken Epp (Elk Island, Ref.):** Mr. Speaker, it is a great honour to stand in the House of Commons in Ottawa, our nation's capital, and speak on behalf of farmers.

I come from farming stock. My grandparents on both sides of my family were pioneers in the west. They opened up some land. They began farming. My dad who is now in his mid-eighties still can't stay off of the farm. At seeding time and harvest, he goes out there and he has to see what the boys are doing.

It just sort of gets into your blood. Once you have been involved in growing grain, in producing food to feed not only Canadians but also people around the world, it is much more than a matter of just having a job and a livelihood. It is a matter of great service.

My brother who has taken over our family farm has taught me a lot in terms of patience and perseverance, as did my dad, farming in the dirty thirties. I remember one bumper sticker that my brother had on his half-ton that I think is very appropriate. It said: When you complain about the farmers, don't talk with your mouth full.

I think that is so important because it is the farmers who produce our food and, without food, we die. Without food and the export of food, our country's economy takes a huge beating because so much of what we produce is for the export market.

I have a great honour to stand here and speak on behalf of farmers, not only because of my family involvement in it, but also because of the fact that I represent a rural constituency in Alberta where people farm. To me, the essence of the debate is the individual freedom of these farmers to manage their affairs.

We all know the difficulties under which farmers operate. They have the vicissitudes of weather, the vagaries of government. They have the high costs of machinery and input costs of other kinds. It is a great affront to me when the very fundamental freedom that they have to sell their own market, to sell their own product, is taken away.

I know I have to cut myself short here because of the time. In conclusion, I want to quote A. de Tocqueville, a great philosopher, from his book *Democracy in America*. This is a quotation that came to my mind. I looked it up this afternoon because I wanted to get this into the record. I quote:

—after having thus successfully taken each member of the community in its powerful grasp, and fashioned him at will, the supreme power then extends its arms over the whole community. It covers the surface of society with a network of small complicated rules, minute and uniform, through which the most original minds and the most energetic characters cannot penetrate to rise above the crowd. The will of man is not shattered but softened, bent and guided; men are seldom forced by it to act, but they are constantly restrained from acting. Such a power does not destroy, but it prevents existence; it does not tyrannize, but it compresses, enervates, extinguishes, and stupefies a people, till each nation is reduced to be nothing better than a flock of timid and industrial animals, of which government is the shepherd.

• (1715)

Mr. Speaker, I will not read to the end of it. I will just say in conclusion I do not want to live in such a Canada. I do not want to live in a country where some distant autocratic government dictates to the people what they can and what they cannot do. I want to live in a democracy where the will of those people is reflected in the rules.

That is why I urge all members to vote in favour of the amendment which is in front of us now, which is to hold this bill for a short time while we examine it further and get it right.

*Government Orders*

[*Translation*]

**The Speaker:** It being 5.15 p.m., pursuant to order made Thursday, February 12, 1998, the House will now proceed to the taking of the deferred division on the motion at third reading of Bill C-4.

The question is on the amendment.

[*English*]

As far as the recommittal of the bill, the hon. member for Prince George—Peace River moved:

That the motion be amended by deleting all the words after the word “That” and substituting the following therefor:

“Bill C-4, an act to amend the Canadian Wheat Board—

Shall I dispense?”

**Some hon. members:** No.

**The Speaker:** No.

—and to make consequential amendments to other acts, be not now read a third time but be referred back to the Standing Committee on Agriculture for the purpose of reconsidering clause 8 in section 9 to ensure that the Board show such particulars and furnish such information as requested for the purpose of an audit by the Auditor General; and provide such records and information as requested under Access to Information Act in so far as the records and information requested have been in the process or under the control of the Corporation for at least three years before the day on which the request is received by the Corporation and that the Corporation shall continue to be a government institution within the meaning of the Access to Information Act”.

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

**Some hon. members:** Agreed.

**Some hon. members:** No.

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

**Some hon. members:** Yea.

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

**Some hon. members:** Nay.

**The Speaker:** In my opinion the yeas have it.

*And more than five members having risen:*

**The Speaker:** Call in the members.

• (1750)

(The House divided on the amendment, which was negatived on the following division:)

(*Division No. 87*)

**YEAS**

Members

Abbott  
Alarie  
Asselin  
Bachand (Saint-Jean)  
Bellehumeur  
Bergeron  
Îles-de-la-Madeleine—Pabok  
Bigras  
Breitkreuz (Yellowhead)

Ablonczy  
Anders  
Bachand (Richmond—Arthabaska)  
Bailey  
Benoit  
Bernier (Bonaventure—Gaspé—  
Bernier (Tobique—Mactaquac)  
Borotsik

Breitkreuz (Yorkton—Melville)  
Brison  
Casson  
Cummins  
Debien  
Doyle  
Dubé (Madawaska—Restigouche)  
Dumas  
Epp  
Fournier  
Gauthier  
Godin (Châteauguay)  
Gouk  
Grey (Edmonton North)  
Hart  
Herron  
Hill (Prince George—Peace River)  
Hoepfner  
Jones  
Kenney (Calgary-Sud-Est)  
Laurin  
Lefebvre  
Lowther  
MacKay (Pictou—Antigonish—Guysborough)  
Marchand  
Martin (Esquimalt—Juan de Fuca)  
McNally  
Meredith  
Morrison  
Pankiw  
Perron  
Plamondon  
Price  
Reynolds  
Rocheleau  
Schmidt  
Solberg  
Stinson  
Strahl  
Tremblay (Lac-Saint-Jean)  
Vellacott  
White (Langley—Abbotsford)

Brien  
Cadman  
Chatters  
Dalphond-Guiral  
Desrochers  
Dubé (Lévis)  
Duceppe  
Duncan  
Forseth  
Gagnon  
Girard-Bujold  
Goldring  
Grewal  
Guimond  
Harvey  
Hill (Macleod)  
Hilstrom  
Johnston  
Keddy (South Shore)  
Kerpan  
Lebel  
Loubier  
Lunn  
Manning  
Mark  
Matthews  
Mercier  
Mills (Red Deer)  
Obhrai  
Penson  
Picard (Drummond)  
Power  
Ramsay  
Ritz  
Sauvageau  
Scott (Skeena)  
St-Hilaire  
St-Jacques  
Thompson (Charlotte)  
Turp  
Wayne  
Williams—100

**NAYS**

Members

Adams  
Anderson  
Assadourian  
Axworthy (Saskatoon—Rosetown—Biggar)  
Baker  
Barnes  
Bélair  
Bellemare  
Bevilacqua  
Blondin-Andrew  
Bonwick  
Brown  
Bulte  
Caccia  
Caplan  
Catterall  
Chamberlain  
Charbonneau  
Coderre  
Collenette  
Cullen  
DeVillers  
Dion  
Dockrill  
Drouin  
Earle  
Eggleton  
Folco  
Fry  
Galloway  
Godin (Acadie—Bathurst)  
Gray (Windsor West)  
Alcock  
Assad  
Augustine  
Axworthy (Winnipeg South Centre)  
Bakopanos  
Beaumier  
Bélanger  
Bennett  
Blaikie  
Bonin  
Boudria  
Bryden  
Byrne  
Calder  
Carroll  
Cauchon  
Chan  
Clouthier  
Cohen  
Comuzzi  
Davies  
Dhaliwal  
Discepola  
Dromisky  
Duhamel  
Easter  
Finlay  
Fontana  
Gagliano  
Godfrey  
Goodale  
Grose

*Government Orders*

Guarnieri	Harb
Harvard	Hubbard
Ianno	Iftody
Jackson	Jennings
Jordan	Karetak-Lindell
Karygiannis	Keyes
Kilger (Stormont—Dundas)	Kilgour (Edmonton Southeast)
Knutson	Kraft Sloan
Laliberte	Lastewka
Lavigne	Lee
Leung	Lincoln
MacAulay	Mahoney
Malhi	Maloney
Mancini	Manley
Marchi	Marleau
Massé	McCormick
McDonough	McGuire
McKay (Scarborough East)	McLellan (Edmonton West)
McTeague	McWhinney
Mifflin	Milliken
Mills (Broadview—Greenwood)	Minna
Mitchell	Murray
Myers	Nault
Nystrom	O'Brien (London—Fanshawe)
O'Reilly	Pagtakhan
Paradis	Patry
Peric	Peterson
Pettigrew	Phinney
Pickard (Kent—Essex)	Pillitteri
Pratt	Proctor
Proud	Provenzano
Redman	Reed
Riis	Robillard
Saada	Scott (Fredericton)
Serré	Shepherd
Solomon	Speller
St. Denis	Steckle
Stewart (Brant)	Stewart (Northumberland)
St-Julien	Stoffer
Szabo	Thibeault
Torsney	Ur
Valeri	Vanclief
Vautour	Volpe
Wappel	Wasylcia-Leis
Whelan	Wilfert—154

## PAIRED MEMBERS

Bradshaw	Cannis
Chrétien (Frontenac—Mégantic)	Copps
Crête	de Savoye
Finstone	Guay
Lalonde	Marceau
Ménard	O'Brien (Labrador)
Parrish	Rock
Stewart (Brant)	Telegdi
Tremblay (Rimouski—Mitis)	Venne

**The Speaker:** I declare the amendment lost.

The next question is on the main motion. Is it the pleasure of the House to adopt the motion?

**Some hon. members:** Agreed.

**Some hon. members:** No.

**The Speaker:** All those in favour will please say yea.

**Some hon. members:** Yea.

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

**Some hon. members:** Nay.

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

*And more than five members having risen:*

• (1800)

(The House divided on the motion, which was agreed to on the following division:)

(Division No. 88)

## YEAS

## Members

Adams	Alcock
Anderson	Assad
Assadourian	Augustine
Axworthy (Winnipeg South Centre)	Baker
Bakopanos	Barnes
Beaumier	Bélair
Bélanger	Bellemare
Bennett	Bevilacqua
Blondin-Andrew	Bonin
Bonwick	Boudria
Brown	Bryden
Bulte	Byrne
Caccia	Calder
Caplan	Carroll
Catterall	Cauchon
Chamberlain	Chan
Charbonneau	Clouthier
Coderre	Cohen
Collenette	Comuzzi
Cullen	DeVillers
Dhaliwal	Dion
Discepolo	Dromisky
Drouin	Duhamel
Easter	Eggleton
Finlay	Folco
Fontana	Fry
Gagliano	Galloway
Godfrey	Goodale
Gray (Windsor West)	Grose
Guarnieri	Harb
Harvard	Hubbard
Ianno	Iftody
Jackson	Jennings
Jordan	Karetak-Lindell
Karygiannis	Keyes
Kilger (Stormont—Dundas)	Kilgour (Edmonton Southeast)
Knutson	Kraft Sloan
Lastewka	Lavigne
Lee	Leung
Lincoln	MacAulay
Mahoney	Malhi
Maloney	Manley
Marchi	Marleau
Massé	McCormick
McGuire	McKay (Scarborough East)
McLellan (Edmonton West)	McTeague
McWhinney	Mifflin
Milliken	Mills (Broadview—Greenwood)
Minna	Mitchell
Murray	Myers
Nault	O'Brien (London—Fanshawe)
O'Reilly	Pagtakhan
Paradis	Patry
Peric	Peterson
Pettigrew	Phinney
Pickard (Kent—Essex)	Pillitteri
Pratt	Proud
Provenzano	Redman
Reed	Robillard
Saada	Scott (Fredericton)
Serré	Shepherd
Speller	St. Denis
Steckle	Stewart (Brant)
Stewart (Northumberland)	St-Julien
Szabo	Thibeault
Torsney	Ur
Valeri	Vanclief
Volpe	Wappel
Whelan	Wilfert—138

*Private Members' Business*

## NAYS

## Members

Abbott	Ablonczy
Alarie	Anders
Asselin	Axworthy (Saskatoon—Rosetown—Biggar)
Bachand (Richmond—Arthabaska)	Bachand (Saint-Jean)
Bailey	Bellehumeur
Benoit	Bergeron
Bernier (Bonaventure—Gaspé—Îles-de-la-Madeleine—Pabok)	Bigras
Bernier (Tobique—Mactaquac)	Borotsik
Blaikie	Breitkreuz (Yorkton—Melville)
Breitkreuz (Yellowhead)	Brison
Brien	Casson
Cadman	Cummins
Chatters	Davies
Dalphond-Guiral	Desrochers
Debien	Doyle
Dockrill	Dubé (Madawaska—Restigouche)
Dubé (Lévis)	Dumas
Duceppe	Earle
Duncan	Forseth
Epp	Gagnon
Fournier	Girard-Bujold
Gauthier	Godin (Châteauguay)
Godin (Acadie—Bathurst)	Gouk
Goldring	Grey (Edmonton North)
Grewal	Hart
Guimond	Herron
Harvey	Hill (Prince George—Peace River)
Hill (Macleod)	Hoeppner
Hilstrom	Jones
Johnston	Kenney (Calgary-Sud-Est)
Keddy (South Shore)	Laliberte
Kerpan	Lebel
Laurin	Loubier
Lefebvre	Lunn
Lowther	Mancini
MacKay (Pictou—Antigonish—Guysborough)	Marchand
Manning	Martin (Esquimalt—Juan de Fuca)
Mark	McDonough
Matthews	Mercier
McNally	Mills (Red Deer)
Meredith	Nystrom
Morrison	Pankiw
Obhrai	Perron
Penson	Plamondon
Picard (Drummond)	Price
Power	Ramsay
Proctor	Riis
Reynolds	Rocheleau
Ritz	Schmidt
Sauvageau	Solberg
Scott (Skeena)	St-Hilaire
Solomon	St-Jacques
Stinson	Strahl
Stoffer	Tremblay (Lac-Saint-Jean)
Thompson (Charlotte)	Vautour
Turp	Wasylcia-Leis
Vellacott	White (Langley—Abbotsford)
Wayne	
Williams—116	

## PAIRED MEMBERS

Bradshaw	Cannis
Chrétien (Frontenac—Mégantic)	Copps
Crête	de Savoye
Finestone	Guay
Lalonde	Marceau
Ménard	O'Brien (Labrador)
Parrish	Rock
Stewart (Brant)	Telegdi
Tremblay (Rimouski—Mitis)	Venne

**The Speaker:** I declare the motion carried.

(Bill read the third time and passed)

**The Speaker:** The House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

## PRIVATE MEMBERS' BUSINESS

[Translation]

## CRIMINAL CODE

**Mrs. Pauline Picard (Drummond, BQ)** moved that Bill C-247, an act to amend the Criminal Code (genetic manipulation), be read the second time and referred to a committee.

She said: Madam Speaker, I was told I could have 15 minutes to introduce this bill and that I could take five more minutes at the end. I would like to know whether you would allow me 20 minutes right now, because I would take them right now.

**The Acting Speaker (Ms. Thibeault):** No. You have 15 minutes now, and five minutes only—

**An hon. member:** No.

**The Acting Speaker (Ms. Thibeault):** In fact, I am told that the member for Drummond may take her allotted 20 minutes right away. But before she begins, I would like to ask her who seconds the motion.

**Mrs. Pauline Picard:** The member for Laval Centre, Mrs. Dalphond-Guiral, seconds the motion.

I am happy to take part in the debate on Bill C-247, the purpose of which is to amend the Criminal Code. We are dealing with genetic manipulation, but to be more precise, the purpose of the bill is to have the Criminal Code prohibit cloning of human beings.

• (1805)

I am particularly proud because I sponsored Bill C-247. I would also like to thank my colleague from Laval Centre for seconding the motion.

Before I begin, I would like to read you an editorial by Ginette Gagnon of the *Nouvelliste*, who said:

Less than a year ago, the world was astounded to learn that a Scottish researcher had just produced the first adult animal clone, the famous Dolly. It appeared unthinkable that such genetic engineering could be used on humans. Now an American physicist from Chicago, Dr. Richard Seed, would like to defy scientific morals and open a lab to clone humans. The doctor, described as mad, will likely succeed in carrying out his project if the international community takes no action to stop him and more specifically to prohibit this practice throughout the world.

On February 27, the science magazine, *Nature*, published a report in which the authors described how a team of researchers succeeded for the first time in history in producing a healthy lamb from breast tissue taken from an adult sheep. It was a first. The

*Private Members' Business*

main point was not the birth of the lamb, known as Dolly, it was the fact that human cloning was a possibility.

I will define a clone for people. What is it? The popular definition is that it is an organism, a person, an animal or a plant that is a completely identical or nearly identical copy of another organism in terms of appearance or function. On the biological level, it refers to a population of organisms, cells or genetically identical DNA molecules resulting from the asexual reproduction of a single organism.

Shortly after the news of the cloning of Dolly, we in fact learned that scientists in Oregon had cloned two monkeys from embryonic cells, a first among primates. One way or another, regardless of the techniques used, it is very easily imaginable that, with the rapid progress of recent years, human cloning may be commonplace before the end of the century.

People's concerns about the attempts to clone humans are therefore totally justified, even if no one has as yet advanced one single acceptable reason, from the ethical point of view, for performing such a manipulation. This, then, is the context in which I introduce Bill C-247.

By so doing, I have no delusions that I am putting an end to the debate on medically assisted reproductive techniques. On the contrary, I am aware that Bill C-247 does not offer a blanket response to all questions, nor is it intended to. In fact, if there is one lesson that can be learned from the evidence heard during the committee examination of Bill C-47, which dealt with the new reproductive techniques in general, it is that not all techniques can be put in the same basket, and they cannot be regulated as one whole. Each technique has its own specific characteristics, and raises specific questions and reflections which require different types of action.

I would like to review what has gone on in Canada in connection with the new reproductive technologies. The first government inquiry into the new reproductive technologies was the 1989 Baird Commission. Its mandate was to look into current and foreseeable progress in science and medicine relating to reproductive techniques, their repercussions on health and research, their moral, social, economic and legal consequences, and their impact on the general public, and to recommend policies and protective measures to be adopted.

• (1810)

Four years of studies, 40,000 witnesses and \$28 million later, the Baird Commission tabled its report in November 1993. The main conclusions and recommendations were broadly similar to the foreign studies on this topic, in particular the Warlock report done in 1980 by Great Britain.

The federal government was slow to follow up on the report, preferring, unlike the Baird Commission, to extend the consulta-

tions to provincial governments. The Bloc Québécois asked many questions in the House, in order to force the government to table the bill, which would criminalize certain practices related to the new reproductive technologies.

It was not until July 1995 that the government finally took concrete action, imposing a voluntary moratorium prohibiting nine reproductive techniques, including the cloning of human embryos.

The Bloc Québécois, and a number of editorial writers, former members of the Baird Commission, including Patricia Baird, media, and interest groups, such as women's and religious groups, have criticized the voluntary nature of the moratorium, since certain physicians and clinics are continuing to perform techniques prohibited by this moratorium.

In January 1996, the federal government announced that it was creating a temporary advisory committee, with the mandate to enforce the moratorium, follow the development of new reproductive technologies and advise the minister.

As you might imagine, this purely voluntary moratorium has not been enforced. As an example, we could mention the advertisements that appeared in the University of Toronto's *Varsity*, offering to buy ova from young women for infertile couples.

In addition, some establishments continue to pay sperm donors, and physicians say some patients still ask them to retrieve sperm from their deceased husbands.

On June 14, 1996, the then federal Minister of Health, David Dingwall, introduced Bill C-47, along with a statement of principles setting out the federal government's proposed overall policy on management of NRTs. Bill C-47 included the techniques prohibited under the moratorium, and added certain others. It must be made clear, however, that these techniques were not made offences under the Criminal Code, and that as a result provincial authorities would not have been responsible for enforcing the law.

The second phase the federal government hoped to accomplish was to amend Bill C-47 to include a regulatory framework on all techniques of reproduction and genetic manipulation.

A national control and monitoring agency for the new reproductive technologies would have ensured application of the legislation, issued permits, inspected clinics and enforced the regulations. As well, that body would have monitored developments in NRTs and advised the federal Minister of Health in this area.

The Bloc Québécois, although it approved in principle of Bill C-47, was vehemently opposed to the creation of a new national agency, and objected to the fact that there was no provision being added to the Criminal Code.

During the Standing Committee on Health, witnesses voiced a number of misgivings about the content of Bill C-47; they felt that it was too restrictive, too negative, that it was hindering research

and depriving infertile couples of their only remaining option for having a child.

The most common comment made by witnesses was that it is inappropriate to put assisted reproduction procedures and genetic technologies in the same legal framework. These are, they said, different fields requiring different frameworks. Despite all these disagreements, however, there was one consensus: the necessity to take the necessary steps as soon as possible to ban the cloning of human beings.

• (1815)

On this point in particular, everyone agrees that there is not, at this time, any good justification for allowing the cloning of human beings, whatever the procedure used.

When the federal election was called last April, Bill C-47 died on the *Order Paper*, just as it was about to come back to the House for third reading. There is good reason to think the government was not unhappy to see the bill expire.

In fact, numerous criticisms raised by the scientific community with respect to the content and even the spirit of several provisions of the federal bill would have forced the government to make significant changes.

One of the results of the death of Bill C-47 is that all research and experiments in Canada are still subject to the voluntary moratorium introduced by the then Minister of Health, Ms. Marleau, in July 1995. Need I mention that urgent action is required?

In its final report, the Royal Commission on New Reproductive Technologies concluded, and I quote: "We have judged that certain activities conflict so sharply with the values espoused by Canadians and by this Commission, and are so potentially harmful to the interests of individuals and of society, that they must be prohibited by the federal government under threat of criminal sanction".

These activities include human zygote/embryo research related to ectogenesis, cloning, animal/human hybrids, the transfer of zygotes to another species, and so on.

While the members of the international community seem unanimous in their opposition to all forms of human cloning, concerns over possible attempts at human cloning are justified. No one has yet shown that this practice does not involve serious ethical problems. Scientists, including the researchers who have cloned Dolly, have indicated they have no intention of trying to clone human beings.

However, there are a number of supporters of animal cloning. According to some, it might be possible to create strains of animals

able to produce in their milk great quantities of proteins that may be useful in treating human diseases. Experiments like the one producing Dolly could also help researchers better understand human reproduction and hereditary illnesses, like cancer.

A clause in Bill C-47 prohibited human cloning. It is this clause we have incorporated in Bill C-247. It criminalizes human cloning, without however prohibiting scientific research in genetics, which may be beneficial in a number of areas.

The main clause of Bill C-247 reads as follows:

1. The Criminal Code is amended by adding the following after section 286:

286.1(1) No person shall knowingly

(a) manipulate an ovum, zygote or embryo for the purpose of producing a zygote or embryo that contains the same genetic information as a living or deceased human being or a zygote, embryo or foetus, or implant in a woman a zygote or embryo so produced; or

(b) alter the genetic structure of an ovum, human sperm, zygote or embryo if the altered structure is capable of transmission to a subsequent generation.

(2) No person shall offer to carry out any procedure prohibited by subsection (1).

(3) No person shall offer consideration to any person for carrying out any procedure prohibited by subsection (1).

• (1820)

Since all known and imaginable cloning techniques will still require either sperm or a human ovum, or both, banning modification to their genetic structure and their manipulation for the purpose of perpetuating genetic characteristics in other fetuses or embryos, closes the door right from the start to the process of manipulation which leads to human cloning.

Clauses 2 and 3 in the bill extend the penalties to any person offering or requesting a deliberate human cloning experiment. This also closes the door to the researchers of this world, the likes of Richard Seed, who might be tempted to offer their services in Canada, as well as to those who might be tempted to seek out their services.

On numerous occasions, the Bloc Québécois has called on the federal government to intervene in order to forbid these practices relating to the new reproductive technologies. Numerous questions were asked in this House to spur the government into action.

We also issued two press releases in which we called for criminalization of the sale of ova, embryos and fetal tissue. In May 1994, Minister Allan Rock stated that the bill was slated for introduction that fall. The very limited voluntary moratorium followed only in the summer of 1995, while Bill C-47, which merely transform the moratorium into law, was introduced in June 1996. Now it is February 1998. Nothing has been done yet, and it is very troubling.

*Private Members' Business*

Finally, and at another level, it must be emphasized that the new reproductive technologies raise an extremely serious and worrisome problem for the very future of our society as we know it.

While the birth rate is plummeting, genetic medicine and the NRTs are evolving exponentially. The use of these technologies challenges our values, because it involves the very definition of the foundations of our society, our descendants.

Within the medical community itself, stakeholders do not agree on the limits that should or should not be imposed. Within the general public, there is even greater confusion because of a lack of knowledge and information.

I quote Louise Vandelac, a sociologist and specialist in this field. She wrote:

Through ignorance, indifference, naivete or defeatism, we therefore leave up to the so-called specialists something that, from the dawn of time, has ensured the survival of the species and the network of family and social relationships, procreation, filiation and their evolution, when what is at stake is nothing less than our own and humanity's transformation.

How should we react to the "dematernalization" of procreation? At what point should we call a halt to the genetic manipulation that some people would like to use to eliminate certain diseases, but that others would like to use to improve humankind?

I will conclude. I would simply like to tell you that I am deeply worried about the scientist I mentioned earlier who wants to open human cloning clinics and who said that cloning and reprogramming DNA is the first real step toward man taking his place beside God.

If that is not blasphemy, I do not know what is. I therefore ask all members in the House to give their support for Bill C-247. Our society depends on it.

[*English*]

**Ms. Elinor Caplan (Thornhill, Lib.):** Madam Speaker, I am pleased to participate in today's debate.

• (1825)

I begin by saying that I believe for one of the challenges of technological innovation, particularly in the health field, we must answer this question. Just because we can do something, should we do it and should we permit it to be done.

That is the question for us here in the federal legislature. It is also an issue that I dealt with in the provincial legislature during my time there. One of the pieces of legislation I had the privilege to introduce and carry through the Ontario legislature was the independent health facilities legislation.

Most people here probably have never heard of it. However, one of the public policy reasons for introducing that legislation was that

many things were happening outside the hospitals in Ontario without the same kind of quality assurance and accountability that we had in hospital.

The reason was that technology was permitting things to be done in doctors' offices and in clinics outside the hospital that traditionally had always had to take place in hospital.

This legislation was to provide a regulatory regime that would provide public safety and quality assurance for the new technologies that were permitting things to be done outside hospital.

One of these new technologies was the whole area of reproductive technology, in vitro fertilization and so forth. To my dismay, following the passage of this legislation, the NDP government deinsured the whole area of in vitro fertilization.

The legislation, the independent health facilities act legislation, of course only applies to those services that are insured.

Therefore there is the situation occurring in Ontario and in most provinces across Canada with all the issues, ethical and moral, of cloning, sex selection, genetic manipulation; of uses for research purposes of the extra embryos, extra sperm; and sperm banks. It is an entirely unregulated environment.

There are some things that the provinces could do today if they wanted to deal with this issue as it related to uninsured services. They could move to set up regulatory regimes to begin that process.

I believe that federally we have a responsibility as well to look at these emerging issues. Much work has already been done. We know there was legislation previously tabled and I know the federal Minister of Health is planning to table legislation that will address many issues, including the issue of cloning the member has brought forward today. I think she has done the House a service in allowing us to begin this debate.

I want to make the point that I do not believe human cloning has a place in Canada. We have an effective voluntary moratorium on the use of many of these technologies. Those people with the expertise to do these things have agreed collectively that they should not do them outside a regulatory environment. It is not happening and I do not believe it will happen because they know there is legislation pending.

I say to the member and to all those who have an interest in this topic, as I do, that it is my view the legislation should be health legislation as opposed to Criminal Code. The reason I believe it should be health legislation is that this is health policy. It has to do with health issues.

Having said that, there are legal implications that I would like to put forward, those that must be considered when this kind of technology is considered.

In the test tube there is a sperm and an egg for the production of an embryo that will become a fetus, which ultimately could become a person, a baby. Who is the parent? That is one of the issues. What inheritance rights would that child have?

• (1830)

These issues are raised not only about that which could be produced in a Petri dish or an incubator. They are also raised because of the whole issue of surrogacy where an egg is taken from one donor, sperm from another donor and then implanted in a surrogate mother. Heaven knows what will happen in the future. We have heard it might be possible to have them implanted in a male. There could be a surrogate birth mother who is male. Does that sound impossible? Is that science fiction? Given the rapid changes in technology nothing is impossible.

We must contemplate the issues which face us in order to protect our children in the future. These are societal issues. They must be addressed comprehensively.

The issues of sex selection were dealt with in the previous bill, Bill C-47. It stated very clearly that sex selection could not be used in Canada, which I support, unless there is a very good medical reason. Some exceptions and some reasons were identified.

I know that in some cultures there is the desire to have one sex over another. I personally find it offensive that anyone would want to have a designer baby and would choose the sex of their child in advance. It would not only disturb the laws of nature, but there could also be very serious population problems on this planet if that became the norm, so I want to express my concern.

Gene therapy needs to be highly regulated. In this world in which we are living there may be in the future the opportunity to eradicate disease through gene therapy. We may be able to say that cancers can be beaten. We may be able to cure hereditary diseases through gene therapy.

These are the debates we need to have. In a regulatory environment we can do that. We need to discuss and debate these things in the appropriate forum because when we discuss these issues we also discuss our values and our beliefs. While we would like to think that our values and our beliefs are Canadian values and beliefs, we know there are some things we do not all agree upon.

The overriding public policy consideration must be the protection of those most vulnerable and the protection of our children for the future.

Something else which was addressed in the previous bill had to do with research. What kind of research are we going to permit be done with the excess embryos which are produced as a result of the extraction of eggs and the production of sperm in sperm banks?

### *Private Members' Business*

I believe we all agree that we must ban commercial surrogacy. We must ban anyone from profiting in the trafficking of eggs and sperm. We must state very clearly that human cloning has no place in Canadian society.

We need comprehensive legislation. I know this government intends to introduce legislation hopefully in the very near future which will enhance Canadians' well-being by permitting us to make choices about their involvement with reproductive and genetic techniques. That is appropriate.

Many couples are desperate to have a child. We must understand that people want access to this technology but it must be appropriate. They must know that their choices will not include the right to do anything which is unethical or harmful to their health or to the health of their children.

I am particularly concerned that women have information about what kind of results they can expect from the use of this technology. We know that in some cases the results are questionable. We need balance to protect the individual interests of women and children.

• (1835)

I look forward to the legislation that will be tabled. I thank the member for bringing this debate to the House of Commons. I am pleased that I had an opportunity to participate.

**Mr. Maurice Vellacott (Wanuskewin, Ref.):** Madam Speaker, it is my privilege to address this bill this evening. I thank my colleague for bringing the bill forward. It is my privilege to serve with her on the health committee. As with other members opposite, we have a particularly keen interest in the subject before us.

Some individuals would downplay the dangers of human cloning, but some pretty valid concerns have already been expressed. I am generally in agreement with this bill, but I would also make some suggestions that I believe would strengthen the bill. Again, I do commend the hon. member for Drummond for bringing the bill forward this evening.

Some play down the dangers of human cloning. They say that human beings already manipulate the natural order, so what is different about this whole thing of human cloning. Some also say that a human clone would simply be a delayed identical twin, delayed in time and that one of the twins would be younger than the other, so what it is the big deal, what is the difference here.

Some say that a clone would differ from the original subject due to environment. Identical twins are not in fact identical in all respects. Other factors such as environment and life experiences and some of the choices they make all make for a different individual over the course of the years.

*Private Members' Business*

Having said all that, the dangers are real. I want to highlight and quickly mention some of what we understand to be health risks to the would be clone.

The would be clone may be weaker, since cloning involves asexual reproduction. Clones would not benefit from the new gene combinations that result from sexual reproduction, those new gene combinations that come along. As there is marriage, as there is sexual liaison, that confers new strengths, a particularly important one being resistance to disease. It is necessary for the carrying on of human society. Therefore cloning could be deliberately creating someone whose immune system is thereby weaker and is inadequate. That I believe is wrong.

First then is that the clone would be weaker because of the lack of these new gene combinations coming along conferring strength, particularly that of being resistant to new diseases. That of quicker aging also is a definite risk involved here. While cloning might produce a "newborn", the chromosomes in the original cell taken from that adult, those cells would be as old as the adult. That is why some who are involved in this area suggest that persons produced in this way might age faster than normal and may fall victim prematurely to the debilitating diseases of old age.

As well, along the lines of health again, there would be this need in this ongoing grotesque trial and error that might bring us some fairly bizarre creations through trial and error to perfect this technology on humans. The technology that produced Dolly is far from perfect. It took hundreds of unsuccessful attempts for that British team of scientists to produce Dolly. Even if it could be perfected on non-human mammals, there are differences in human cells that would require scientists to go back again and again and work on a trial and error basis. Even if it could be perfected in non-human mammals, there are differences when it comes to reproducing a human clone.

Also there are some very considerable psychological and emotional risks in the matter of human cloning. I believe cloning would create a real perverse sense of ownership in both parties.

First, in the person who decided to have a clone made, whether or not that person is the donor, there would be unusually specific reasons behind the decision to clone a child. From the very start that child would probably be viewed as existing for a purpose. Usually the purpose is that of following in the footsteps of the cloned adult.

Second, the clone might feel an obligation to fulfil some purpose for which he or she was cloned. That would be a very perverse kind of psychological and emotional risk to the individual clone as well. There would be those kinds of expectations. For example, a parent might want a child to turn out a certain way, to be a super athlete, a

movie star or whatever. It is not healthy for the child. We have read about some of the devastating consequences of such expectations and how much more so when that is the very reason for bringing the cloned individual into existence.

• (1840)

Suppose someone who was a great athlete was cloned in order to create another great athlete, a Wayne Gretzky or someone of that sort. Should every human being not be free to pursue intellectual challenges or a career in music or other possibilities instead of being driven down a certain route by parents who had that one clone made for such a purpose in life?

Suppose parents would like to clone one of their children who is terminally ill. The child would be passing off this earthly scene and they would clone another child to make up for it. That cloned child would feel some very heavy obligation to act, behave and speak just like his predecessor as a replacement for that deceased child. It is a cruel and destructive environment in which to grow up.

Those are some of the emotional and psychological risks we have touched on briefly this evening.

If cloning were legal, then eugenics which we all disavow, and discrimination would be unavoidable. That is another problem with the issue of human cloning. There is no way to police people's motives or to detect insincerity in their stated motives.

I support the intention of this bill to ban human cloning. It is a good piece of legislation to get us on the way in our discussion of a total ban on human cloning. To date, 19 European countries have signed an anti-cloning treaty. U.S. politicians are proposing permanent bans on cloning.

I would offer for the record that this bill does not address the extent to which human DNA can be used in producing animals with human traits. There must be more discussion in greater detail with expansion on this or some other bill. It is insufficient to make human cloning illegal. There must be some detailed regulations in this growing field, this edge field, that would apply.

I have a constructive and helpful suggestion for the hon. member for Drummond and other members who will be voting on this bill. We should go further in penalizing those who would ignore the law. It is not good enough to give a simple light slap on the wrist or some fine. To me and others in the House the fine might be significant but not to some.

PPL Therapeutics, the company that produced Dolly, estimates a \$1 billion market for itself early in the next decade. For companies making that kind of money, fines in the order of several hundreds of thousands of dollars will simply be a nuisance. They would be like parking tickets instead of something of real consequence or significance. We believe a fine is inadequate. If companies start

generating the kinds of revenues in the billions that are indicated by that company, I believe financial penalties will not provide a sufficient deterrent.

The threat of significant and serious prison time would be an adequate deterrent for people who would attempt to break the ban on cloning. If this bill passes, the justice committee should be instructed to study what would be an appropriate prison term. There should be a significant prison term for those who would attempt to break the ban on human cloning if this bill were to pass.

With those constructive suggestions I indicate my general support for the bill. I will be trying to influence colleagues and others to that end. Again, I offer my thanks for getting this item on the agenda.

[Translation]

**Ms. Judy Wasylycia-Leis (Winnipeg North Centre, NDP):** Madam Speaker, it is a pleasure for me to take part in this debate, and I would like to offer my support for the motion by the member for Drummond to prohibit human cloning.

[English]

For members of Parliament who struggle on a day to day basis to juggle the competing demands of this job, the idea of human cloning certainly has some appeal.

• (1845)

How many of us have actually said if only I had a clone? I know my young sons Joe and Nick would love for me to be in two places at once. It would help respond to constituents who wonder when I am in Ottawa why I am not in Winnipeg, and when I am in Winnipeg why I am not in Ottawa.

On the other hand the idea of there being two of me, or for that matter there being two of any one of else, is darn scary. Imagine cloning in the case of the Minister of Finance. Unlike the chewing gum which promises to double your pleasure, double your fun, we would have double the cutbacks, double the pain.

What would the world be like if we were able to clone two leaders of the official opposition? Is the world big enough? What would cloning do to the term double talk? What would it all mean?

Carrying on this line of thinking, let me quote from an article written by Patricia Williams that appeared a few days ago in the *Citizen*. She wrote:

Imagine what the fashion industry could do with a clone with the right bone structure. Like Barbie, you could style humanity so that all the outfits finally fit. Mozart? Give his DNA a few more codas. Bill Gates and Donald Trump? There will be lots of them.

And we will need to clone more lawyers in a world where compatible organs can be "farmed". Will questions of "harvest rights" be matters of custodial or property presumption in the new litigation of micro-territorial imperative? I paid for that kid, it is my DNA, hand over that kidney now.

### *Private Members' Business*

It would be fun to pursue this line of argument, to follow through with such fantasy and to continue musing about the possibilities of cloning, if it were not for the fact that this is fast becoming a very serious and a very real issue as identified by the member for Drummond.

Ideas once confined to the realm of science fiction are now fast entering the sphere of possibility. This is not a frivolous issue. It is not a flight of fancy of some far off technology. That point was made very clear many years ago.

It has been noted in the Chamber that this matter has been before us in general terms for many years. The sponsoring of the Royal Commission on Reproductive Technologies a decade ago or more and its final report released in 1993 addressed the issue of cloning of human embryos. This is not a new issue.

The issue before us today is what is taking so long and why is Canada lagging so far behind. It has brought home the urgency of the situation. It has been brought to bear in this Chamber by recent developments, not to mention the sheep and we have all heard the Dolly jokes.

It poses for us a serious situation, especially given the fact that prior to the cloning of sheep in 1993 there were some clear developments when Washington researchers announced the successful cloning of human embryos by separating the cells of a parent embryo. At that time countries responded by banning human cloning based on the separation of human embryos. Certainly no one at that time even fathomed the idea of cloning an adult human cell. It was not thought to be on the horizon.

Today we know, based on scientific inroads in this whole area, that we have a major issue to deal with.

• (1850)

Time is running out. Today we heard from the Liberal member for Thornhill on this general issue almost as if it was something new before us. In fact we have had this debate in the Chamber many times before.

We do not need to reinvent the wheel and start all over again by questioning whether this matter should be in the Criminal Code or whether it should be under some separate legislative authority. The fact of the matter is this place, based on massive consultation with Canadians across the country, has agreed that we need legislation. We need to ban human cloning.

My point today is to make some appeal to the Liberal government to act as quickly as possible to bring forward a redrafted version of Bill C-47 which had very thorough debate and discussion in the Chamber.

There may have been some problems with the bill. We have had time to address those problems. The Minister of Health should not

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back away from the serious issues before us. He should rapidly consolidate his position, ensure that women's organizations across the country have been informed of any changes to that bill and bring forward a new piece of legislation as soon as possible. We cannot afford inaction on this matter.

As a result of developments that have happened with the cloning of sheep and with the impact of Dr. Seed's statement and claims in the United States, many countries have taken action of late. Some 19 countries in the European Union have moved to officially ban human cloning.

This tells me again that we are late in bringing forward legislation. We are behind the ball in terms of addressing some very serious concerns. I would hope that we will be able to act on that immediately, with the kind of incentive the House has received from the member for Drummond to get on with this debate and given my sense that there appears to be widespread consensus in the Chamber for actually legislating an outright ban of human cloning.

There are many questions to be addressed in this area. Let us draw on the body of advice that was received during the royal commission and in response to Bill C-47 and bring forward comprehensive reproductive technologies legislation as soon as possible. The framework is there. The general philosophical approach is there and we need to act on it.

I conclude by suggesting that drawing on the background material provided to all of us on Bill C-47 we have a comprehensive management regime that could guide us for dealing with this situation and all reproductive technology matters.

That legislation was based on three important principles, three important factors that need to be taken into account. They are the need to address the threat to human dignity, the risk to human health and safety, and other serious social and ethical issues; the dangers of commercialization of human reproduction in particular for women and children; and finally the need to ensure that the best interests of children affected by such technologies and transactions are taken into account. We have the basis. Let us act.

**Mr. Greg Thompson (Charlotte, PC):** Madam Speaker, it has been an interesting day. I was on my feet earlier today on a question of privilege. In preparing for that I went through some debates that were held a few years ago in this place. I went back to 1980 to do my research. There were familiar names of people that I actually sat in the House with a few years ago. I do not think in their wildest dreams they could imagine that we would be debating an issue like this one. I do not think they would believe that science and

technology could move as quickly as it has in the last number of years. That is really what we are talking about.

• (1855)

I listened to the members for Thornhill and Winnipeg North Centre talk about major changes that are happening so quickly in society that we cannot cope with them.

Going back just a very short number of years ago, who could imagine that human eggs and sperm could now be manipulated to create new life outside women's bodies? Just imagine.

Children, as we all well know, can be born of women who are not their genetic mothers. Another example is prenatal diagnosis which can detect genetic or other abnormalities in the embryo or fetus before it is born.

Those are the type of things we are looking at: big changes in technology that raise some pretty high moral and ethical questions.

The government that I was part of in 1989 created the Royal Commission on New Reproductive Technologies in response to some of what members in the House have spoken about tonight. The commission established in 1989 was charged with looking at some of these issues. These issues were responded to by the government in Bill C-47.

As has been mentioned, Bill C-47 died on the order paper with the call of the election last spring. The member from Quebec who introduced Bill C-247 has basically done so in response to the death of Bill C-47. There is no question there are many similarities between the two bills. It is a highly technical bill. To be honest, I do not think any of us in the House are capable of carrying that position forward as best we can in the three short hours allocated to the member's bill.

Here are some of the concerns I have about the bill which have been expressed by people from coast to coast. The commission reported back with some recommendations that were basically based on information the commission had picked up over a number of years of listening to Canadians from one end of the country to the other, many of whom were obviously experts.

We would like to see in the bill protection with regard to sex selection for non-medical purposes. We would like to see restrictions on the buying and selling of eggs, sperm and embryos, including their exchange for goods, services or other benefits but excluding the recovery expenses incurred in the collection, storage and distribution of eggs, sperm and embryos for persons other than a doctor. This prohibition should come into force for a period of time to ease the transition from the current commercial system to an altruistic system. Germ line genetic alteration; ectogenesis

which basically translates into maintaining an embryo in an artificial womb; protection of and consideration given to the cloning of human embryos; the creation of animal-human hybrids, which I believe the Reform member has just spoken on; and the retrieval of sperm or eggs from cadavers or fetuses for fertilization and implantation or research involving the maturation of sperm or eggs outside the human body are other areas of concern.

• (1900)

The member for Thornhill mentioned the moratorium that has been in place for a number of years. There has been a lot of good will and faith that this moratorium would work, but what we would like to see, I guess, would be prohibitions that are not contained in the moratorium. That would be the transfer of embryos between humans and other species, the use of human sperm eggs or embryos for assisted human reproduction procedures or for medical research without the informed consent of the donors, research in human embryos later than 14 days after conception, the creation of embryos for research purposes only, and the offer which almost sounds impossible, but it could happen, the offer to provide or offer to pay for prohibited services.

The other thing that I think should happen is a management regime or the development of a regulatory agency or, I should say, component. This should be introduced in any bill that comes before this House. Unfortunately, that is not part of Bill C-247.

What we would like to see is basically an omnibus bill that would take into consideration much of what we have spoken about in this House. None of us are going to disagree with the member who introduced this Private Member's Motion. I think it is time that we raised the debate. It is time that we discussed this in the House. It is time that we hold the minister's feet to the fire in his desire—I wanted to use the word promise, but I will not use it because I'm not sure it was a promise—to bring forth a piece of legislation that we could support on this side of this House.

What we are telling the minister is that we expect him to introduce legislation that would fill the void created by the death of Bill C-47 last year with some of the additions that I have just mentioned. It is a debate that is worthy of consideration. It is a debate that has to be carried out in this place and, obviously, it is a debate where expert testimony in some of these areas, you might say this cutting edge of technology—in fact, it is moving so quickly that a great deal has changed even in the last 12 months.

I believe there has to be an opportunity to discuss that, debate that, but more important, there has to be an opportunity through committee and through this House to bring in the expert testimony that will be needed to confront this multifaceted problem.

We are hoping the minister will reintroduce the legislation, allow this House to debate it and bring in the best testimony that we can,

### *Private Members' Business*

from coast to coast, to debate what I consider one of the most important issues facing Canada at this moment.

[*Translation*]

**Mr. Joseph Volpe (Parliamentary Secretary to Minister of Health, Lib.):** Madam Speaker, do I have more than two minutes left?

**The Acting Speaker (Ms. Thibeault):** You have exactly two minutes left.

[*English*]

**Mr. Joseph Volpe:** First of all, I have taken full note of the debate this evening. I followed it from the lobby and in the House. I am heartened by the fact that members on both sides of the House have such a keen interest in pursuing this issue.

The member for Drummond who sat on the committee in the last Parliament that dealt with C-47 has done a valuable service by reintroducing this bill in the House because it has begun to focus the attention of all members. In fact, she will know that the minister and the department were already focused on the issue again.

• (1905)

Taking a look at it and the principles associated both in her bill and with Bill C-47 which preceded it in the last Parliament, it is I think the intention of all members in the House, of course, with the minister and the department to ensure that the bill which did not make it through the entire legislative process in the last Parliament will be revisited again. This would take into consideration at the same time all the changes that have transpired in the interim.

While the member for Drummond introduces this as an amendment to the Criminal Code, she will of course acknowledge, as I think she has today and in the past, that this is a most important social and health issue.

It will be dealt with as an issue that pertains essentially to the health of Canadians everywhere, particularly as did Bill C-47 to women and children. They are much more the focus of Bill C-47.

I think the member has done a service to the House by ensuring that those of us who are new to the issue can come back, revisit it in its principles, its details and in its particulars. I am hoping that members will be as co-operative when the bill is reintroduced in the House as they have been tonight.

I thank all members for intervening in the debate.

[*Translation*]

**The Acting Speaker (Ms. Thibeault):** The time provided for the consideration of Private Members' Business has now expired and the order is dropped to the bottom of the order of precedence on the Order Paper.

*Adjournment Debate***ADJOURNMENT PROCEEDINGS***[English]*

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

AIRBUS

**Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC):** Madam Speaker, on November 17, 1997 I asked the government, in light of the millions of dollars and the forced apology of the Liberal government, who was responsible for the Airbus affair scandal. Scandal is the appropriate word.

I also asked the government when it would withdraw the bogus letter and accusations which were sent to the Swiss authorities. It appears that the Liberals, when faced with the reality that they have done something completely wrong and at a cost to Canadians—needless to say this is not the first time nor the last—they refuse to answer questions, and the word helicopters comes to mind.

Canadians know better. Canadians know that the Airbus affair was political revenge from the Liberals extracted upon a man from whom they had been stealing ideas and programs since they were elected in 1993. I mention free trade and GST as a few examples there.

Canadians deserve answers when the cost is millions of dollars from skulduggery. The former prime minister was recklessly and falsely described as a criminal in a Canadian document which was sent to a foreign state which obviously the CBC and the RCMP bought hook, line and sinker.

The government acted on the fictional prose of Stevie Cameron and the mysterious Mr. Pelossi. The Government of Canada admitted that there was no basis for the conclusions, apologized to Mr. Mulroney and paid his legal fees.

Yet, the letter falsely accusing him is still in circulation and the government refuses to withdraw it. On top of that, the RCMP say they are still investigating, incredibly and increasingly so I am told.

Is this truly in the criminal investigating tradition? Is there any likelihood of conviction? What are the reasonable and probable grounds that will even bring this to a charge?

Many journalists last November said that this was an astonishing expression of cruelty and personal attack on Mr. Mulroney by the government. Sadly enough, this is only part of the continuing scandal.

Corporal Mike Niedubek of the RCMP came out last November and said something that people already knew, that was that the

whole thing was highly political and that the RCMP were being asked to cover up a government mistake.

Staff Sergeant Fiegenwald, the designated fall guy, has mysteriously disappeared from the scene, something that the former Minister of Justice said that he lamented.

Here we are again. The government is faced with a very important issue which relates directly to integrity and accountability. It is all talk and no action.

I would like to pose some very serious questions that need answering. Who among the cabinet knew and were responsible for this scandal? Why is the government fighting so hard at the supreme court level to retain the anonymous and arbitrary power to exercise search warrants against Canadians abroad without judicial review, something two courts have already ruled on?

When is the government going to withdraw the letter containing the false allegations which they admitted were false? Why is the RCMP still conducting this abortive, futile and ill-founded investigation for which there has been no basis?

● (1910 )

Further, how many more resources—and I am talking about money and manpower—will be sunk into this farcical witch-hunt? Who speaks for Canadian taxpayers on this issue? When the investigation grinds to its inevitable halt and no conclusions are reached, who will be held accountable?

If they are really investigating, why has Mr. Mulroney never been questioned?

Will the government do the right thing, clear the air on this sordid affair and call a public inquiry into the Airbus scandal? If the Prime Minister and the present Minister of Health had no roles in this affair, surely there is nothing to hide. When this happens, Canadians will be allowed to finally see the truth.

I have to ask the question: What is the government afraid of? If the Prime Minister and his government really cared for this country and the reputation of fairness and democracy, they would themselves call for a public inquiry and present themselves as witnesses.

**Ms. Eleni Bakopanos (Parliamentary Secretary to Minister of Justice and Attorney General of Canada, Lib.):** Madam Speaker, it is a pleasure to assist the hon. member one more time in bringing forth the actual facts in the case and to familiarize him with international assistance in legal and criminal matters.

Police agencies must follow a clearly established process to seek the assistance of another country when carrying out an investigation.

When a police force is conducting an investigation which takes it outside Canadian borders, the police force's request must be

channelled through the international assistance group of the Department of Justice.

This group is a Canadian authority administering incoming and outgoing requests for assistance from and to other countries. The group's main focus is to ensure that the requests for assistance meet the legal requirements of the country receiving a particular request or those of Canada in the case of incoming requests.

[Translation]

In the Airbus affair, the international assistance group sent a request for mutual legal assistance to Swiss authorities on behalf of the RCMP. The RCMP was and is responsible for this investigation. It was always clear to both the Canadian and Swiss authorities that the request for mutual legal assistance contained allegations that were the very subject of the police investigation.

So that this would be perfectly clear, this point was repeated several times. Certain turns of phrase wrongly left the impression, however, that the conclusion had been reached that there had been some form of embezzlement.

The Government of Canada apologized for this and reached an out-of-court settlement with Mr. Mulroney.

[English]

In addition, changes were made to the mutual legal assistance process in November 1995 to ensure that this does not happen again. For example, counsel within the international assistance group will now review all requests to consider whether they contain conclusory statements or statements inconsistent with the investigative nature of the request.

The statement reached by the parties, I repeat, in January 1997, speaks clearly to the inappropriate language of the letter. It specifies that the letter is part of an—

**The Acting Speaker (Ms. Thibeault):** The hon. member for Qu'Appelle.

#### BANKING

**Hon. Lorne Nystrom (Qu'Appelle, NDP):** Madam Speaker, on the 22nd of October last I asked the Minister of Finance about bank service charges and whether or not he would work toward bringing down bank service charges on behalf of ordinary Canadians.

Since then, of course, a lot has happened. We have had reports of bank service charges being excessive. We all know they are very regressive. They hit all Canadians in the same way. Whether wealthy or poor, people pay the same for a particular transaction. That is why these service charges should be investigated, not just by the Minister of Finance, but by a parliamentary committee of this House representing all five Canadian parties which have been elected by the people of Canada.

#### Adjournment Debate

These service charges are regressive. We should have a certain number of service charges which are free of cost to every single Canadian, like they have in some American states. After eight, nine or ten charges there could be a fee. I think that a basic life-line account such as that would be a very progressive step.

Since that time, of course, we have seen a number of other things occur. We have seen the profit reports of the banks. Their profits in the last year were the highest ever in the history of this country. The profits amount to \$7.5 billion. Those are very high profits. Surely to goodness the banks can afford to reduce their service fees for the ordinary and poor people of this country. There is no excuse whatsoever for them not to do that.

It is interesting to see the government across the way defending the big banks, rather than saying to the big banks "Reduce your service charges".

Since then we have had the proposed mega-merger between the largest bank in the country, the Royal Bank, and the third largest bank, the Bank of Montreal. It is the largest proposed merger in the history of the country in terms of corporate Canada. The two banks are worth about \$40 billion in terms of their stock market value. They have assets under their control totalling over \$450 billion. Yet the Minister of Finance will not give the Canadian people or the Parliament of Canada a parliamentary committee to look into the proposed mega merger until next fall. That is a real shame. The people of this country deserve to make a decision on whether or not this merger goes ahead.

● (1915)

If this merger goes ahead it will set off a chain reaction. There will be more mergers not only in banking but in other financial institutions including the insurance industry. The doors will also be open for more foreign banking into this country. If our banks are going to be in other countries around the world, then our doors will also be open to foreign banks coming into Canada. Eventually we will have the foreign takeover of the Canadian banking system and the establishment of financial supermarkets across this country.

That is why we need a parliamentary committee with full hearings into this merger, a parliamentary committee that would travel around the country and allow the Canadian people to speak their minds. I hope after we get that process going we can convince the Minister of Finance to say no to this merger. This merger should not go ahead. It is not good for Canada. It is not good for the future of this country. We need a public forum to help convince the Minister of Finance that is the way Canadians feel.

In my comments I wanted to wrap the merger issue and the bank service charges issue into one. We need that parliamentary committee with the power to travel the country, to hear witnesses, to subpoena the banks, to provide a forum for ordinary Canadians, to

*Adjournment Debate*

televise those hearings. That is what parliamentary democracy is all about. It should be the representatives who are elected to come here by the people of the country who make very important decisions. It should not be the Minister of Finance by himself.

The government must approve the mega merger. The competition bureau has to approve the mega merger. A new bank licence has to be issued, but that should be done only if it is approved by the Parliament of Canada in a very transparent, open and democratic way. That is what I am calling for in the House this evening.

**Mr. Tony Valeri (Parliamentary Secretary to Minister of Finance, Lib.):** Madam Speaker, the government recognizes the importance of Canadians having access to a broad range of services at reasonable prices. The government does not generally regulate the prices that financial institutions charge for their services. We believe consumers are best served in an environment where financial institutions have to compete for business and where consumers have access to sufficient information to make educated choices.

For this reason our focus has been on promoting the clear and thorough disclosure of information relating to service and service charges on an ongoing basis. This helps reinforce the legislative requirements for financial institutions to disclose fee information when a deposit account is opened and when fees are changed.

Consumers can shop around for the account or products that best suit their needs. There are a number of competing financial service providers to choose from which include Canadian foreign banks, trust companies and co-operative credit associations. They offer a wide variety of account packages ranging from low cost no frills packages to specialty premium packages.

However, the government recognizes that on occasion consumers find it difficult to compare charges across institutions. As a result we are working with the banks and Industry Canada to simplify and improve dissemination of fee information. The government continues to monitor this issue to see if there are additional areas in which we can help consumers.

The task force on the future of Canadian financial services will also be examining the issue of interest to consumers of financial services and is scheduled to report back to government in the fall of 1998. At that time this government will instruct a parliamentary committee to consult with Canadians. Unlike the NDP, we will not allow banks to set government agenda. We are firmly in control of this agenda. ATM does not stand for approve the merger with respect to this government. It does stand for approve the merger when it comes to the NDP.

As the minister has said on numerous occasions, we will consult with Canadians at the appropriate time, and we certainly look forward to the interventions by the hon. member at that time.

## EDUCATION

**Ms. Libby Davies (Vancouver East, NDP):** Madam Speaker, the funding crisis affecting our colleges and universities threatens more and more young Canadians every day. Tuition fees are rising and federal funding is shrinking. The post-secondary education institutions of this country are increasingly becoming establishments for the rich and privileged.

The impact of federal cuts to post-secondary education are quite clear. Reductions in federal transfers of over \$2.29 billion since 1993 have driven up tuition fees by 240% in the last 10 years.

• (1920 )

Average student debt is now \$25,000. In 1980 Stats Canada reported that tuition fees comprised 13% of university general operating income. Tuition fees paid in 1995-96 accounted for an average of almost 30% of general operating income and as high as 40% for universities in Nova Scotia.

Access to post-secondary education is being severely compromised and there is no getting away from the fact that the Liberal government is largely responsible.

It is shocking to hear the pious concern expressed by the Liberal government while more and more students are graduating into poverty. The recent national day of action organized by the Canadian Federation of Students was a clear demonstration of how students really feel about the hypocrisy and the cutbacks.

In a 1997 survey of high school students in the maritimes, 40% of students not going to university said they were not going because they could not afford it.

Young people are told how important it is to have a post-secondary education but then they get hammered with huge costs and debt. According to the CFS increases in tuition fees are now one of the major causes of inflation. What is the government's response? We have the announced millennium fund. What a convenient name but it does not help students who desperately needed assistance yesterday. They cannot wait for the year 2000 to suit the Prime Minister's political timetable.

We in the NDP believe that urgent changes are needed now to deal with the crisis of post-secondary education funding. Student aid must be grounded in the following principles. Accessibility must be a new national standard in higher education. Principles of accessibility and affordability must guide any reforms. Student aid must be based on need rather than on merit. A national system for grants for post-secondary education must be a priority with a tuition freeze.

*Adjournment Debate*

Will the Liberal government admit that the millennium fund is a misguided political exercise? We do not need yet another scholarship program. Students need a national grants program now based on financial need.

I challenge the federal government again to follow B.C.'s lead and institute a national tuition freeze. It can be done if there is political leadership and commitment to make post-secondary education affordable and accessible. Students deserve nothing less. Student debt must be reduced and tuition fees frozen, combined with a national grants program. Does the government have the guts to really stand up for young people and advance the principle that post-secondary education is a right, not a privilege to only those who can afford it?

**Mr. Robert D. Nault (Parliamentary Secretary to Minister of Human Resources Development, Lib.):** Madam Speaker, let me begin, as I have on a number of other occasions, by reminding the hon. member that education, including the establishment of tuition fees, is the responsibility of the provinces.

The Government of Canada cannot intervene directly in this matter. That is not to say, however, that this government does not recognize the financial difficulties of students. We do and we are taking action. The Government of Canada has been listening to concerns of young Canadians who are anxious about job prospects and about the level of student debt.

In addition to supporting post-secondary education through fiscal transfers, the Government of Canada provides support of \$1.4 billion to 340,000 post-secondary students through the Canada student loans program.

In terms of student debt, the government took a number of important measures in the last budget to help ease the debt burden. One was the interest relief that was extended from 18 months to 30 months. Education credits have been enriched. The registered education savings plan has been increased from \$2,000 to \$4,000 to help parents save for their children's education.

Students will also benefit from greater opportunities to pursue research careers in Canada through the creation of the \$800 million Canada Foundation for Innovation.

In the throne speech the government also promised to continue to reduce barriers to post-secondary education through further changes to the Canada student loans program, increased assistance for students with dependants and new scholarships to encourage excellence and to help low and moderate income Canadians attend university or college.

On Tuesday the budget will be before the people of Canada. Obviously we would not be talking in the Speech from the Throne of ways of helping students if we had no intentions of following through on our commitment. The member opposite should wait until Tuesday to see where this government goes.

• (1925)

[*Translation*]

**The Acting Speaker (Ms. Thibeault):** The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at 2 p.m., pursuant to Standing Order 24(1).

(The House adjourned at 7.25 p.m.)



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