



CANADA

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OFFICIAL REPORT  
(HANSARD)

**Monday, February 23, 1998**

**Speaker: The Honourable Gilbert Parent**

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# HOUSE OF COMMONS

Monday, February 23, 1998

The House met at 11 a.m.

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*Prayers*

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## PRIVATE MEMBERS' BUSINESS

• (1105)

[*English*]

### PROPERTY RIGHTS

**Mr. Jim Pankiw (Saskatoon—Humboldt, Ref.)** moved:

That, in the opinion of this House, the Charter of Rights and Freedoms should be amended to recognize the right of every person to own, use and enjoy property; and to not be deprived of that right without full, just and timely compensation and the due process of law.

He said: Madam Speaker, I am very pleased to lead off debate on Motion No. 269.

The motion seeks to amend the charter of rights and freedoms to include property rights. At present there is no mention of property rights and therefore no protection from confiscation of personal property by the government. There is no requirement for the government to provide compensation to an individual if Ottawa confiscates their property.

This Liberal government has become a master at violating the property rights of Canadians. Whether it is gun control, the Canadian Wheat Board, endangered species legislation or direct to home satellite systems, this government has demonstrated a blatant disregard for the property of Canadians. All Canadians should be concerned that the Liberal government so easily and so quickly tramples on their rights in order to achieve certain specific policy goals.

It is clear from the actions of this government that it has no regard for the property rights of Canadians. As a result I have introduced Motion No. 269.

Red flags surrounding this issue were first raised during the 35th Parliament when the Liberals introduced Bill C-22. This bill dealt with the cancellation of the Pearson airport development contract. The Liberals attempted to annul binding contracts and then exempt

themselves from liability. In short they tried to confiscate property and then place themselves above the law.

However, pressure from the Senate, threatened lawsuits and questions concerning the constitutionality of the bill led to its collapse. All the while the former justice minister, now our health minister, insisted that everything was above board and that Bill C-22 was totally conventional. This gives some insight into the mentality of Liberals and their position on the rights of Canadian citizens.

Although the Liberals backed down on Bill C-22, they went on to introduce Bill C-65. This bill dealt with endangered species in Canada. Serious concerns were raised about the effect this legislation would have on the property rights of landowners. Specifically some landowners were afraid that the government would confiscate their property in an attempt to protect endangered species.

Again the Liberals downplayed the legitimate concerns of landowners and treated those questioning excessive government powers in Bill C-65 as environmental terrorists. Thankfully Bill C-65 died on the Order Paper as a result of the 1997 election, however it is still waiting in the wings and there is little doubt that the government will reintroduce the bill in the near future. Before it does so, our debate here today gives all opposition parties the opportunity to go on the record as to where they stand on the property rights of landowners.

Unfortunately the Liberals' legislative assault on property rights did not end with Bill C-65. They went much further with the introduction of Bill C-68. More than any other initiative, the Liberals' misguided gun control legislation has sparked a national discussion on property rights.

Armed with the provisions contained in Bill C-68, the justice minister is able to pass order in council regulations and confiscate the rightful property of Canadian firearms owners. I am speaking of property which has been duly acquired. The owner has paid taxes on the firearm and complied with all other regulations.

Regardless of this, along come the Liberals who say to law-abiding gun owners "We are going to take your property because we know what is best for you. We are socially re-engineering Canada into a gentler, kinder society". That is what the Liberals say.

• (1110)

It is ironic that these same Liberals have created a justice system where rapists walk out of courtrooms because of conditional

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sentencing. Young offenders who kill are sentenced to a few months at youth internment centres. Serial killers are given the tools through section 745 of the Criminal Code to revictimize their victims' families. That is the record of this government when it comes to engineering a kinder society. Criminals are given the gold mine while law-abiding gun owners get the shaft.

Members of the House will know that C-68 is being challenged in the courts with respect to its infringement on provincial jurisdiction in the area of property rights. Four provinces and the territories had the good sense to stand against this bill and its attack on the fundamental rights and freedoms of law-abiding Canadians.

Treating ordinary Canadians worse than violent criminals is nothing new to this government. David Bryan, a Saskatchewan farmer who tried to sell his grain outside the Canadian Wheat Board has been led around courtrooms in shackles. His heinous crime: trying to sell his own crop, his own property without the permission of the Canadian Wheat Board. In the eyes of the Canadian Wheat Board, David Bryan does not own his grain, Ottawa does.

Russ Larson who attended Mr. Bryan's trial said "It is like we are peasants who are supposed to grow grain, turn it over to them and shut up". In other words, you work for the Canadian Wheat Board not for yourself. The grain is the property of the government, not the producer.

Incidentally, only farmers in Saskatchewan, Alberta and Manitoba are subject to the violation of their property rights. Farmers in other provinces can market their crops however they see fit. That is why farmers on the prairies are increasingly referring to the wheat board as the OWB, the Ottawa wheat board, because it is run by bureaucrats, lawyers and politicians in Ottawa instead of by western farmers.

Motion No. 269 allows all parties in this House an opportunity to rise and defend the property rights of farmers. I also challenge members of this House to rise and defend the rights of Canadians who choose to watch what they want on television.

Direct to home satellite owners have been compared to drug pushers by the industry minister simply because they are using American hardware and services. Direct to home satellite owners have been threatened that their equipment may be confiscated by the RCMP. Customs officials have seized direct to home satellite equipment that is being imported from the United States of America, equipment on which all duties have been paid and which rightfully belongs to the Canadian retailer or wholesaler. "No matter," say the Liberals, "in the interests of cultural protectionism, that is, government knows what is best for you, we will trample on the property rights of Canadian citizens".

Without the strong protection of property rights, the social engineers have the upper hand. It is in their power to decree what is acceptable and what is not, what is safe and what is not and what we should do and what we should not do. Property rights are not just about firearms or land or satellite dishes; property rights are about freedom.

But do not take my word for it. Listen to the comments made by our present Secretary of State for Latin America and Africa. In 1985 he delivered a speech in Edmonton where he said "I believe we must entrench the right to property in our Constitution. The right to hold and enjoy property provides one of the checks and balances against undue concentration of power in government at any level".

Even the creator of big government, Prime Minister Pierre Trudeau, was an advocate of property rights during the repatriation of the Constitution. However, property rights did not make it into the final draft of the charter.

Members should be interested to know that property rights are entrenched in the United States constitution. Article 5 of amendments to the U.S. constitution reads in part "no person shall be deprived of life, liberty or property without due process of law; nor shall private property be taken for public use without just compensation".

Opponents of my motion may argue that property rights are already guaranteed under John Diefenbaker's bill of rights but that is not true. The bill of rights is simply a statute which can be overridden by any government legislation.

The Library of Parliament concluded that "there is no requirement in Canadian constitutional law that compulsory taking of property be effected by a fair procedure or that it be accompanied by fair compensation to the owner".

• (1115)

In a March 1995 paper on property rights the Library of Parliament determined that "in Canada there is no constitutional guarantee for compensation and that the power of the government in this area is unlimited". Motion No. 269 seeks to place limits on the government and Ottawa's ability to simply strip Canadians of their personal property.

This is not the first time property rights have been discussed in the House, and I know it will not be the last. My hon. colleague from Yorkton—Melville led the charge on this issue in the 35th Parliament. I am pleased to help advance the cause of property rights in this parliamentary session.

I remind all members that this issue strikes at the heart of our rights and freedoms in a democratic system. I look forward to the rest of the debate on this motion. I encourage members to speak in

favour of Motion No. 269 so the House can move to protect the property rights of all Canadians.

Considering the importance of entrenching property rights in the constitution and despite the fact that the subcommittee did not find the motion votable, I seek unanimous consent of the House to deem the motion votable so we can have a full three hours of debate instead of one and can put the issue to a vote as to whether or not we entrench property rights in the constitution.

**The Acting Speaker (Ms. Thibeault):** Does the hon. member have unanimous consent of the House to move such a motion?

**Some hon. members:** Agreed.

**Some hon. members:** No.

**Ms. Eleni Bakopanos (Parliamentary Secretary to Minister of Justice and Attorney General of Canada, Lib.):** Madam Speaker, I will stick to the motion and not raise every hodgepodge piece of legislation that has been passed in the House. I will talk about the due process of law, which opposition members probably do not understand or do not respect. I fail to understand what the gun legislation, the wheat board legislation and other pieces of legislation have to do with this important motion. I will only speak to the issue and will ignore the blatant partisan remarks of the hon. opposition member.

The enactment of the Canadian bill of rights stems from our desire to ensure the atrocities that occurred to millions of Jews, ethnic minorities, political dissidents, people with mental and physical disabilities and homosexuals do not happen again. That is the reason we have a bill of rights. The bill of rights already protects an individual's rights to the enjoyment of his or her property.

The United Nations responded to some of the atrocities during the second world war and to some of the other issues I brought forward by drafting the United Nations declaration of human rights. The parliament of the day in Canada enacted the Canadian bill of rights.

[*Translation*]

The Canadian Bill of Rights has quasi-constitutional status. A number of its provisions were repeated in specific provisions of the Canadian Charter of Rights and Freedoms. Since the Charter contains no specific clause on property rights, it may be held that the following clause in the Bill of Rights continues to protect property rights:

It is hereby recognized and declared that in Canada there have existed and shall continue to exist without discrimination by reason of race, national origin, colour, religion or sex, the following human rights and fundamental freedoms, namely,

- (a) the right of the individual to life, liberty, security of the person and enjoyment of property, and the right not to be deprived thereof except by due process of law—

### *Private Members' Business*

It can be held that this clause provides protection to property rights in that a person cannot be deprived of his rights except by regular application of the law. The Bill applies only to federal laws, unlike the Charter which applies to provincial laws.

[*English*]

Numerous laws also regulate and protect the ownership and enjoyment of property in Canada. For example, real and personal property laws regulate the acquisition and disposition of all kinds of property. These laws protect individuals from fraud and other mistakes that may result in someone losing property.

There has been an evolution in what we think of as property and protecting individuals in a fair manner from losing their right to enjoy property. The federal Divorce Act and provincial and territorial family law acts ensure that women are not deprived of their right to a fair share of matrimonial property and assets regardless of who has legal title.

• (1120)

There are common law rules which govern the purchase and sale of land and the taking of interest in mortgages or leases. There are statutes that protect an interest in property, from cars to patents. Like all other rights the right to enjoy property is subject to some limitations in society.

[*Translation*]

As I said, the federal Divorce Act and provincial and territorial family law acts ensure women are not deprived of their right to a fair share of matrimonial property and assets regardless of who has legal title.

There are laws to govern the use of property in the public interest. For instance, there are land use and zoning laws with the power to limit the type of construction allowed in a residential area. Environmental legislation establishes a whole body of regulations governing everything from the disposal of hazardous waste to felling trees. There are laws that govern ownership of shares by limited companies, bankruptcy, and ownership of land by non-Canadians. Cultural heritage laws guarantee respect for the interests of native peoples with respect to use of their lands, and so forth.

All these laws place real limitations on property ownership and use. Everyone recognizes the need for these limitations. If the government were to consider amending the Charter of Rights and Freedoms, sight should not be lost of the important limitations on the enjoyment of property.

[*English*]

The procedure for amending the constitution is quite complex and would require the following elements if we chose that route: a resolution of the Senate and House of Commons and a resolution of the legislative assemblies of at least two-thirds of the provinces that have a least 50% of the population of all the provinces.

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Obtaining approval for this type of constitutional amendment, as we have known from the past, can be quite difficult.

The notion of property is far greater than real property. Given the broad notion that can be applied to real property, we must be careful if we are able to alter the existing protection for property rights in a quasi-constitutional document.

It should also be noted that women's advocacy groups have had a number of concerns with the further entrenchment of property rights. A man's home is his castle is a disturbing concept to many women who have been denied their share of family assets. It has only been a few years since Mrs. Murdoch was denied a share of the family farm where she had worked for many years.

In a complex society with many interests and competing rights from the division of the matrimonial home to environmental laws and zoning bylaws we must recognize that rights are not absolute. In many countries of the world women are legally and effectively denied the right to own, inherit or control properties. In Canada today this is not the case. Women have the right to enjoy property to the same extent as men. There are many existing protections for property rights in Canada both in the Canadian bill of rights and other statutes and through common law, as I stated earlier.

Other challenges facing the government are more pressing than the need to provide additional protection for property rights.

[*Translation*]

This government must deal with more pressing challenges than providing additional protection for property rights. The government is determined to protect our social safety net, our health system, and youth employment, to name just a few areas of concern.

The protection of property rights is important for Canadians' prosperity. Property rights are, in our view, already protected by existing legislation.

[*English*]

**Mr. Howard Hilstrom (Selkirk—Interlake, Ref.):** Madam Speaker, I would like to share my time with another member.

The question of property rights is certainly bigger than physical property as in land and other things we own and are physically able to touch. It is important to protect the other property rights and intangibles such as the property rights my friend was talking about with regard to land, Bill C-68, guns and other property.

If we do not have security of property, it brings into the question the security of a lot of things. We will be debating the MAI which will have to do with foreign investment in Canada. Once again property rights will come up as part of that discussion.

• (1125)

The hon. member on the other side was talking about the protection of the Charter of Rights and Freedoms. The question of property rights has to be entrenched in the constitution, because we feel that having that right should be fundamental to being a Canadian.

It was certainly mentioned in the U.S. constitution that it was a fundamental right for Americans. I think we can look toward the way its society has evolved. There is no reason we could not have evolved in much the same way. In keeping with that theme I would like to point out there is still time for us to do that.

If the motion would have been made votable, it would have been an indication from the House of whether or not Canadians across the country were concerned about the issue and whether or not there was more support for it than what the members opposite and the government indicate.

This confiscation of property tends to leave the person from whom the property is taken without adequate compensation for what is being done to him. As a result it takes away from basic rights.

The hon. member next to me will continue my portion of this presentation.

**Mr. Gary Lunn (Saanich—Gulf Islands, Ref.):** Madam Speaker, the issue we are speaking about today in the private member's motion my friend has introduced is entrenching property rights in the constitution.

It is something I also agree is extremely important. A number of issues are an example of why all Canadians need to have it protected and to ensure it is enshrined in our constitution.

Let me give the example of gun control. This may have been talked about before but it is worth repeating. I have spoken to hundreds and hundreds of people. One example of where their firearms are to be taken away is collectors' items which they have saved for a long time and which are very valuable.

In my riding a number of seniors have been collecting firearms. In order for them to keep the firearms because of whatever type of weapon they are—I am talking about veterans and all types of people who collect firearms—the bolts have to be welded shut and have to be disabled. These are antiques they are being forced to destroy.

**Mr. Gordon Earle:** Not true.

**Mr. Gary Lunn:** I hear a member from the other side of the House telling me that this is not true. I can tell the member that I have spoken to a number of organizations, antiques collectors' clubs and veterans who have already been forced to have some of these weapons and antique firearms, of which there are very few

around, changed and altered. The bolts were permanently welded shut. They are very distraught about it.

In speaking to every one of these groups it brought me back to the whole firearms issue. They are as concerned about crime and justice as anybody else in the country. They want to make sure our streets are safer. We have the government saying that this will solve our justice problems and look after crime. It brings me back to why we need these rights enshrined in our constitution. It is absolutely fundamental.

• (1130)

This is the way the government is going to solve crime which is not going to make one iota of difference to crime. It is not going to make a difference. There are many other ways to solve the crime problem. These are taxpayers, the best citizens in our communities, role models in our communities, who are being faced with this legislation. They are saying “we need constitutional protection, what is happening to us is absolutely dead wrong”. This is one example and there are many others.

We have just seen the debate on the wheat board. The farmers are coming forward. They feel their rights are being trampled on. The government is suggesting there will be some elected officials on the new wheat board, but still it is a government appointed and appointed board, the president, the CEO and the people running this organization. Farmers really do not have any true input. They want to make sure that their rights are protected.

The way this can be done most effectively is to ensure that their rights are enshrined in the Constitution, that they are guaranteed and they are protected. That would go a long way to making sure that Canadians feel secure without the government being able to trample on them.

[Translation]

**Mr. Michel Bellehumeur (Berthier—Montcalm, BQ):** Madam Speaker, as the Bloc Québécois's justice critic, I am pleased to speak to this motion. Some of my colleagues may find it amusing to see the Reformers trying to use a run-of-the-mill motion to bring in by the back door what they could not get in through the front, as if parties are going to be asleep at the switch, and will not voice their opposition.

It is important to understand the motion, which I will read:

That, in the opinion of this House, the Charter of Rights and Freedoms should be amended to recognize the right of every person to own, use and enjoy property; and to not be deprived of that right without full, just and timely compensation and the due process of law.

I think that a member of the Bloc Québécois is in a good position to talk about the Canadian Charter of Rights and Freedoms, given that, for us, it is part of the 1982 Constitution, which was imposed

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on us even though we never signed it, but which nonetheless contains rights and obligations.

Like the good citizens we are, Quebecers of various political stripes, we are looking at it and trying to find out its scope. In in Quebec we have a Quebec charter of rights and freedoms, which was passed even before the Canadian charter and which contains certain obligations and rights.

Unless I am way off the mark and am horribly wrong, both the Quebec and the Canadian charters accord Quebecers and Canadians the right to own what they will. I think this is a now considered to be fundamental right, unless the Reformers have been reading different texts than I have. I think both charters contain provision for this.

However, even if I wanted to, I would not be permitted to have a tank at the bottom of my garden or grenades in my kitchen in a free and democratic society. This annoys me a bit. The Reformers are trying with this motion to do what the firearms registration legislation precludes and to fire up a debate where none exists.

There is no debate in Canadian society, I would hope, and there is certainly none in Quebec society. I think there are far greater concerns within our system than that of having rights and freedoms under the charter to own firearms or whatever. This is what the Reform Party is after with this motion.

We have to look at the person who tabled the motion; it was the member for Saskatoon—Humboldt. We have to know what he wants; to do that, I looked at the member's various statements under Standing Order 31. We have to look at what this sort of motion means to the member.

• (1135)

I will not read everything he said, only a few passages. The member made the following statement under Standing Order 31: “Once again the Liberal government is way off target”. It is true that the Liberals across the way are off target every now and then, in fact more often than not.

He added “Rather than cracking down on the use of firearms to commit crimes, and rather than strengthening enforcement measures along our borders to stop the illegal flow of handguns, the minister would prefer to continue to harass ordinary law-abiding Canadians, even going so far as to deny them use of their own private property”.

We can see where the Reformers are going with this. In another statement he made under Standing Order 31, he said that the Liberal government should be ashamed of trampling the property rights of Canadians. The Liberals should be ashamed of many things, but perhaps not of what the Reformers are accusing them of in this particular case. I can hear them laughing across the way.

**Mr. Denis Coderre:** That is the former Liberal showing through.

*Private Members' Business*

**Mr. Michel Bellehumeur:** A leopard cannot change its spots.

More seriously, through their motion, Reformers are trying to sway members, but we must realize what their ultimate goal is: the sacrosanct debate held in this House on the gun registration bill.

As flawed as it may be, I think that this legislation has become generally accepted by the public at large. This morning I inquired about the registration process on behalf of a constituent, and I was told that the forms will only be available in October. So, let us first see how the system is working. Let us give it time to show its flaws, its weaknesses and its strengths. Because there is surely some good in the legislation. Then we can try to make it better. But let us not try to block a law that has yet to be implemented.

To put things in perspective, before challenging such an act or making proposals in this House, we must first look at the purpose of the charter, at what may be enshrined in it. The whole issue must be looked at in light of the specific objective of the Reformers, which has to do with the gun registration legislation.

As regards the purpose of the charter, the relatively recent constitutional entrenchment of human rights in charters shows a tendency to protect individual rights. However, such efforts must respect the essential balance that must exist between the rights of individuals and those of the community.

Without this balance, it would, for all intents and purposes, be impossible to administer the state. The rights of the citizens of a state must be in harmony with the common good of the community. This is why it is essential to respect individual rights, to the extent that the community's safety is not jeopardized.

I believe that is a principle recognized by any person of good faith, by any person who examines a bill or anything else, correctly, intelligently, using common sense, and sees that it can be applicable and appropriate to its intended objective, within a framework many may find suitable, in this case the constitutional framework.

Individual rights must not prevail over collective rights, or vice versa. A balance must be sought and I believe the legislator—by which I mean all of the members of this House, whether in government or in opposition, all of us together—has this desire for balance in mind when passing legislation, proposing amendments or voting for or against a bill.

In the firearms registration legislation, which as I have already said is the real object of this motion, I believe that balance has been achieved. The future will no doubt prove whether anything needs to be changed or not.

I would remind you that the Bloc Quebecois introduced a series of amendments. It called for the government to make changes on a number of specific points. The government, it must be admitted, did agree we were right on certain points. In committee, the

Minister of Justice at the time agreed that the Bloc Quebecois was right about certain amendments.

• (1140)

We are grateful to him for that, because I believe it was best for the public, best for the legislation involved, that the minister listened to the Bloc Quebecois at that time. However, some of the changes and amendments we suggested were rejected. Perhaps the future will prove once again that we were right and that the Liberal government ought to amend its legislation along the lines of what the Bloc Quebecois was proposing at that time.

One thing is certain, however, and that is that the legislation was passed and is now in effect. It has gone through all the stages of the democratic system in Canada and Quebec, and you can be sure that not a single Bloc Quebecois member of Parliament will oppose the proper workings of democracy in this country called Canada, and in the emerging country which will be called Quebec.

[English]

**Mr. Rob Anders (Calgary West, Ref.):** Madam Speaker, I would like to tell you a little story and it starts back around 1215. King John came back from a war in France and his coffers were empty.

He went to his barons and his lords and demanded taxation moneys from them to fill the coffers of the lands so that he could once again wage war. His lords and his barons at that time said that this was inappropriate since they were receiving nothing in return from the king. He was merely taking tax money from them with no benefit derived whatsoever on their part.

They forced the king to sign the Magna Carta in 1215. That is the first time that we know of in modern western history of a recognition of the right to own property. There have been many other precedents since that time.

Particularly noteworthy is when in 1776 a large part of the colonies on this new continent broke away from the United Kingdom and British rule because they did not believe in taxation without representation. They believed in the right to hold and to own property.

The right to hold property has several important components, many of which are touched on in this private member's bill. It recognizes that people have the right to own property, that they use and enjoy it, that they not be deprived of that right without full, just and timely compensation in due process of law. If we do not have a process of law in terms of the recognition of property, it is merely at the caprice, the will of the government.

We all recognize that laws and statutes are important. Indeed that is why we sit here today. That is why we have this assembly, this commons, so that the people of Canada understand the laws, the

regulations and the rules. Without that there is anarchy. As a result, point one is that the process of law must be recognized.

Point number two is that people have timely, just and fair compensation. Without fair compensation there is no true value in property or for what people hold. For example, the Bloc member spoke to Bill C-68 and gun registration. It touches on many others such as Bill C-4 and the wheat board act. There have been several others that have been passed in this House that touch on this as well.

If people do not have a sense of fair, timely and just compensation, then indeed things can be taken from them. Something worth a dollar can be taken from them and they are given back merely pennies, a dime or a nickel in exchange for what its true value or worth is.

We see in our history not long ago where that was done. It was the Japanese internment during the second world war. It has been widely recognized in this House I think by all parties that those Japanese Canadians were done a wrong. Why they were done a wrong? Property was taken from them without fair, just and timely compensation, something we recognize happening less than 50 years ago and yet we see the importance of it. We make corrections at a later date.

• (1145)

Another important criterion is that it is transferable because if the property is not saleable or transferable, if I cannot pass my ability to own that property to another, then indeed is it really mine and do I have full jurisdiction over it? This touches on the jurisdictional aspects of private property. Someone should have complete and full jurisdiction of their property in order for it to be considered private property. With this comes the whole idea of transferability. Therefore the state should not be able to regulate or restrict an individual's ability to transfer that property.

We have recent developments in this country that call attention to the whole idea of the right to own property. One of these is the bill of rights which included the right to own property. It is interesting how later on when we tried to constitutionalize this in 1982 there were objections to including the right to own private property in the Constitution which later became the Constitution Act, 1982.

One of the provinces that opposed that right but claimed it was not involved in the final negotiation of the Constitution was Quebec. Prince Edward Island was another. Unfortunately due to the objections of a few of the provinces we did not see the inclusion of private property entrenched in the Constitution of this land.

As a result, what have we seen come down the pipe? Bill C-68, the gun registration act, speaks to this. In Bill C-68 there are provisions for the confiscation of private property. Somebody can

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own a collection of firearms and be unable to pass that on to their children, nor even be able to sell it. Why? The government has made provisions for confiscation, confiscation without fair compensation. There is not provision for what the real and true value or marketable value of those firearms may be.

Bill C-4, the Canadian Wheat Board Act, which was recently passed in this House, does not recognize the right of farmers to own the grain they produce by the sweat and toil of their own labour, to be able to sell that freely as they so choose. It violates their transferability because they are not allowed to sell that to whomever they wish. It violates their fair, just and timely compensation because they cannot get the full value and true market value of their grain. They are forced to sell it through the wheat board. They are also deprived of what I consider to be a fundamental process of law when we have people who want to exercise the transferability right and the compensation right and yet they are jailed and shackled and deprived of their machinery, fined and cannot work the family farm.

All three of these fundamental tenets have been violated with the Canadian Wheat Board Act. As I say, they were also violated with Bill C-68, the gun registration bill.

It is not that these things have been done in the past because that is water under the bridge. If we form government we hope to repeal some of those pieces of legislation. More than that, this government is also proposing and considering ideas on endangered species legislation. I would like to enlighten the House in terms of what that means.

It means that in a given section of land that somebody may own, if it is found to be that there is a habitat they did not even know existed and they are found to have potentially violated that habitat by driving in, around or near it, they can have that entire section of land quarantined from their use even though they did not know it existed. They can also face heavy fines and jail terms as a result of violating that habitat according to the way the law is defined.

What is that going to encourage? It is going to encourage people to go ahead and decimate their lands and get rid of any of those special habitats rather than to go ahead and protect them with some form of incentive. Using only disincentives will encourage people to go ahead and obliterate those lands and get rid of any of those special habitats that may exist. As a result, I do not think that helps the populations that we are trying to protect in terms of endangered species or any wildlife. I do not think that does anything to help the owners of the property. I also do not think it does anything to help advance the cause the government claims to be supporting.

When we look at all these things, I do not think the government has learned the fundamental lesson. I hope at the next election it pays the price for that. It so sorely does not understand the whole idea of private property. Nothing violates someone so badly as

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having their private property taken from them. I will speak about a personal experience, the reason my family came to this country.

• (1150)

We were farmers in eastern Europe. We had our farm confiscated and nationalized by the state. We had our granaries taken. We had our land seized. We had our horses taken. We came to Canada to seek the freedom it provides. Unfortunately 100 years later we see what is happening here by not recognizing the right to private property. It chokes me up to think the government is going to come through with this type of thing and not recognize this. It is intolerable. Other governments in the past have paid the price for not recognizing this fundamental right. Shame on them.

**Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC):** Madam Speaker, I am pleased to rise today to speak on Motion No. 269 put forward by my colleague for Saskatoon—Humboldt. I indicate at the outset that we are in support of this motion for reasons I will outline.

Right away I state unconditionally that the Progressive Conservative Party of Canada has always supported the principles of individuals' unencumbered rights to own property. The best guarantors of prosperity and well-being of the people of Canada are found in the freedom of individuals to pursue their enlightened and legitimate self-interest within a competitive economy. That goes further to say that the freedom of individual Canadians to enjoy the fruits of their labour and to the greatest extent possible to have property lies within that right.

There is currently no provision in the charter of rights and freedoms that prevents the government from taking away a person's property, something that is owned rightfully by them. There is nothing there to restrict the government in any way from passing laws which prohibit the ownership, use and enjoyment or further the reduction of the value of property owned by an individual. That is very frightening thing to think that those violations could occur without the protection of our charter of rights and freedoms.

I want to highlight the fact that the provisions of the charter of rights and freedoms require that the government provide fair and timely compensation. That again is drawn into question without the entrenchment of property rights within our Constitution. Surely we do not want any restriction on the use and enjoyment of property or the government's ability to interfere with the value of a person's property.

It is trite and perhaps goes without saying that it is a fundamental human right to own and use property in the way which a person deems appropriate, with the stipulation that as long as it does not infringe on the rights of another.

Property rights are natural and fundamental and are based on hundreds of years of common law. One might suggest that common law in itself is sufficient protection. I disagree. For that reason among others it is necessary that we have these rights entrenched in our Constitution.

I suggest the government may have intentionally left property rights out of the Constitution in 1982 for fear that there would be some detriment to Canadians' democratic rights and economic freedoms. This motion is a step in the right direction. It is a step toward bringing about a change, a much needed and necessary change to our charter of rights and freedoms.

Presently the only legal protection that does exist in federal law rests in the Canadian Bill of Rights which was introduced by Conservative Prime Minister John Diefenbaker. Section 1(a) of the Canadian Bill of Rights states specifically: "The right of the individual 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".

Since the Canadian Bill of Rights is a federal statute which can be overridden by any other federal statute, mainly the charter, this protection is not enough. Why does this omission exist? Why is there an omission of property rights within our charter of rights and freedoms? It is a significant omission. Aside from the poor guarantee of the bill of rights, there is no requirement in Canadian constitutional law that compulsory taking of property can be effected by a fair procedure or that it can be accompanied by a fair compensation for the owner.

• (1155)

On that point I quote a well known professor of constitutional law, Professor Peter Hogg: "The omission of property rights from section 7 of the charter greatly reduces its scope. It means that section 7 affords no guarantee of compensation or even a fair procedure for the taking of property by government".

This again is a frightening situation when it happens to any Canadian who rightfully owns property. As has been suggested throughout some of the remarks, an individual who may have inherited property that was passed down through generations, that a family has saved for and done without, is suddenly faced with this type of confiscation of property. There is a real need to ensure this does not happen.

If we did not have a Constitution the protection of property rights would then revert to what I spoke of earlier, the common law. But since we have a Constitution with entrenched rights within our country it only makes sense to broaden the net to include specifically the property rights of all Canadians.

Property rights are recognized from time immemorial in common law but with our Constitution in this country this omission is something that has to be remedied.

To not make sure the law protects property rights would leave it upon the courts to address this situation when it arises. Again, I suggest that it is incumbent upon this House and members of Parliament and this procedure to address this inequity.

Many other Canadians and I have waited long enough for this to happen. All members of the House appear for the most part to be in support of this. But what are the exact property rights that we are talking about? Property rights mean freedom from arbitrary interference by one's government. They mean a guarantee that one's rights will not be deprived, that one's property will not be taken away or restricted in any way by undue government interference.

It also sets out three very limited conditions where a government might infringe on that right in this piece of legislation. The taking of property must be for public use. There are instances that we are all familiar with where there may be an expropriation of property for a throughway, a pipeline, a power line or some legitimate use. In those cases there are easements available and the law can address it in that way.

Another instance where government might deprive an individual of a property right would be the taking of the property through due process of law, that is, a confiscation based on a bill that is owing, an outstanding debt that has to be addressed.

Third, the taking of property must be done with just and timely compensation. That is, an arbitrary seizure of property without compensation or done so in an unfair and arbitrary way would be outside the rule of law.

With respect to this issue 81% of Canadians consider either very or fairly important the right to include property rights in our charter of rights and freedoms, and 81% of Canadians are not wrong in this. The Canadian Bar Association, the Canadian Chamber of Commerce, the Canada Real Estate Association as well as many other organizations support the inclusion of property rights within our Constitution.

Including property rights also follows the fine example of many other countries around the world. Some of those countries, the United States, Germany, Italy, Finland, have seen the need and have done so within their charters.

Property rights are an issue that transcend any partisan politics. They have widespread application and appeal and are something that all members of this House should consider very seriously before casting their vote against.

The following prominent Canadians have voted in favour in the past on property rights being included in our Constitution: John

### *Private Members' Business*

Diefenbaker, Lester B. Pearson, Paul Martin Sr., Pierre Elliott Trudeau, Brian Mulroney and many others.

Again I would suggest there is a tradition to be followed. There is an opportunity now for this House to put these rights in place to ensure that inequities as they arise from ownership of property are going to be addressed and addressed in the proper forum, which is this House. For these reasons and many others, I support this motion as do the members of my party. I encourage all members of this House to do the same.

• (1200)

[*Translation*]

**Mrs. Marlene Jennings (Notre-Dame-de-Grâce—Lachine, Lib.):** Madam Speaker, the motion by my colleague on the other side of this House calls states that the charter of rights and freedoms be amended to recognize the right of every person to own and enjoy property—

[*English*]

**Mr. Ken Epp:** Madam Speaker, I rise on a point of order. The standing orders indicate that the member who moves the motion has the right to speak for five minutes at the end of debate. We have about five minutes left so the time should revert to him.

**The Acting Speaker (Ms. Thibeault):** The rule pertaining to this states that the member who has proposed the motion has the right to five minutes only if another member does not rise to complete the hour.

**Mr. Ken Epp:** Madam Speaker, Standing Order 95(2) says that “provided that the member moving the item may speak for not more than fifteen minutes”—that is at the beginning—“and provided that the said member may, if he or she chooses, speak again for not more than five minutes, commencing five minutes before the conclusion of the hour during which the said item is to be considered”.

It is quite clear in the standing order that it is the choice of the member. The member has chosen to exercise that right and I ask that he be given that right.

**The Acting Speaker (Ms. Thibeault):** The Speaker of the House has already ruled on that issue and has stated very clearly that the member can only use the last five minutes if nobody else rises.

**Mrs. Marlene Jennings:** Madam Speaker, as I was stating, the motion of the hon. member for Saskatoon—Humboldt asks that the charter of rights and freedoms be amended to recognize the right of every person to enjoy and own property and not be deprived of that right without full, just and timely compensation and due process of law.

*Supply*

Perhaps the hon. member has not read the charter of rights and freedoms. Perhaps the hon. member is not cognizant of our Canadian Bill of Rights, but property rights are already protected in the Canadian Bill of Rights.

With the coming of the Canadian Charter of Rights and Freedoms in 1982 which duplicated many of the provisions of the Canadian Bill of Rights, it is important to understand how the bill of rights enacted in 1960 fits into the larger scheme of human rights protections in Canada.

This bill of rights remains in force but is substantially different from the charter as it does not apply to provincial legislation or actions. It operates as a federal statute which is applicable to federal laws and actions. Whereas the charter expressly overrides any act, whether it be federal or provincial that is inconsistent with the charter, the Canadian Bill of Rights does not have express provisions that permit it to override other federal statutes.

Therefore the difference between the bill and the charter is that the bill does not have a limitation clause as provided by section 1 of the Canadian Charter of Rights and Freedoms. What does the lack of a limitation clause mean for the protection of property rights?

I would ask that the hon. members on the other side of the House who are supporting this motion listen carefully to what I am about to say. They might actually learn something.

**The Acting Speaker (Ms. Thibeault):** I am afraid I have to interrupt the hon. member. The time provided for the consideration of Private Members' Business has now expired and the order is dropped from the Order Paper.

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## GOVERNMENT ORDERS

• (1205)

[*English*]

### SUPPLY

ALLOTTED DAY—MULTILATERAL AGREEMENT ON INVESTMENT

**Mr. Charlie Penson (Peace River, Ref.)** moved:

That this House condemn the government for: (1) failing to explain why it is negotiating the Multilateral Agreement on Investment (the MAI); (2) failing to explain what benefits and costs it foresees for the Canadian people; and (3) failing to take part in public discussion on the Agreement.

He said: Madam Speaker, I am pleased to lead off this debate today. A number of my colleagues will be speaking as well because this is a very big concern in their ridings. Some of them will be

speaking from their critic area, such as fisheries, culture and other areas where there are some concerns.

It is important to point out at the outset that the multilateral agreement on investment which is being negotiated is a Liberal government initiative to make Canada a part of the negotiations at the OECD in Paris. Our negotiators have been there since 1995.

It was interesting that during the election campaign in June there was hardly any mention of the multilateral agreement on investment. In fact some Liberal members when contacted denied that negotiations were going on. People who heard about the negotiations were concerned and they raised the issue during the election campaign.

When we in the Reform Party were asked what our stand would be we said that we did not know much about the negotiations, but that we were in favour of free trade in principle and free trade in investment. We supported the free trade agreement and also the NAFTA, both of which have substantial investment sections. In principle we are in favour of the MAI, but we want to know a lot more of the details.

By way of background, the government had to name a new cabinet after the election. In September when the government returned, a new minister was appointed to the international trade portfolio. We thought that he would explain what the MAI meant to Canadians. In fact we asked the minister if we could meet with the chief negotiator, Mr. Dymond, to explain it to us because we wanted to be up to speed on the negotiations.

Mr. Dymond told us that the directions from the new minister were to be a lot more open and to tell people what the deal was about. The minister himself when he came to committee assured us that the government would be much more active in explaining the deal to Canadians. As a result of that we gave the new minister the benefit of the doubt. We expected that he and the chief negotiator would be addressing the concerns being raised across the country. However we were surprised when that did not happen.

The minister's answer in mid-November was to ask the Subcommittee on International Trade, Trade Disputes and Investment to do a study. We were told that we had a very short time to do that study. The government wanted the report before the House rose in the middle of December. By the time we factored in a week to put the report together, it only gave the subcommittee three weeks to hear witnesses. It did not give us time to travel across the country to places like British Columbia where the concern seemed to be the greatest.

It is important to note whose job it is to inform the public. I would submit that it is the government's job. It is the Liberal government's job to inform the public of what the benefits are and what the downside may be in negotiating a multilateral agreement on investment. It is the government's job to take it to Canadians.

Why are we condemning the government for its failure to explain why it is negotiating the multilateral agreement on investment? Why is it failing to explain the benefits and costs to the Canadian people? Why is it failing to take part in public

*Supply*

discussion on the agreement? We will endeavour to smoke out the government today and try to engage it in this debate.

Canada has been negotiating the agreement for two years at the OECD. Largely the negotiations have been secret. There was no mention during the election campaign, except for some groups that came that were getting wind of it like the Council of Canadians. The NDP started to raise it as an election issue. Some Liberal members, even cabinet ministers, were in denial. They said that Canada would not be doing that.

• (1210)

As I said, we were in favour in principle of an agreement depending on how it came out. We recognized that investment leads to trade and trade leads to jobs but we wanted to see what was being negotiated.

It is really ironic. There was no mention of distrust back in 1993 in red book No. 1 or in red book No. 2 for that matter. There was no mention in the throne speech. These were all areas where the government had a chance to outline what its initiatives were going to be for the upcoming mandate. There was no mention of it. Why not? It is difficult for us to understand why it would not be trying to inform the public.

As a result there was growing interest in what the MAI really meant. Many of our members, and I am sure government members, must be getting a flood of mail in their offices. There are a lot of people out there who are spreading what I think is false information, but nonetheless information and accusations that have to be met head on by this government in answers to things such as Canada is going to lose its health care, Canada is going to lose sovereignty as a result of this, government will no longer be able to make laws and so on.

The MAI is a major initiative yet requires support building from this government. That simply is not happening. As a result the public is only getting one side of this issue. Those from the flat earth society would have us believe that the free trade agreement with the United States, which contained an investment chapter, expanded to NAFTA in 1992 were bad for us and it would roll that back. The same group seemed to be lined up on the side of the MAI debate saying no, do not go ahead with it.

Where is the minister in all this debate? Is he out doing talk shows? Is he doing radio presentations to Canadians? Television? Where is he? He is nowhere at all. No town halls. I should not say that. He actually gave a presentation last week to a bunch of business executives at the Chateau Laurier hotel. That is important but it is vitally important that the minister explain this deal to Canadians and he is simply missing in action.

The minister points to the subcommittee and says he gave it to the subcommittee on international trade to study. That is true. He did. He gave us a very short time frame, but he did. Three weeks. What did we hear from witnesses at the subcommittee? Let me just read a few of the quotes.

Elizabeth Smythe from Concordia College in Edmonton said "More public consultation on negotiations should take place." We heard all kinds of comments like that from almost every witness at committee. Elizabeth Smythe also said "It is not enough for citizens to get a chance to vote for a government once every four years if the kind of trade-offs and choices on important international investment rules are never outlined during an election campaign". Absolutely.

We heard all kinds of that. What was the government's response? Let me read it. The committee of which I see a couple of members here wrote a report as a result of the three weeks of hearings.

The first recommendation was that the government should stay engaged at the OECD and try to achieve an agreement. The number two recommendation of the committee, an all-party committee, was the government should continue to increase its efforts to inform Canadians of the merits of negotiating an MAI while addressing the concerns brought forward by this committee in public hearings. Exactly what I am saying.

Of the few people that had a chance to come to the committee, the 75 groups or whatever, many of them raised concerns. They said that they were not hearing enough about it, that they did not know exactly what the government was intending to do. The committee recognized that and made the recommendation that the government should explain this deal to Canadians.

In fact the Reform Party, while in general agreement with the thrust of trying to negotiate an agreement said in the second paragraph of its dissenting opinion "While we believe a good agreement will be in Canada's best interest, we acknowledge the apprehension felt by many Canadians in our country. Given the amount of genuine concern around the MAI, we are perplexed that the Liberal government has not put a concerted effort into an information campaign".

• (1215)

Many witnesses before the subcommittee commented on the need for much wider public consultation. At least the three weeks of hearings by the subcommittee should have been extended to include a week or more of hearings in the west. It simply did not happen.

It even got worse. That committee report came down in December. Where was the minister after that? As I said, at one appearance at the Chateau Laurier for breakfast. He expects people from

*Supply*

Victoria, Kamloops and Grande Prairie to come to the Chateau Laurier for breakfast with him. What kind of consultation is that?

What did Liberal members say when they were in opposition? What did they say about this kind of approach to big government? They said that in the red book that the Liberal government would govern with integrity and that open government would be the watchword of the Liberal government. What does open government mean?

They also went on to say that the most important asset of government is the confidence it enjoys of the citizens to whom it is accountable. There is evidence today of considerable dissatisfaction with government. They talk about the Mulroney government and a steady erosion of confidence in the people and the institutions of the public sector. This erosion of confidence seems to have many causes. Some have to do with the behaviour of certain elected politicians but others have to do with an arrogant style of political leadership.

The people are irritated with governments that do not consult them or that disregard their views or that try to conduct key parts of public business behind closed doors. Is that not *deja vu*? Why have they not learned their lesson? They said they would consult with people.

We have to briefly review where we have been in terms of investment in Canada in the last 30 years. We had a Liberal government under Pierre Trudeau that actually tried to discourage foreign investment with the Foreign Investment Review Agency. It had the effect he wanted. It discouraged investment. Then Brian Mulroney came in, in 1984, and changed the style. The Conservatives said we needed investment in Canada, that investment was good for us. They instituted Investment Canada and tried to encourage investment. Then we went as far as signing the free trade agreement with the United States in 1988. A big section, chapter 11, dealt with investment and the rules needed for investment. We expanded that in the NAFTA in 1992 to include Mexico.

At the same time we were negotiating at the Uruguay round of the General Agreement on Tariffs and Trade. We were trying to get an investment section there, but there was something like 130 member countries, not all of whom were interested in investment. Their economies were simply too small. The Ivory Coast and many countries in the third world have economies that are simply not ready for investment.

It failed, but there was still a need to have a common set of rules for investment in the same way as we have rules for trade in goods and services. They tried again and the initiative went to the OECD in 1995. It was all great; there was no problem with it. The only problem I see is that we had a Liberal government that did not want to explain it to Canadians.

What is at stake in this multilateral agreement on investment? We need to know. There is growing interest. Other people want to

know what is at stake and there is concern. It is entirely possible the entire deal may fall through. Countries like the United States have said that there is not enough in the agreement for them to sign it.

The NDP would love that. We saw what happened in British Columbia when the NDP government was in power from 1991. Investment dropped off every year the NDP was in government in B.C. All of a sudden I see big ads in the *Globe and Mail* and other places advertising for investments. I guess the NDP government now recognizes it is important.

This deal may fall through because too many countries are saying they need broad exemptions for this and broad exemptions for that. Exemptions are fine if they are in our national interest, but let us define them as closely as we need to, to protect that interest, not take a broad brush and try to paint it so we essentially have a shell deal here.

Another benefit is that Canadian investors are investing abroad in increasing numbers. We had \$170 billion of Canadian investment outside our country last year. That was almost equal to what our investment is in Canada. They need the rules that some kind of international agreement would provide, rules that say we have to treat foreign companies in the same way as we treat domestic companies. We can still make regulations and rules, but we have to treat them in the same way. In the event of an expropriation it would be done in a just and timely manner.

- (1220)

I will read a couple of quotes of people who appeared before the committee. First is a quote by Steven Stinson of the Canadian Pulp and Paper Association, a pretty big employer in Canada:

—evidence of increasing trade and investment flows among the three signatory countries suggests (NAFTA) has been of broad benefit.

George Miller of the Mining Association of Canada said:

Trade follows investments. Because of the expertise gained in Canada and the entrée provided by Canadian mining investment—our suppliers of mining equipment and services are welcomed to Latin American countries and other parts of the developing world.

He also said:

Investment is the lifeblood of economic development.

We know there is something like \$7 billion of Canadian mining investment now in countries like Chile. Alan Rugman of the University of Toronto, said:

It would logically seem to me—that if we can get an MAI—that has the same rules as in NAFTA, we will have better access for the outward investment in which Canadian firms engage.

Mike Percy, dean of business at the University of Alberta, said:

We live and die by competing in international markets. Our standard of living depends on our ability to be competitive.

He also said:

One of the remarkable things that has happened in western Canada. . . is the tremendous expansion in tradable services. . . —business services, environmental services, oilfield services—(that) have been directed not only to the U.S. market but worldwide.

Canadians are gaining confidence in investing outside our country, Canadians like Canadian Fracmaster in Calgary where there are people I know personally working in places like Russia and China and bringing paycheques and dividends home.

What is the Reform position in terms of investment? We recognize the linkage between investment and trade. We recognize the linkage between trade and jobs. It has been very good for us to be part of a NAFTA type arrangement.

We recognize that Canadian companies need a physical presence abroad. To make trade work they have to make some kind of an investment in another country usually before trade can take place. We support free trade in principle. We believe in the protection of private property. We supported the free trade agreement and NAFTA which both have investment rules. We also supported GATT and the Uruguay round. By the way, GATT has been in place since 1947.

Therefore we support a NAFTA style expanded investment agreement, but we want to know that it is a NAFTA style investment agreement. We want to know what we are dealing with.

In terms of an investment agreement we want to see these principles: transparency and openness in multilateral negotiations, and there is no reason why this should not take place; a national treatment, investment protection and effective dispute settlement mechanism; the elimination of performance requirements; the freedom to transfer payments and after tax profits; free movement of key personnel and minimum sectoral exemptions. If we need exemptions, let us define them as clearly as we can.

Sometimes I wonder why the Liberal government is not trying to sell this deal. I am not sure what it is afraid of. We know it was very much opposed to the free trade agreement. It fought the free trade agreement and NAFTA. In fact the present trade minister was one of the biggest proponents of not signing.

I want to read a couple of quotes from what he said in the past. I wonder if that is why the Liberals are so lukewarm to the agreement. In 1992 he said:

I commend (the member for Esquimalt—Juan de Fuca) for suggesting that this House condemn the government for its failure to be completely open with Canadians about its principal goals and objectives in the current North American free trade negotiations.

### *Supply*

With all due respect, it is a shame that we have to rely on our newspapers to begin to enlighten not only Canadians but elected Canadians who are supposed to deal with issues on behalf of the 26 million shareholders of this company called Canada.

Why is the House of Commons not debating the parameters of what it is that Canada should be pushing for or what Canada should not be encouraging?

Yet back home, on an issue that is fundamental to the livelihoods of all Canadians, there is silence and ignorance.

I challenge the government. Why is it not involved? The present Minister for International Trade said all those things in 1992. These were very good questions. Why were there not open negotiations? Does the same thing apply in 1998 on the multilateral agreement on investment?

The Liberals do not really believe in free trade. It is either that or an awful lot of arrogance on the part of the government we are facing across the way, the Liberal government.

• (1225)

It is the same kind of deal we had with the Kyoto summit. There were no negotiations with the provinces until the last minute. In fact we had that again with the MAI. The minister did not meet with the provincial counterparts until last week. Does that not sound familiar?

Arrogance, that is what I believe it is. It is shameful. I challenge the government to get off its butt and get out there to explain to Canadians why this deal may be good for them, or at least meet the challenges head on of what people like Maude Barlow and the Council of Canadians are saying.

If they cannot meet those, if they cannot dispel stories that these are very bad for Canada, maybe it is not a good deal for us. I think it is, but the Liberal government has to take up the challenge.

Protection for Canadian companies is at stake, Canadian companies that have increased the amount of foreign investment outside our country by 50% in the last 10 years. That will continue, but we need some rules.

It is clear that investment leads to trade and trade leads to jobs. Mike Percy of the University of Alberta business school said about three months ago in response to the expansion of the oil sands, the tar sands in northern Alberta and the big pulp and paper projects that were under way in the forestry industry that Alberta would require \$20 billion of new investment money over the next 10 years.

We need to encourage investment in the country but we need to know the rules and we need to know that Canadian sovereignty is not at stake. If there are areas where we have sensitive industries that need protection, let us protect them but let us define it as narrowly and clearly as we can so that we do not scuttle a deal in the process.

*Supply*

In conclusion, the government has not shown leadership. It must take up the challenge and deal with Canadians, go out and tell Canadians what this deal is all about and why the government is negotiating it on their behalf.

**Mr. Julian Reed (Parliamentary Secretary to Minister for International Trade, Lib.):** Mr. Speaker, I just wonder if the hon. member would tell me what he calls the 35 meetings with provincial and territorial officials since 1995.

I wonder if my hon. friend has forgotten that there are consultations on an ongoing basis and have been since that time. Could he tell us whether he counts that? Maybe he does not count the ongoing meetings.

When we had the delegation from British Columbia before the committee—I believe my hon. friend was there—the official from the department acknowledged that the province had been very well informed on an ongoing basis and commended the government for that.

**Mr. Charlie Penson:** Mr. Speaker, those comments are very interesting.

Representatives of the provinces were in town last week. There was considerable complaint that they were not part of the process. The government is negotiating on their behalf. While officials from the department may have been meeting on a low level basis, essentially they were not part of it at the ministerial level until last week.

The point I am making, though, is that the public has not been informed. The minister and the department have not been engaged, and I cannot understand why. Why have they not gone out and talked about what the proposed benefits are to Canadians? What are they afraid of?

It is ludicrous. When I talked with the chief negotiator in September and when I questioned the minister in committee in October, I believe, I raised these concerns and said there were people on the other side. I thought he was causing himself a lot of extra work and damage that was not necessary. A lot of the objections were being raised out there that were not accurate but somebody had to deal with them. The chief negotiator at the time said the minister's direction was for them to inform the public. It simply has not happened.

Why are we getting stacks of letters? Why are we getting all these phone calls? It is because the minister has not gone to British Columbia to talk with Canadians about it. That is where the biggest concern is. That is his job. Even Brian Mulroney in the free trade debate and NAFTA went out and sold what he thought were the benefits of that agreement. It amazes me why this government would not be doing that. I cannot understand it.

• (1230)

**Mr. Alex Shepherd (Durham, Lib.):** Mr. Speaker, I wonder if the member from Peace River could clarify something for me. There is no such thing as an MAI agreement. There is no signed agreement. Why is the member from Peace River engaging in the same kind of conspiratorial theory that the NDP wants to bring out? How can we have a reasonable discussion on a non-existent agreement?

As my hon. colleague the parliament secretary said, I have a list of consistent meetings with the provinces, the private sector, the Canadian Chamber of Commerce, the Information Technology Association, the Canadian Federation of Agricultural, the dairy farmers, and so on. There has been a consultative process. The member is falling into the very trap that these people want us to believe, that somehow there is a conspiracy.

Will the member speak to that issue?

**Mr. Charlie Penson:** Mr. Speaker, I will gladly speak to that issue. It makes my case about the arrogance of this government.

What does the government want to do? Is it going to be another Kyoto type deal where it says by the way, we were over and negotiated deal, this is what it is and here it is folks? That is not good enough. We had lots of witnesses who said that it is not necessary to carry on these discussions in private. If we do not have public support what kind of an agreement is the government signing on behalf of Canadians?

What we do have is a draft. It was a March draft, then updated to May. We know the objectives that Canada was trying to negotiate. What we did not have until November was the list of exemptions that the government was intending to table. It is not good enough to come and say we have arrived at an agreement and here it is.

The way it is going right now, if the government does sign an agreement, unless it makes some changes this could arrive on Canadians' desks. In the Canada-Chile free trade agreement we never saw the agreement. We never had a debate on it in the House of Commons. All we got was a Canada-Chile free trade agreement. The government said by the way, as a result of this we have to amend some legislation to make it work. That is the arrogant style that Mulroney had and that the Liberal government condemned. I just read the kinds of comments it made in 1992. But this government is doing it all over again. It simply is not good enough in these times. Canadians want to be consulted.

**Ms. Wendy Lill (Dartmouth, NDP):** Mr. Speaker, the member of Peace River is wanting to, if I may use a vacuum cleaner analogy, suck and blow at the same time.

The Reform Party has said in the minority report that it has no trouble whatsoever with the MAI. It simply wants investors protected more. This is a nuisance motion.

*Supply*

It has been the NDP that has supported concerns about the environment, labour, people, the arts in this agreement. All Reform wants to do is get some sort of attention on this issue. In fact, it wants to get more MAI, the quicker, the better.

My question to the Reform Party is why does it not be a bit more honest with its motion and say let us ram this MAI through faster than before?

**Mr. Charlie Penson:** Mr. Speaker, that is a very interesting approach. As we said during the election campaign in June, until we see the actual agreement, how are we going to support it. We support the concept of a multilateral agreement on investment that has certain principles. That is what we said in our dissenting opinion. I just read those out for members to remind them.

We did say a lot of Canadians had apprehension and concerns about this. Their concerns need to be addressed. We also said in our dissenting opinion that we wanted to have a public debate and a vote in this House of Commons before the agreement is ratified by the Government of Canada.

It is interesting that the people who are lining up against the rules based investment agreement are the same groups that opposed the free trade agreement in 1988. I was not in government but I remember at the time that the sky was going to fall. Everything that could possibly go wrong with Canada was going to go wrong. That is what we got from the NDP.

• (1235 )

It is interesting that the member for Dartmouth raises the fact that the Reform Party is not very consistent. It seems to me that the NDP has had a few supply days that could have been dedicated to this since September. Where was it on this issue? There are a lot of mistruths being put out to the public, especially in B.C. I challenge the government to deal with those.

I do not think it is very constructive to say, as the NDP government of B.C. did when it came to committee, that Canada should walk away from this deal and not be involved in the negotiations at all. I do not think that is very constructive.

Look at what has happened to investment in the province of British Columbia in the last seven years. It has dropped every year to an all time low. The premier of B.C. is advertising in the *Globe and Mail* and the *Financial Post* "we encourage investment in the province of B.C.". It is because they are in serious trouble there. Business is leaving in droves.

It seems to me that the NDP has had lots of opportunity. It has taken its opportunities in town hall meetings to talk about how bad this is. I have talked about getting out of the free trade agreement

with the United States and Mexico. I do not think it would have very much support for that across Canada.

**Mr. Bob Speller (Haldimand—Norfolk—Brant, Lib.):** Mr. Speaker, it is a pleasure for me today to debate this issue on the MAI. I chaired the subcommittee on international trade and trade disputes. We had the opportunity to study the MAI for three months before Christmas.

At that time the hon. member was a member of that committee. He knows we heard from some 50 witnesses in the month of November including the chief negotiator, the Minister for International Trade and a number of significantly large Canadian groups which represented concerns on this issue. We brought forward a report on the MAI which is available to all Canadians if they order it from Public Works and Government Services Canada.

Also, this report is on the Internet. It is at [www.parl.gc.ca](http://www.parl.gc.ca). Also the Department of Foreign Affairs has a site specific to this, [www.dfait-maeci.gc.ca](http://www.dfait-maeci.gc.ca). There is all kinds of information on the Internet from all over the world on this issue.

I challenge the opposition parties to show any government involved in these negotiations which has been more open on this issue. We had witnesses before the committee who stated that this is one of the most open negotiations in the history of these government led trade negotiations.

I want to take a few minutes to talk about the recommendations in our report. I feel they reflect what Canadians were telling us across Canada. I agree with the hon. members who say that there is a great deal of misinformation or disagreement as to what is in the report.

I also question the hon. member especially on what he said in terms of negotiation and information being given to the provinces and the territories. There were plenty of meetings throughout the history of these negotiations with the provinces to let them know. Representatives of British Columbia appeared before the committee. The representative who was not a politician agreed that they had been informed by the government.

• (1240 )

As the parliamentary secretary said, there were some 30 meetings with the provinces over the years, but there were also meetings with private organizations and non-government organizations such as the Alliance of Manufacturers and Exporters Canada, auto parts manufacturers, auto industry associations, book and periodical councils, the Canadian Auto Workers, Canadian book publishers, the Canadian Chamber of Commerce, the Canada Council for the Arts, the Canadian Environmental Law Association and the Canadian Federation of Agriculture. There were numerous meetings with representatives of these groups as well as correspondence. The

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list goes on. Clearly there has been a lot of effort made by the government to inform Canadians.

I want to take a few minutes to speak about the recommendations of the subcommittee, as they reflect what Canadians from across the country who appeared before the subcommittee wanted us to tell the government.

Our first recommendation called on the government to continue participating in the MAI negotiations but only if the final text fully protects Canadian culture, the environment, labour standards, health, education and social services, both at the federal and subnational levels; in other words, federally, provincially and municipally.

That is a very important point. There is confusion in terms of what role each level of government can play in this issue. The federal government has spent a lot of time with the provinces in bringing light to this issue.

Our second recommendation was outlined by the previous speaker. It recommends that the government continue and increase its efforts to inform Canadians. That was agreed to by all members. It was felt that the government should be informing the public. I know the government has reacted. Since the subcommittee reported the minister has spoken publicly on the issue. It is incumbent on all members to do that as well. They have received information packages from the government which they should include in their householders to let Canadians know what the issues are.

The third recommendation is to fully involve the provinces. I have already spoken about that.

With respect to the fourth recommendation, it is felt that the government should consider undertaking a full impact study to let Canadians know the impacts this will have on certain sectors of our economy. It is not practical early on in the negotiations to do this because we do not really know what will be in the final text. These issues will be negotiated, but we do not know what will be the final conclusions.

The subcommittee indicated that it wanted to look at this issue again to ensure that Canadians continue to be informed. It is important that the government let Canadians know and it is in the process of doing that with respect to the full impacts the agreement will have on certain sectors.

The fifth recommendation was that for future negotiations there should be an open and transparent process and public consultations and disclosure as much as is practical under the circumstances. I do not think hon. members expect that negotiations such as this can take place with a million groups looking over the shoulders of the negotiators. Frankly, that is not practical. However, what is practi-

cal is as these negotiations continue governments can give updates to certain sectors of the economy. They can have meetings, such as those which took place under the WTO when we had farm groups coming in to talk about agriculture. They were actually there in Geneva at the time with the government.

Governments can do these things. I know that governments have asked certain international groups to the OECD, have met with them and have brought them up to date on these issues.

The sixth recommendation was that the definition of investment in the MAI should be clarified and should reflect the approach taken in the NAFTA.

The seventh recommendation was, in the interests of certainty, that governments and investors under the MAI ensure that it reflects which international agreement takes precedence in terms of the rules. As we know, there is the WTO, there is the NAFTA and now there is the MAI. We wanted to make sure Canadians knew before they invested which international agreement took precedence.

• (1245)

Number eight was that we wanted the government to use this agreement to subsequently pursue an investment accord worldwide. We feel it is important for Canadian corporations. I know the opposition likes to talk about these as big international corporations but over the past number of years the smaller corporations have been engaging in the majority of world investment. Canadian small and medium size enterprises are presently the major worldwide investors.

We are not talking about big monoliths. We are talking about small businesses throughout Canada. They need certainty in some of the smaller countries that are not in the OECD to ensure their investments are safe. That investment helps with trade and it helps Canadian businesses get in there.

**Mr. Ted White:** Why aren't you telling the public?

**Mr. Bob Speller:** We are telling the public. We sent something to the member which I hope he will put in his householder.

I encourage all Canadians to get a copy of our report. I feel it reflects what Canadians are saying. The government has indicated to all members in the House that it thinks the report is good and that it will reflect the final outcome of the negotiations.

**Mr. Rick Casson (Lethbridge, Ref.):** Mr. Speaker, I thank the member for his comments. They were well intended and well taken.

This subject has raised a lot of concern back home. It goes back to the general election campaign. People were asking questions about the MAI then and they are still asking the same questions.

Will the government hold public hearings across Canada so that everyday Canadian citizens will have a chance to appear before a committee on all aspects of the MAI? I know the member has provided some ideas. For example people can use the Internet. Some of the people I have talked to have said that they have had trouble finding this information on the Internet. Will the government go across Canada with a full public debate?

Another question that comes up quite often is the concern about preserving our Canadian culture. The minister mentioned that he is looking for a country specific reservation on culture. However there remain issues such as standstill and rollback clauses. If it is just a country specific reservation on culture, is it still allowed to be rolled back? Should we not be looking for a general exemption on culture?

**Mr. Bob Speller:** Madam Speaker, in terms of the first question, I had hoped at that time that we would have an opportunity to travel across the country. I have had a number of personal invitations to visit places across Canada to talk about the issue. I would encourage all hon. members to get out and talk about the issue. When the minister speaks, he can speak on behalf of the government.

It was the intention of our committee at that time to travel but because the negotiations were going on in January we did not have that opportunity. There are many groups that represent the different concerns of Canadians on that issue. We brought them here to make sure their points of view were expressed. I would encourage the government to put more effort into getting across the country to inform Canadians.

On the culture issue, I was disappointed in the Reform Party's recommendation not to protect the cultural industries which I feel have contributed to much job creation. There is much support in Canada on that issue. In terms of the protection, as was said earlier and as the minister stated, certainly Canada has put that on as one of the provisions it feels is a deal breaker. It feels if we do not get the protection that is needed, the Canadian government will not sign it.

• (1250)

The government has said on many occasions that if there is not a deal that is in the best interests of Canadians, it will not sign it. I would certainly encourage the minister not to sign any deal that does not protect Canadian culture and cultural industries.

**Mr. Gerald Keddy (South Shore, PC):** Madam Speaker, since time is running short I will be very direct in my question to the hon. member.

The crux of this issue seems to come down to sovereignty, who is going to control the affairs of the nation. Will it be a multinational

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corporation deciding the affairs of the nation from abroad or will it be the nation itself?

We are a resource rich country. We need resource management. Who is going to manage our resources? Who is going to be in charge of our fisheries? Who is going to be in charge of our mining and our forest resources? What protection is in the MAI now?

I have read the information on the MAI on the Internet. I have followed it for over a year. There is a scarcity of it. You can say there is a lot there, but there is a scarcity of it.

**Mr. Bob Speller:** I thank the hon. member's party for supporting the government on this initiative in terms of our commitment to make sure that our governments both federally and provincially still have the powers they need to make sure that Canadians are protected in all these different areas.

In terms of who is going to control it, as I said earlier, it is not a question of these big monolith companies versus the government. Most of the people that are investing abroad are small and medium size enterprises. They are the ones that need the protection certainly from the government.

[*Translation*]

**Mrs. Maud Debien (Laval East, BQ):** Madam Speaker, I am pleased to rise to speak to the Reform motion. It gives me the opportunity to make known the Bloc's position on the multilateral agreement on investment or MAI. This agreement is currently being negotiated among the member countries of the OECD.

The Bloc Quebecois supports the motion by the official opposition on the MAI primarily because the government failed to hold a proper public debate on this important issue.

Apart from the brief hearings hastily held by the subcommittee on international trade, trade disputes and investment in the last Parliament, the House and therefore all members elected to represent the people were unable to debate it at length.

Furthermore, a number of groups including unions, non governmental organizations and consumer groups have unfortunately not had the opportunity to express their considerable reservations to the government on this agreement. It is of some concern, because people are unaware of the agreement's existence, its scope, its advantages, its inconveniences and its costs.

The government has failed to explain what is at stake in the MAI and yet it must do so, because, when it signs this agreement, the government is committing the people of Canada for over 15 years. The government has lacked transparency in this matter. It is saying, through its Minister for International Trade that, for the first time in Canadian history, a commercial agreement was considered by a

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parliamentary committee before it was signed. Care must be taken here.

If the agreement was examined, it was as the result of a leak by the NGOs, which managed to get a copy of it and to make it available on the Internet. A number of members already had the text of the MAI and were querying the government on it. These are the real reasons the government gave the MAI to a subcommittee for examination. No credit should be given for transparency and good intentions when there were none.

Questions from the opposition and public pressure are forcing the minister to organize a public information meeting shortly.

• (1255)

At this point, I would like to give a brief background of the MAI, so as to explain its purpose and the Bloc Quebecois' position.

In 1995, 29 member countries of the Organization for Economic Co-operation and Development (OECD) agreed to negotiate a multilateral agreement that would liberalize foreign investments and clarify the rules governing them.

The agreement was originally scheduled to be signed in May 1997, at the meeting of the OECD Ministerial Council. This was put off for a year, member countries being unable to agree on final wording because of the complexity of the procedure and, more importantly, differences of opinion.

Sources even indicate that key paragraphs of the text are covered in changes and that over 600 pages of reservations submitted by the various countries have yet to be negotiated. A new deadline has been set for April 1998 and will not be met. And we have since learned that the MAI will not be finalized before the fall. The minister is therefore able, if he really wants, to submit the text of the agreement for public discussion and to hold a real debate.

Two principles underlie the MAI: the first is non-discrimination against foreign companies. This means that countries that sign the agreement will have to treat foreign investors and their own investors without distinction and without discrimination. Eliminating protectionist barriers and opening up our borders to international competition will enable our businesses to increase their foreign business opportunities, we are told. The goal of the MAI is to create equal conditions for international investors.

The second principle is the legal protection of investors and their investments. The goal here is to ensure that investors have safe access to target markets. It is known that investments are not always safe because of a lack of precise rules with respect to investments and because of the corruption sometimes found in certain countries. The recent Asian crisis is a very good example.

The MAI provides for a dispute resolution mechanism that gives a foreign investor legal recourse if he feels he has been treated unfairly. As a result, such an investor could sue a state through a panel of referees with binding powers.

While supporting the general objectives of the MAI, the Bloc Quebecois shares some of the concerns expressed by a number of groups that testified before the sub-committee. In our view, this agreement will promote freer investments and trade in general and we cannot oppose it.

In addition, since capital mobility is increasing, we believe there should be regulations to ensure non-discrimination and protection for investments. This means being able not only to take advantage of globalization but also to manage the stress resulting from globalization while at the same time extending the investment system world-wide.

However, a number of conditions must be met before the Bloc Quebecois will be able to support the signing of the MAI. First of all, it is important that the Canadian government negotiate the inclusion of a cultural safeguard clause to protect the cultural industry in Quebec and Canada. Under no circumstances will the Bloc Quebecois be satisfied with a simple reservation. In this kind of agreement, a proviso does not sufficiently protect this industry as it only applies to those countries that requested it, while a general exemption clause would apply to all signatory countries. Also, the fewer the countries requesting a reservation, the greater the chances of it being removed in future negotiations.

• (1300)

The Bloc Quebecois is also concerned about statements made in this House by the Minister for International Trade, who said on February 12 that the agreement would not be signed if it did not include an exemption for culture. The minister added that he would walk away from the table if there is not a complete carve out for culture in the MAI. However, on February 13, the minister stated just the opposite in a speech, when he said he would agree to a reservation if he could not get full cultural exemption.

The essential thing regarding culture and communications is to preserve the ability of the federal and provincial governments to set up policies that promote the development of that sector. Our planet is rich because of its diversity, its cultures, its ways of life and its customs. The world would lose if we tried to standardize everything.

The Bloc Quebecois also supports the subcommittee's first recommendation that Canada should sign the MAI provided the final text protects Canadian culture, the environment, work standards, health and education services, and social security, at the

federal and provincial levels. We should prohibit states from lowering their national standards to attract foreign investments. The Bloc Québécois will never let the MAI give precedence to the rights of investors and businesses over those of the citizens, the workers and the environment.

The Bloc Québécois also believes that consultations must continue to take place on a regular basis with the provinces, before the Canadian government ratifies the agreement. There are currently many preliminary lists of reservations and it would appear that coverage of federal states remains a problem. Therefore, there is a need for proper and ongoing consultations between the provinces and the federal government.

An editorial writer was right in expressing concern about the MAI's scope. He wondered whether we would witness the setting up of a charter of rights and freedoms for corporations. Some groups expressed the same concerns when they appeared before the committee. The MAI includes a number of important and far-reaching rules that will restrict governments' ability to regulate foreign investments, because it gives—

**The Acting Speaker (Ms. Thibeault):** I am sorry, but the hon. member's time is up.

**Mrs. Maud Debien:** Madam Speaker, could I have the unanimous consent of the House to finish my speech?

**The Acting Speaker (Ms. Thibeault):** The hon. member is requesting unanimous consent to finish her speech. She would need no more than a few moments. Is there consent?

**Some hon. members:** Agreed.

**Mrs. Maud Debien:** The MAI includes a number of far-reaching rules that will restrict governments' ability to regulate foreign investments, because we must not forget that it gives businesses the new right to challenge government decisions. "In short, the MAI would give government and private enterprise the same status in law", the writer commented.

Finally, and in the interests of transparency, the Bloc Québécois is asking the Canadian government to refer the text of the agreement back to the members of the Standing Committee on Foreign Affairs and International Trade before it is signed. Once again, it is absolutely essential that the Minister of International Trade meet this requirement for transparency.

In closing, I would like to move an amendment to the Reform motion. I move:

That the motion be amended by adding the following after the final use of the word "Agreement": "in particular by refusing to make a commitment to submit the text of the MAI to the Standing Committee on Foreign Affairs and International Trade, and more specifically to its Sub-Committee on International Trade, Trade Disputes and Investment, before signing the Agreement."

### *Supply*

• (1305)

**The Acting Speaker (Ms. Thibeault):** We will reserve a decision and take a few moments to examine the motion to see whether it is in order, and get back to you as quickly as possible.

[*English*]

We are studying the amendment right now to ensure that it is receivable. As soon as a decision has been made, the amendment will be read.

**Mr. Nelson Riis (Kamloops, NDP):** Madam Speaker, I would like to begin my remarks this afternoon by suggesting that this is the first time we have had a chance to debate this issue in the House of Commons.

After more than a year of negotiations on a deal that will profoundly impact on the lives of every Canadian citizen, this is the first chance we have had to say anything other than raise the issue in question period from time to time.

As someone indicated, the MAI is about who will make decisions for the future generations of Canadians. Will it be duly elected governments at the local, regional, provincial and federal levels, or will it be large corporations?

I remind the House that Mitsubishi is bigger than the country of Indonesia in terms of size. Philip Morris is bigger than New Zealand. Wal-Mart is bigger than Poland, Israel and Greece. In my judgment and in the judgment of my party, if the MAI is passed and accepted by the government, it will mean that we will be turning over the sovereignty of our country to the whims of large multinational corporations.

When the question was put to my friends in the Reform Party about whether they thought it was a good idea, the spokesperson from Peace River said he thought it was. On behalf of the New Democratic Party, we think this is bad. For that reason it is fair to say we are the only political party in the House of Commons that is clearly on record as opposing the MAI.

The Liberal Party supports it. It has been the enthusiastic cheerleader since day one. Some people would say that Canada actually initiated the original discussions in the OECD to begin the MAI process.

The Conservatives have been enthusiastic NAFTA supporters and FTA supporters. They support the MAI. Bloc members support the MAI. They are enthusiastic NAFTA supporters. My friends in the Reform Party have indicated that they enthusiastically support the MAI.

We do not support it and I will say why. Fundamentally we do not want to throw away our sovereignty, but it has almost become a mantra in the country—and we heard it again today—that \$1 billion in foreign direct investment will create 45,000 jobs. All cabinet ministers have this text in their hip pockets which they pull out and read during every speech.

*Supply*

That may be true, but when they look at what happens to foreign investment in Canada a very interesting picture unfolds. In 1997 the total of new foreign investment in Canada was \$21.2 billion. If this is true, at first glance we ought to have no unemployment at all. The reality, however, is quite different.

What percentage of \$21.2 billion of foreign investment in Canada in 1997 was for new business investment and what percentage was for the takeover of existing Canadian companies?

• (1310)

In 1997, 97.5% of the \$21.2 billion went for acquisitions and a meagre 2.5% went to new foreign investment. For all intents and purposes we can say that virtually all foreign investment in 1997 was not to open up a new mine, a new business, a new mill or a new manufacturing plant. It was to buy up an existing one with no net gain in jobs, no net gain in R and D, and no net gain in community benefits. Virtually 100% of the foreign investment last year was simply foreign companies coming in and buying existing ones. The notion that foreign investment will create jobs is an absolute mythology.

For the past three years, at the urging of its corporate backers, the Liberal government has been negotiating a deal to secure a brand new charter of rights for investors behind the closed doors of the OECD in Paris.

Until very recently Canadians could not find out what this negotiated deal was all about. They could not find out what our negotiators were negotiating. They could not get a text. It was only when the Council of Canadians leaked a text that it became a quasi-public document. Later the government was embarrassed enough to have to generate a copy that it was working on in its negotiations.

If the government really believed its rhetoric and that the MAI was a good deal for Canada, would it not want to be telling Canadians what it was doing? Would it not want to inform Canadians about the deal? Would it not want to tell Canadians the main essence of the negotiated deal in the best interest of Canada?

If the government wanted to do that it could send an abbreviated copy or an executive copy of the entire copy to virtually every household in Canada. The government has the ability to do that at the snap of a finger.

My feeling is that the government does not want Canadians to know what it is negotiating. Let us be reminded that whenever Canadians had a chance to vote on NAFTA they voted against NAFTA. They voted against free trade with the United States and Mexico. The government imposed it anyway, but that is another story.

The government knows that if Canadians knew the essence of the agreement they would vote against it. To this day I have not heard a single Canadian stand to say they think the MAI is a great deal. I have heard hundreds of people say it is a bad deal.

I recognize the incredible work of my colleagues in the New Democratic Party over the last few months, criss-crossing the country, holding public meetings and speaking wherever they could to try to inform people about the MAI because the government refused to do so. Somebody had to tell the country about the MAI and we have taken that up.

I am surprised that my friends in the Reform Party are even mentioning the whole issue today. Back in April of last year it started to be raised in the House of Commons by the New Democrats. I was one of the questioners. A number of my colleagues were asking questions about the MAI. They asked about the implications for Canadian sovereignty, Canadian culture, Canadian labour standards, environmental standards and working conditions. We raised these questions day after day.

Along comes the election and my leader tried time and time again to get it on the political agenda of that campaign. Many of our candidates tried to get it on the political agenda, but the Liberals did not even want to talk about it. The Reform Party candidate in Kamloops said that he had never heard of the MAI. He thought it was something like missing in action, something to do with Vietnam. The Tories did not dare say anything about it.

The most critical deal that will influence the lives of generations of Canadian was not even mentioned by Liberal candidates or the Prime Minister during the election campaign. That is shocking.

As soon as we got back here, what political party was up in the House of Commons asking to hear more about the MAI, asking for public hearings and an emergency debate in the House of Commons? Every time we were turned down, not only by the government but by the other political parties. The Conservatives, the Bloc and the Reform Party did not want a debate on the issue in the House of Commons. They voted it down. I could go on.

In 1997 the MAI was mentioned on 20 days in the House of Commons. It was raised in question period because the government did not permit any debate on it. There was a debate in the British Columbia legislature on the MAI. I think it was the only province to do that. As a matter of fact it is clearly on record as opposing the MAI.

• (1315)

The NDP in the Yukon Territory as well passed a resolution in the legislature against the MAI. The NDP representative in Prince Edward Island put a motion on the floor of the legislature to oppose the MAI at least until public hearings across Canada were held, and it passed unanimously.

*Supply*

**An hon. member:** They are Tories.

**Mr. Nelson Riis:** And yes they are Tories, but it was the NDP member of the legislature who raised the issue.

In 1997 it was raised 20 times in this House of Commons, 11 times by New Democrats. To be fair, two Liberal backbenchers mentioned it and one member of the Bloc. There were no Tories and no Reform members.

We do not have much time to get into the details of the MAI. But it is fair to say it is now obligatory because of the impact on Canadian culture, because of the impact on the ability of elected governments to manage the economy in the best interest of the citizens they represent, because of the implications of the MAI against the Canadian environment and against Canadian labour standards, that Canadians be informed.

Before this deal is signed, I would at least hope that the government would seek the input of Canadians as it did on NAFTA. We will do whatever we can as New Democrats from coast to coast to coast to oppose this deal. We do not think multinationals should be making decisions about our children's future. We do not think multinational corporations should be deciding what comes first.

In closing I will simply say let us be reminded that as we speak today, Ethyl Corporation has sued the federal government for trying to protect the health of Canadian citizens because it says it takes away from its profit to do away with additives to gasoline. That is what we are getting into, a trade deal that will impact on the lives of every Canadian. We are locking ourselves for 20 years into the future. Even future Parliaments will not have a chance to deal with this issue.

**Mr. Ted White (North Vancouver, Ref.):** Madam Speaker, I listened with great interest to the speech by the hon. member. It intrigues me that he made the statement that this is the first opportunity he has had in the House to talk about the MAI. Then he went on to criticize everyone else for being supportive of the concept.

One question I would like to ask him is why the NDP did not bring this issue before the House itself. The NDP has had supply days. What did it do? It used up its supply days on other situations that were not nearly as important as this. The first thing I would like the hon. member to do is to explain to the people of Canada why he did not bring forth this issue right away.

The second thing I would like him to explain to me is this 20 year rule he mentioned toward the end of his speech. The government has said that it is actually not 20 years, that it is five years. The 20 years only apply to companies that have invested during the five year period if a country then opts out.

For example if McCain Foods were to invest \$300 million in a canning plant in Malaysia and Malaysia then opted out, McCain Foods would be protected for a further 15 years. That is the

government's explanation. Does the hon. member have some other version of that explanation?

**Mr. Nelson Riis:** Madam Speaker, I am glad my friend asked this question.

The first day back after the 1997 general election we felt that we ought to raise the most important question facing the future of Canada, which we did. We asked for a special debate on the MAI. We asked for cross-country hearings on the MAI. We asked the government to inform Canadians about the details of the MAI. That was our first item of business.

We called for cross-country hearings and so on but we did not get the support from our friends in the other political parties. I do not know whether that was because they did not want to tour or they did not know anything about the deal. But we will set that aside.

Then along came our first opposition day and we had a choice to make. We acknowledged that there were 1.5 million children living in poverty in one of the richest countries in the world. We acknowledged that there were 400,000 young Canadians looking for work and could not find a job. We acknowledged that there was only one other country that has a worse record when it comes to child poverty and that is the United States of America.

We felt that it was appropriate to speak out on behalf of those young children who cannot pay for a lobbyist. They do not participate in election campaigns. They do not give contributions to political parties. We felt it was appropriate that they have a voice. Because the children of Canada are our future we have put them first in terms of our opposition day motions.

• (1320)

**Mr. Alex Shepherd (Durham, Lib.):** Madam Speaker, I listened intently to the member for Kamloops' intervention about how the MAI was going to completely destroy our country. The reality is that 80% of our trade is with the United States, all of which is already encompassed under the North American Free Trade Agreement.

He goes on to say how it is solely the New Democratic Party that is concerned about this issue. I wonder if the member could explain this comment in Friday's *Globe and Mail*: "Many of us have been encouraged to think that the fight for the MAI is very worthwhile, said the Saskatchewan minister responsible for trade, Mr. Wiens". It would appear that his own provincial government does not back his understanding.

**Mr. Nelson Riis:** Madam Speaker, not that my friend would attempt to distort the facts or anything that was said, let me first say what Premier Roy Romanow of Saskatchewan had to say about the MAI. He declared that Saskatchewan will never be part of any global trade agreement that was essentially a race to the bottom in terms of conditions and standards for people. He said that any international trade agreement would have to recognize trade union

*Supply*

rights, the preservation of the environment and human rights before Saskatchewan would even consider signing it.

Those are all absent from the MAI. My friend said there is no such thing as the MAI yet. We should send him over a copy so he can have a look at it. He would notice that those are all exempt from the MAI.

I just want to reiterate for the record that whenever there is a New Democrat government in this country, be it in Saskatchewan, British Columbia, the Yukon or New Democrats in legislatures across the country, we are all unanimous in saying the same thing. The MAI ought not to be signed. The MAI is against Canada. The MAI is really a special constitution of rights and freedoms essentially designed for the multinational corporations.

We believe that the duly elected representatives of the people of Canada and not the multinational corporations ought to make decisions about the future of our citizens.

[*Translation*]

**The Acting Speaker (Ms. Thibeault):** The amendment moved by the member for Laval East to the Reform Party's opposition motion is in order.

[*English*]

**Mr. Nelson Riis:** Madam Speaker, I rise on a point of order. I might be pushing my luck a little bit, but I do have a whole lot more to say about the MAI. I wonder if I could seek unanimous consent from my colleagues to allow me to continue for a few more minutes.

**The Acting Speaker (Ms. Thibeault):** Is there unanimous consent?

**Some hon. members:** No.

**Mr. Scott Brison (Kings—Hants, PC):** Madam Speaker, I will be splitting my time.

In our party we have fought very hard over the past several weeks prior to the compilation of the report on the MAI from the subcommittee to ensure that culture is protected. I want to clarify for this House that it was a Progressive Conservative intervention which made as part of the recommendations of the report that culture would achieve deal breaker status. We intervened and fought for and strengthened seven of the recommendations of the report and we are very proud of that intervention.

Philosophically our party has been consistent in its support for free trade. Many of the members opposite, including the chairman of the subcommittee who was elected in 1988, fought vociferously against free trade, that free trade was not a good idea because it was

brought forward by Brian Mulroney. However, now they are big proponents of free trade.

• (1325)

When the hon. member from the New Democratic Party said this issue was not raised by Conservatives in the House, he was wrong. We raised this issue several times in question period in the last House. We asked the minister of trade why the Minister of the Environment introduced Bill C-29 which led to the litigation from Ethyl Corporation against the Canadian government in the amount of \$350 million, and why should we now trust him as minister of international trade to negotiate on behalf of Canada in the MAI when his leadership in the ministry of environment led to that lawsuit.

We did raise that issue and I would clarify it for the hon. member. I certainly would not want to accuse him of having omitted that on purpose or oversimplifying a very complex issue, although that may be a reasonable accusation in this case.

The success of free trade since 1988 is fairly unequivocal. Like any other sound economic policy, it takes a long time for the impact to be felt.

The chairman of the Atlantic Provinces Economic Council told me recently that any job growth that has occurred in Atlantic Canada has occurred as a result of free trade. When I speak with the member for Saint John she tells me how Saint John has benefited from free trade.

We recognize that the basic principles of free trade are sound and we support free trade. However, we do not support any deal at any cost without any consultation with Canadians.

This government's inaction and vacuum of information has provided an opportunity for people who are opposed to free trade philosophically to fill that vacuum with some misinformation. Like any issue, there is some information out there from the opponents of MAI that is very sound and deserves debate and discussion. This government has not provided Canadians with that opportunity.

It is the same as the Kyoto agreement and the lack of discussion on it. Effectively the Kyoto position was written on the back of an airplane vomit bag on the way to Kyoto. The Canadian position was basically reached without any consultation with ordinary Canadians.

And this government wonders why Canadians reject liberalized trade philosophically when they are essentially provided with a final deal.

The minister of foreign affairs for Australia in May 1996 introduced the Australian model for treaty negotiations. When Alexander Downer was in Ottawa on his last trip, I met with him and discussed this. In fact, the leader of our party met with Alexander Downer to discuss this important model.

One of the things the Australian model provides is that any treaty Australia signs will be submitted to and tabled before parliament for 15 days of debate prior to ratification. That is one of the recommendations we fought for at the committee level to try to get in the final report and we were shot down.

One of the other components of the Australian model and one we were successful in achieving at the committee level, and I am very proud of this, is that there will be an impact analysis. The government should undertake an impact analysis on current federal, provincial and municipal programs in Canada to understand fully the impact of MAI on the current programs.

Our subnational governments have not been consulted on MAI. Something we have to ensure is that the provinces, municipalities and all Canadians have an opportunity to voice their concerns on MAI, Kyoto or any other international treaty.

In closing, we welcome more debate in this House. We want to fight to ensure that there is a full debate in this House on this very important international agreement prior to ratification.

**Mr. Charlie Penson (Peace River, Ref.):** Madam Speaker, it is very rewarding to hear the Conservative Party supporting this motion in that we need a fuller debate across the country and in this House.

The hon. member talked about the need for a broad cultural exemption and the support the Conservative party would have for that. Consider NAFTA, the free trade trade agreement with the United States that his party negotiated. We also have an exemption for culture, but the Americans have the right to retaliate in kind.

• (1330)

Considering that most of the pressure for culture would probably come from the United States, I am wondering how the member would see the MAI moving that process forward, considering that we have an exemption which essentially has a counter balancing part under the NAFTA.

**Mr. Scott Brison:** Madam Speaker, this is one of those issues which helps our party to define itself as being different from the other party to which it seems to be compared periodically, that being the Reform Party.

We were unequivocal in our support for a cultural exemption and we will fight to ensure it.

The importance of protecting culture in a national unity context boils down to this. We need to preserve the ability for Canadians to speak with each other as Canadians. We need to preserve institutions such as the CRTC and the CBC when we are living next to a cultural elephant. We need to ensure that all Canadians can

### *Supply*

communicate fully. We need to ensure that there is systemic protection for culture within Canadian institutions.

Under the NAFTA and the free trade agreement Canadians are protected against their biggest cultural risk, that being the U.S. There is a bilateral right to retaliation, but that is a part of any trade agreement, providing a double edge sword.

The most important thing to recognize is that we are expanding the chapter 11 provisions to 29 countries. That is why due diligence is ever more important. There will be an unprecedented level of exposure to Canadian culture and we must ensure that our cultural interests are protected. That is why, when the Reform Party was equivocal about its support for a cultural exemption, the Conservative Party fought hard to ensure that it was there.

[*Translation*]

**Mr. André Bachand (Richmond—Arthabaska, PC):** Madam Speaker, it is a pleasure to rise to speak to the issue of the MAI.

I would like to provide a little background very quickly. My government colleague said that the MAI is on the Internet and that people have only to call to have a copy sent to them, but someone who is not familiar with this matter may not understand.

What first has to be done is to express the MAI in simple terms so that people will know right off whether it is worth further consideration.

My colleague from Peace River said that it was up to the Liberal government to make it better known. I am sorry. In this corner—since we cannot talk about this side—of the House, we think it is the job of the members of Parliament to meet Canadians and Quebeckers and explain the MAI. It is not just the responsibility of the Liberal government. We know this government too well. If we give it too much responsibility, we already know what will happen. The effect may well be negative.

So it is up to us as parliamentarians to explain the MAI to people. It is not new. Essentially after the second world war trade began to be carried out on a global scale as the result of various agreements and reconstruction agreements.

The Marshall plan in Europe and the massive influx of American capital in Japan in essence established different sorts of free trade systems. That was the start and it progressed very slowly. In the 1960s, things picked up. Unfortunately, there was a Liberal government in power. When investment began circulating, the Prime Minister of the time, Mr. Trudeau, created an agency.

The ultimate aim of this agency was to block foreign investment, to control it. Thank God, a Conservative government followed and changed this agency into Investment Canada, which still exists today and has a much more active role seeking investment abroad and directing it to Canada.

*Supply*

• (1335)

The party of which I am a member has a history of globalization, no matter what, but the same cannot be said for our friends across the way, or our friends next to us. I would be curious to know what the position of each of the Reform MPs was in 1988, when there was an election on the issue of free trade with the U.S. Today, they are all for free trade, but what were their individual positions in 1988?

As we know, our friends across the way wanted to tear up the free trade agreement. Had there not been a free trade agreement to speed up exports, Canada would have had an economic downturn in the past five years. That is as clear as it can be.

I would be very curious to hear the change in their tune. International credibility with respect to globalization belongs to this part of the House, and I would like to share the credit with our friends who were here from the Bloc Québécois in 1988 and, let us recall, supported free trade along with the majority of Quebecers and were not afraid to face a world reality.

That said, yes people must be informed. True, but the information must also be given in layman's terms. Our actions must be explained. Investments have already begun, and there are all kinds of agreements. Agreements with the U.S., agreements with Mexico, and one part on investments with Chile. There are many bilateral agreements in place. There is no end to them.

So why is there an agreement? So that light may be cast on a specific aspect of the bilateral agreements: investment. Canada has an important role to play, but it must also protect its culture for, contrary to what Reform may think, culture is also part of our national identity. Such things as environmental standards must be put in place, as well.

We are going to support the Reform Party's motion, which calls for a greater government presence. I will make one very important point in closing. When the free trade agreement was negotiated with the U.S., there were no consultations coast to coast, true. There was something more—an election. Would the government be prepared to call an election today on the MAI? This may be the challenge we are issuing to them.

[*English*]

**Ms. Judy Wasylycia-Leis (Winnipeg North Centre, NDP):** Madam Speaker, I listened very carefully to the member's speech, as I have done all morning on this very serious matter, and I am left with one overriding question. How are we in this House and how are the Canadian people supposed to tell the difference between the Liberals, the Conservatives and the Reformers in this House of Commons?

All three, based on the speeches today are clearly, I hate to use the word in terms of some sort of collusion, operating from the

same premise, joining forces in this House to force the government to fire up its propaganda machine in order to convince Canadians that their concerns about the MAI are unfounded.

Is there anybody in this House who will join the NDP and convince the federal government that the MAI is not a good deal for Canadians and that there are serious flaws in the draft agreement that will have very significant ramifications for the future of important programs like medicare and public education, unique cultural programs in this country? Who is going to stand up and join us in this House fighting the MAI?

[*Translation*]

**Mr. André Bachand:** Madam Speaker, the difference between us, the Liberal Party and the Reform Party is that we are consistent in terms of our international policy. This is my first point.

We are also consistent in saying that Canada is ready to face what is going on at the international level, while the NDP does not agree because it thinks that only our internal economy can solve the problem.

The motion before us today should be supported by the NDP because it asks specifically that Canadians be consulted more extensively. The New Democrats should support the motion. We are not asking them to support the MAI. We are asking them to support the idea that there should be more dialogue, and that this dialogue should include more people.

The New Democratic Party should support the motion. It would not mean it supports the MAI. It would simply mean that it is in favour of having discussions, because the government did not bother to properly inform Canadians, even parliamentarians, on this issue.

• (1340)

You should be ashamed for not supporting at least the idea of an open and honest dialogue between parliamentarians and Canadians.

[*English*]

**Mr. Gary Lunn (Saanich—Gulf Islands, Ref.):** Madam Speaker, I will be splitting my time with my hon. friend from North Vancouver.

It is a pleasure to speak on the Reform Party opposition day supply motion which concerns the famous multilateral agreement on investment. I also refer to it as the MIA, which is what we are really talking about, missing in action. We are talking about transparency and I want to bring the debate back to this. We are focusing on transparency, on public disclosure and on making sure the government knows what is going on. I will focus on those issues in my remarks.

This government has failed to talk to the Canadian people. Some people on the government side have said that they consulted with the provinces in 35 meetings over two years. Is that not amazing? I

will read a recommendation from the committee which had a very short time to debate this issue: "The government should continue to increase its effort to inform Canadians of the merits of the MAI while addressing the concerns brought forward to the committee at public hearings". The next recommendation is: "The government should pursue a process that fully involves the provinces".

This is a recommendation made by the committee and signed off by the majority of the committee members, Liberals. Yet those members stand up so proudly saying they have been informing Canadians.

The problem with this issue is that nobody knows what is going on. Why are those members so secretive about it? They have been negotiating this agreement for over two years. Yet during the election campaign last April nobody had heard of it. They are absolutely silent. I suggest they are ashamed of it. Why will they not talk about it?

Then there is the red book. Do we see this in the red book? No, by golly there is not even a word about it. There is not one word after negotiating an agreement with 29 countries. Imagine that. I wonder why. And then there was the throne speech. Did we hear about this wonderful, exciting multilateral agreement on investment? No, not a word, zero.

My friend from Haldimand—Norfolk—Brant went through the committee's recommendations. I emphasize that these recommendations were made by a majority of Liberals and this member was the chair of the committee. These are his words in defending the government's position against our motion: "The government should pursue a process that fully involves the provinces and that will allow sufficient time for the text time available at that time to receive the benefit of further parliamentary examination by this committee prior to the signature of any negotiated agreement".

That is their recommendation and the only thing he can say is that we have had 35 meetings with the provinces. I point out that The provinces are now bailing.

His next recommendation is that the government should consider undertaking a full impact analysis that will note the reason Canada should take part in the MAI. What the member said about this is shocking and unbelievable. He said it is not practical to have a full impact so early on in negotiations. Imagine saying that it is not practical early on. We have been negotiating this for two years. The government is supposed to sign this in April 1998.

I must remind the government that we are now almost in March 1998. What is he thinking when he says that we cannot have an impact analysis early on? It is absolutely unimaginable. What are they ashamed of and what are they trying to hide?

The next recommendation, and this is the chair of the committee defending these recommendations, is: "In future negotiations

### *Supply*

regarding matters of as widespread importance", they acknowledge that as the MAI, "the government should undertake an open and transparent process so that public disclosure and consultations can be carried out in a timely manner". Imagine that, public disclosure and consultations.

I must look at my notes because I cannot believe what he said about that. He said it is not practical. Can you believe that, coming from this government, that it is not practical to consult with the public? "In a timely manner", that is what we are talking about.

• (1345)

I have a copy of this wonderful agreement. This is the official copy given to me by the government which it is so proud of it. What is the very first word on it? Confidential. Imagine that. The first word on the top left corner of the agreement is confidential. What is it worth? Why will Liberals not talk to the public about it? They are screaming about this. What are they hiding? I have concerns about it. I can say right now I will not support the MAI because I do not know what members opposite are hiding.

I support free trade agreements. We need free trade agreements. They are good. We need more investment in Canada. Our investors need to be protected. What is the government doing? Why is it so secretive? It is an absolute disgrace. It is shameful.

I do not know what government members are up to, but there is no question they are embarrassed about it and not proud of it. They are so secretive it is incredible.

If the Liberals really care about or really believe in the agreement, why are they not talking about it? They are not proud of it. There is no question they do not believe in it, or they would be telling us about it.

I ask government members to look at what the motion says. It is asking them to be transparent with the people of Canada, to tell them what is in it.

What is the minister's idea of transparency? It is a luncheon at the Chateau Laurier about two blocks away, having a group meeting at lunch and talking to some investors. Those are his consultations with Canada five minutes from parliament. That was his B.C. meeting. It is amazing.

They accuse me of not speaking. I have meetings planned in the greater Victoria area. I have had three or four of them and I have another one next week, a very large one.

Will we see anybody from British Columbia? Will we see their senior member? Will I see Mr. Anderson there? No.

**Mr. Bob Kilger:** Madam Speaker, I rise on a point of order. We have just come back from the weekend and some members may be on a roll, but we still want to maintain the parliamentary traditions

*Supply*

of not referring to ministers by name and directing our comments through the Chair.

**The Acting Speaker (Ms. Thibeault):** I must remind the member of that.

**Mr. Gary Lunn:** Madam Speaker, I was on a roll and all excited. I did not mean to use the minister's name. I apologize.

**The Acting Speaker (Ms. Thibeault):** Very well.

**Mr. Gary Lunn:** Madam Speaker, the committee has been given only three weeks. The Liberals are proud and talk about consultation. All I have heard the minister say in the House is that it has been sent off to committee.

That is the consultation process; it is sent off to committee. Even worse, the idea of the parliamentary secretary on how to communicate with the people of Canada was "We sent a memo to all members of Parliament. Can't you send out a message in your householder?"

Is that how the government will rely on getting a message out, by suggesting to members of Parliament that they use their householders to sell its message? I could not believe those words when they came out of his mouth. It was incredible.

I wonder what the government is doing. This is about transparency. This is not the first time I have prepared speech after speech for the House and the government shut down debate. We could go back to Bill C-2. Time and time again it brought in closure and shut down debate.

The Liberals have to allow for democracy. I will conclude right now by saying that this is about transparency. It is about informing the public and openness. Right now the public is not informed. The government is hiding behind a missing in action agreement we know nothing about. It is time the government came out of the closet and told Canadians what is in the agreement.

**Ms. Judy Wasylycia-Leis (Winnipeg North Centre, NDP):** Madam Speaker, no one in the House disagrees with the idea of having a consultation on an issue as important as the MAI.

What concerns those of us at this end of the House is the motives of the Reform Party in presenting the motion. It appears to be arising out of panic stricken fear that progressive forces in the country are winning the debate and its side is not being heard.

I ask the member a specific question around a statement made by some friends of the Reform Party. Maybe it is a front for the Reform Party. A representative of the Fraser Institute, Mr. Owen

Lippert, appeared before the health committee where the NDP forced a debate on the impact of MAI on health care. He said:

Why don't I believe, then, what the Council of Canadians and Mr. Appleton are saying? Because the government, the Liberal government, tells me it ain't so. They tell me that the reservations in fact properly protect public monopoly, so I'm going to take them at their word.

● (1350 )

Is this the problem the Reform Party is now finding itself in? Debate has not been allowed to happen in the country. Public discussion has been stifled by friends of the Reform Party, by the collusion between the Liberals and Reformers in parliament.

**Mr. Gary Lunn:** Madam Speaker, I do not know what the member is going on about. She raised a hidden agenda. Here is the agenda. It is about open and transparent government.

Members of the New Democratic Party had supply days. If they felt this issue was important they could have talked about it. We are on the eve of this year's budget. The Reform Party has committed an entire day of debate, a supply day, the day before the budget, to talk about the issue. That will show the commitment and the dedication of this party.

We have grave concerns about the government's unwillingness to talk about it, why it is hiding it. It is not in the throne speech. It is not in the Liberal red book. The Liberals did not talk about it in the campaign. What are the Liberals hiding? That is what we are pushing them on. That is the only way.

The NDP claims to be wonderful; it will save everybody in this multilateral agreement. Where are NDPers? They could have talked about it. The reality is that the Reform Party made it a priority and did something.

**Ms. Bev Desjarlais (Churchill, NDP):** Madam Speaker, I listened to the member from the Reform neck of the woods. He talked about speaking out on the MAI and devoting a whole day to it.

The NDP has gone a lot further than one day of hype. We have been pursuing the issue, the failure of the government to address the MAI and bring it to Canadian citizens, since well into the election campaign of last year. As a matter of fact in a public debate in Flin Flon during the campaign I was able to take the Liberal member to task and he knew nothing about the MAI.

We have not stopped debating the issue. We have not stopped pursuing the issue for six to eight months. Where has Reform been? It has finally been forced to be an opposition party by the New Democratic Party.

**Mr. Gary Lunn:** Madam Speaker, we know that the Council of Canadians is a front for the NDP. We know the NDP's position on

the agreement. What we do not know is the government's position. That is what we are here for.

I have to save a few comments for the NDP. We can talk about investment. We have an NDP government in British Columbia. We have no investment. The NDP premier of British Columbia is placing ads in the *Financial Post* asking for investors to invest in British Columbia.

I support free trade agreements. We need to protect investors. This debate is about what is in there. We want to make sure that our social programs are not trampled on. We want to make sure health care is protected and that the right exclusion clauses are in place.

That is what we are asking the government to do. It has to become open, go to the people and talk about it. Right now there is no question the government has not talked about it with Canadians. It has talked about it behind closed doors. It will send it off to committee. It will have luncheons with some of the big players. However it is not talking with Canadians and that is what it needs to do.

**Mr. Ted White (North Vancouver, Ref.):** Madam Speaker, I am pleased to speak to the motion.

Coming as I do from a small business background and a small business community in North Vancouver, it should not be surprising that I am personally supportive of the concept of the MAI. I think it is a good idea. Frankly the intent of a multilateral agreement on investment is shared by the majority of my constituents as far as I can determine at this time. That does not mean there are not some people opposed, but at the moment it appears the majority are in favour.

• (1355)

The big problem is that the government has not been speaking clearly and forcefully in conveying its position in the Vancouver area. If an MAI can be negotiated, which truly levels the playing field for investment between the participating countries, thereby making it easier, less expensive and more efficient for small businesses to expand and create jobs by servicing those new markets, it would be an excellent deal. The government would be well congratulated if it could achieve such a thing.

Our support in principle does not mean that we do not have some tough questions for the government on the issue. The government and the minister in particular have put on a disgraceful display in connection with the MAI. People have been begging for information for just about the entire time it has been negotiated. There simply has not been enough public presence out there.

Why has the minister not been out in public debating the Maude Barlows and Paul Hellyers of the land. If he has such a good deal he should be involved in intelligent debate and be able prove to Canadians that it is a good deal.

*S. O. 31*

Before posing questions of the government provided to me by some of my constituents, I would like to put on record my position regarding the MAI once it comes before the House if there is enabling legislation.

First, as soon as the MAI is signed in principle by the government, I will advertise in my local newspaper for people to come forward who are opposed to and in favour of the MAI. I will split them into two groups and with research assistance from my office we will create a written position against and a written position for the MAI. Equal space will then be given to each side in a householder that will go to every house in my riding.

Then, as the letters and calls come in, the material from the opposing side will be used to answer those letters and calls. In that way we will facilitate a widespread exchange of ideas, opinions and criticisms. People will get a chance to see the other point of view. I will also hold public meetings according to the demand.

Finally, before the House comes to a third vote on any enabling legislation, I will do a scientific poll in my riding and that is the way I will vote in the House. My constituents have that commitment from me.

**The Speaker:** That seems to be a good spot to interrupt the member. He still has in excess of seven minutes of his allotted time and will have the floor when we return to the supply motion debate.

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## STATEMENTS BY MEMBERS

[English]

### VOLUNTEER FIREFIGHTERS

**Mr. Murray Calder (Dufferin—Peel—Wellington—Grey, Lib.):** Mr. Speaker, volunteer firefighters provide a vital and essential service to Canadians. In most communities across Canada they are the only firefighting resource. In Ontario alone there are 17,000 volunteer firefighters in 566 departments. These volunteers save Ontario taxpayers more than \$1.4 billion a year.

Fire departments are now finding it increasingly difficult to find volunteers who meet their high standards and who are willing to donate many hours of their time.

To recognize the importance of the volunteer firefighters, I call on the Minister of Finance to raise the tax exemption on their allowances from \$500 to \$1,000.

Every day in Canada volunteer firefighters donate their time, talent and energy for the good of their communities. Every day they risk their lives to protect their fellow citizens.

*S. O. 31***DISASTER ASSISTANCE**

**Mr. Jay Hill (Prince George—Peace River, Ref.):** Mr. Speaker, last Tuesday the minister of agriculture announced an ad hoc relief program for part time farmers who are not eligible under the regular rules of the federal disaster financial assistance arrangements.

Part time farmers in Ontario and Quebec who suffered ice storm damage will be getting some much needed help. However, the government has forgotten full time potato farmers and grain producers in B.C. whose crops were destroyed by record rain storms and flooded fields. The government has also forgotten maritime farmers devastated by a long draught.

It seems like Liberal disaster assistance is allocated according to the level of media coverage and mud on Peter Mansbridge's boots.

It does not matter if a dozen farm families are affected or 1,000, the pain is exactly the same. When will the government learn it cannot continue to treat eastern and western Canadians like second class citizens. If it is to change the rules for central Canadians then it should change them for all Canadians.

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**1998 WINTER OLYMPICS**

**Mrs. Karen Kraft Sloan (York North, Lib.):** Mr. Speaker, Canada won more than gold in Nagano.

• (1400)

By all accounts the Japanese fell in love with the Canadian team. They love our fierce competitive style, our strength and endurance, our courage against all adversity, our sense of fair play and, most of all, they love the Canadian nerve.

Our Olympic athletes made us very proud. In particular I would like to recognize two Olympians from York North, Veronica Brenner and Curtis Joseph Cujo. Brenner is the world cup grand prix champion in freestyle aerial skiing and Curtis is an NHL goaltender. They represented York North with distinction.

Congratulations to all our athletes. They represented Canada with pride and we thank them.

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[Translation]

**QUEBEC MINISTER OF INTERGOVERNMENTAL AFFAIRS**

**Mr. Guy St-Julien (Abitibi, Lib.):** Mr. Speaker, I would like to welcome Mr. Brassard to the club of the misquoted.

Over the weekend, the Quebec intergovernmental affairs minister finally admitted chaos could result if the Quebec government were to unilaterally declare Quebec's independence.

This is quite an admission, especially since the sovereignists and the Bloc have been trying for weeks to make us believe they could ignore the law of the land with complete impunity.

Quebec premier Lucien Bouchard quickly distanced himself from his minister's comments on the chaos that could result from a unilateral declaration of independence by Quebec, emphasizing that Mr. Brassard had been misquoted.

If Mr. Brassard keeps it up, I bet he will be part of the next Bouchard government shuffle, just because he is starting to aggravate the separatist troops.

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[English]

**EDUCATION**

**Ms. Carolyn Parrish (Mississauga Centre, Lib.):** Mr. Speaker, there is a growing dismay with the high cost of post-secondary education. Some in this House seem to consider post-secondary education to be an entitlement, free and paid for completely by the taxpayer. Access to post-secondary education has always been a reward for hard work and achievement at the secondary level.

Funding for post-secondary education must remain a partnership which includes the federal and provincial governments, parents, businesses, alumni and students. Although current tuition may seem high, the payoff over a lifetime is more than adequate compensation. The call for full funding is unrealistic. It would place a real burden on existing taxpayers, three-quarters of whom have not had the privilege of attending university. Also, the success rate for students who contribute to their own education is higher than for those who do not.

I call on all Canadians including students to recognize the limitations of our resources. Federal assistance for students under the Canada student loans program has amounted to billions over the years. We have also pledged to further enhance our funding for university and college students across Canada, but within reasonable parameters, leaving students some responsibility for the process.

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**THE SENATE**

**Mr. Inky Mark (Dauphin—Swan River, Ref.):** Mr. Speaker, last week the Prime Minister was asked if he was aware that most Canadians do not support the Senate. The Prime Minister said he is willing to reform the Senate when the provinces are ready.

Since 1989 Albertans have been ready to elect senators. Since 1990 British Columbians have been ready. Last week an MPP proposed a bill that could make Ontario ready to elect senators. Before and after she was appointed by the Prime Minister, Senator Carstairs indicated that Manitobans are ready.

Canadians are ready. When will the Prime Minister of Canada be ready?

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[Translation]

### FIGHT AGAINST POVERTY

**Mrs. Christiane Gagnon (Québec, BQ):** Mr. Speaker, the Bloc Québécois supports the social contract against poverty suggested by the Comité de ralliement gaspésien et madelinot.

Like them, we contend that justice, equity, dignity and solidarity are the values on which we want to build society. We can see that isolation and growing poverty undermine the quality of life and health of many in our communities. We are appalled by the scandalous situation caused and perpetuated by the growing gap between the rich and the poor.

In light of the marginalization experienced by some groups and many individuals, we reaffirm that, in order to fight poverty, we must create sustainable jobs with decent wages, make the tax system fair and equitable, support community life and take appropriate safety measures.

The Bloc Québécois wants to speak here in Ottawa for those who are ready to sign this contract.

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[English]

### THE ENVIRONMENT

**Hon. Charles Caccia (Davenport, Lib.):** Mr. Speaker, the time has come for the Minister of Finance to examine subsidies to greenhouse gas producing industries.

Existing tax subsidies to the oil sands industry could total hundreds of millions of dollars over time. This industry is a significant contributor to greenhouse gases.

• (1405)

Instead of tax subsidies we need a national atmospheric fund to help conserve energy, to level the playing field for renewable energy and to introduce new forms of energy innovation.

Canada is now committed to the Kyoto agreement and must address the issue of perverse subsidies favouring the production of greenhouse gases which impact on the climate.

S. O. 31

### THE CONSTITUTION

**Mr. Peter Goldring (Edmonton East, Ref.):** Mr. Speaker, Canada's Constitution is not cast in bronze. It is not chiselled in granite. It is penned on fragile pulp and has the permanency of our national will.

Canada's Constitution was not taken from foreign lands but crafted by the citizens of our great country.

Our constitutional light shone most brightly when Guy Bertrand exercised its provisions.

Guy Bertrand believed his rights were diminished by a referendum to separate and took his concerns successfully to a Quebec court. The Liberals, embarrassed by this action, finally carried the issue to the supreme court.

Canadians must be thankful that we have such an instrument of privilege as the Constitution and the charter of rights. Canadians also must be thankful that we have citizens of integrity and determination such as Guy Bertrand.

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### CANADIAN CENSUS

**Mrs. Marlene Jennings (Notre-Dame-de-Grâce—Lachine, Lib.):** Mr. Speaker, last week Statistics Canada published the 1996 census data pertaining to the ethnic and racial composition of our great country. According to these data 11% of Canadians are visible minorities.

As a Canadian woman who is black, I salute our federal government for its courage and foresight in ensuring we have hard data about the composition of our society. This information will assist the government in developing good public policy and programs. This ensures equality of all citizens and equitable access for all in every sphere of activity.

As any astute business person will tell you, do your market study if you want your company's product or services to do well in the marketplace. Study your consumers.

Unlike the Reform Party and the Bloquistes, our government does not believe that ignorance is power. Liberals firmly believe that knowledge is power.

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### AGRICULTURE

**Mr. Dick Proctor (Palliser, NDP):** Mr. Speaker, there is a growing concern in rural Canada about the low farm commodity prices. This concern is especially prevalent in western Canada where forecasters are predicting weaker grain prices for 1998 and 1999.

*S. O. 31*

One of Canada's chartered banks has already said that we could expect our export of wheat and coarse grains to decline as well. One market analyst said farmers need higher prices in order to make a go of it.

Farm gate prices which are already low are likely to worsen before they improve.

This worrisome trend is even more stark when related to rising input costs, including the cost of machinery, fertilizer, trucking costs and higher freight rates. In the west freight rates on grain have doubled and tripled since the Crow benefit was done away with by the Liberals.

Grain farmers are increasingly worried about their security and indeed about the future of the family farm.

Members of our caucus urge the Minister of Agriculture and Agri-Food, the Minister of Transport and the government in general to take note before it is too late.

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[Translation]

### THE ENVIRONMENT

**Mr. Yvon Charbonneau (Anjou—Rivière-des-Prairies, Lib.):** Mr. Speaker, three weeks ago, the federal government and the provinces signed an environmental harmonization agreement in areas such as assessment, inspections and environmental standards. Quebec did not sign, because the Bouchard government decided to go its own way, in environment as in many other areas.

Under Lucien Bouchard, the former federal environment minister, Quebec is managing the environment so badly that it has been failed for the second year in a row by the Regroupement québécois des groupes écologistes.

"The Bouchard government sees the environment as an obstacle to economic growth. This government has failed to keep its major public promises with respect to the environment. The Bouchard government should stop following the lead of environmental Neanderthals like the Republican right in the United States and the Harris government", said the ecologists.

Instead of funding Pro-Démocratie, the Bouchard government should practice democracy in all areas, including that of the environment. It should cooperate with the federal government and the other provinces instead of spending its time.—

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

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[English]

### TRADE

**Mr. Jim Jones (Markham, PC):** Mr. Speaker, the current agreement on interprovincial trade does not work. A recent Cana-

dian Chamber of Commerce statement indicated that all levels of government have been given a failing grade. Overall the report card review graded Canada a dismal D.

The federal government has failed to show leadership in improving trade between the provinces of this country. It persistently encourages trade relations with other countries but fails to improve trade between Canadian provinces.

• (1410)

This is costing Canadian jobs. Why can this government not recognize that one of the strongest incentives to reducing interprovincial trade barriers is the enormous untapped potential that would boost economic growth?

Knocking down the remaining barriers would create another 200,000 jobs. When is this government going to take real leadership and ensure that parties comply? Governments need to renew their commitment and get the process moving again on all fronts.

I remind this government that economic union and national unity are inseparable. The stronger the economic ties this government can nurture, the stronger Canada's national fabric.

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### GOVERNMENT STAFF

**Mr. Paul Bonwick (Simcoe—Grey, Lib.):** Mr. Speaker, today I rise to pay tribute to the men and women who are employed in both political and bureaucratic offices at the federal level.

Over the past several months I have listened to my Reform colleagues make unfounded accusations and untrue statements about various staff members. These statements are typically unfair and totally unacceptable.

We on this side of the House want to praise the hard work and dedication which our staff members show week in and week out. Our staff members should feel a sense of pride, knowing that without their commitment our federal government would be a lot less effective.

Personally I have no time for the pettiness and callous disregard some of my Reform colleagues have shown toward these individuals. On behalf of the Liberal caucus, I say hats off to our staff members. They work long hours and show tremendous dedication to their work. It is greatly appreciated.

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### WINTER OLYMPICS

**Mr. Jim Abbott (Kootenay—Columbia, Ref.):** Mr. Speaker, with the conclusion of the Nagano winter Olympics, let us reflect on the true Olympic spirit. Let us spotlight the gigantic efforts of the athletes.

*Oral Questions*

For me, one of the greatest examples of bravery and sportsmanship was the superhuman effort of Elvis Stojko. His silver medal is a beacon of hope to a six-year old figure skater in her first competition and an encouragement to a 106-year old facing another day.

All our Olympians exhibit what it takes to persevere and succeed. Let us not forget their families' sacrifices and support or their coaches' skill and patience. The athletes are like soldiers in the front lines sustained by unheralded communities. Olympic competition involves Canadians from all regions and walks of life.

We are grateful to all the athletes for their leadership. We say to the Olympians, their families, their coaches and communities, thank you.

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[*Translation*]

**DON CHERRY**

**Mr. Michel Gauthier (Roberval, BQ):** Mr. Speaker, Don Cherry's disparaging remarks about Quebeckers on the CBC speak volumes about that gentleman's narrow-mindedness.

His contemptuous and unwarranted comments far exceeded the leeway allowed a sports commentator on a government-funded broadcasting station. His venom unfortunately spilled over onto the Lillehammer gold medal winner, Jean-Luc Brassard, whom he dismissed as some unknown.

If a francophone commentator had made equally insulting remarks about anglophones from this country on Radio-Canada, the crown corporation would have fired him on the spot.

I trust that that is how Don Cherry will be dealt with, for nobody can enjoy the benefits of working for a crown corporation and expect to get away with insulting an entire people. A disdainful attitude such as that of Don Cherry has no place on the air, and must be vigorously condemned by both the government and the crown corporation.

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[*English*]

**HEALTH CARE**

**Mrs. Elsie Wayne (Saint John, PC):** Mr. Speaker, health care in this country has been devastated by this government's slash and burn policy toward the transfer payments to the provinces.

Recently the federal health minister stated that more cash is not necessarily the cure for what ails the system.

In my province of New Brunswick we have seen another round of health care horror stories. Surgery waiting lists are growing. Doctors are leaving and patients are frightened, worried and stressed out.

A doctor in Saint John recently sent me a letter in which he outlined dangerous waiting times for surgical procedures in New Brunswick. A patient has to wait over six months for the removal of a brain tumour, four months for the repair of an abdominal problem. Patients also wait routinely one year for gall bladder and hernia repairs.

Doctors and health care services need more money now. Patients are suffering. The federal government must stop downloading on to the provinces. I urge the minister to listen to Canadians and restore health care funding.

\* \* \*

**DRUGS**

**Mr. John Maloney (Erie—Lincoln, Lib.):** Mr. Speaker, no country is immune from the ravages of the problem of illicit drugs, whether it be heroin from the golden triangle, cocaine from South America or cannabis from around the globe. It could also be the new strains of drugs being consumed by the youth of today.

• (1415)

One of the major tasks facing governments is protecting their citizens from drug related crime. Too often chronic drug users resort to crime to sustain their habits. Reducing the number of dependent drug users through treatment can substantially reduce the level of suburban crime and violence.

We must also address the problems of those who are affected by drug abuse and institute programs to assist them in overcoming their addictions.

International fora continue to be used as a platform for accusations of lack of action between producer and consumer countries. It is important to recognize that the social, health and legal problems caused by illegal drugs affect all countries regardless of the degree of involvement.

It is time for all nations, regardless of the group into which they fall, to work together to address this problem as a unified team. We need to say no to drugs.

**ORAL QUESTION PERIOD**

[*English*]

**THE ECONOMY**

**Mr. Preston Manning (Leader of the Opposition, Ref.):** Mr. Speaker, during the election campaign the Prime Minister promised that for every dollar of new government spending he would spend a dollar on debt reduction and tax relief. This is the 50:50 promise.

In the past few weeks the Prime Minister has promised at least \$2 billion in new spending, \$100 million for new TV shows, some

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\$800 million toward the millennium fund, \$100 million for the Canada Council, and so on.

If the government plans to keep this 50:50 promise and it is already committed to spending another \$2 billion in new spending, where is the \$2 billion for tax relief and debt reduction?

**Hon. Herb Gray (Deputy Prime Minister, Lib.):** Mr. Speaker, I advise my hon. friend to be patient. The budget will be delivered tomorrow afternoon. I predict it will be an excellent budget. I hope the leader of the Reform Party will join in the approval which I predict will be given by Canadians generally for the budget to be delivered tomorrow afternoon.

**Mr. Preston Manning (Leader of the Opposition, Ref.):** Mr. Speaker, any budget surplus belongs to the Canadian taxpayers, not to the government, not to the ministers and not to the Prime Minister.

There should have been a \$3 billion surplus this year and there was going to be a \$3 billion surplus, but then the Prime Minister and his colleagues decided to spend it before it ever got to the budget. There is going to be a cut from that surplus that will not leave anything for debt reduction or tax relief.

Why has the government robbed Canadians of a surplus that was rightfully theirs?

**Hon. Herb Gray (Deputy Prime Minister, Lib.):** Mr. Speaker, I reject the premise of the hon. member's question. In his first question he complained about money likely to be spent for education of young Canadians. Why do he and the Reform Party oppose helping young Canadians get a better education? What do they have against young Canadians?

**Mr. Preston Manning (Leader of the Opposition, Ref.):** Mr. Speaker, what this government has given young Canadians is a \$583 billion mortgage.

The Prime Minister promises that tax cuts and debt reduction will occur some day, but that day is always down the road. There is always a little loophole to allow him to get out of it. But spending, that is another story. Spending is now. Spending is concrete.

In the budget it is more spending that will get the screaming headlines and debt reduction and tax relief that will get the footnotes.

Does the government not know that tax relief delayed is tax relief denied?

**Hon. Herb Gray (Deputy Prime Minister, Lib.):** Mr. Speaker, why does the Leader of the Opposition forget that tax relief from this government has already begun? In the last budget there were lower taxes for post-secondary students and their families. There were tax reductions for disabled Canadians. There have been reductions in employment insurance premiums.

If the hon. member were serious about tax reductions he would be on his feet now giving credit to the government for what we have already done in this area of concern.

**Miss Deborah Grey (Edmonton North, Ref.):** Mr. Speaker, they talk about the finance minister's dream. There they are dreaming.

On February 11 the finance minister confirmed that for the first eight months Canada had a financial surplus of \$11.3 billion and a public account surplus of \$1.4 billion. That was not even two weeks ago, yet now the cupboard is bare. The surplus has been blown on new spending programs.

Why did the Liberals have to blow this year's surplus on spending when they promised half of every single billion dollars would go to debt and tax relief?

**Hon. Herb Gray (Deputy Prime Minister, Lib.):** Mr. Speaker, if the hon. member is right in what she says the Minister of Finance said about the surplus, why does she not get up and praise the minister for this achievement, the first one in 30 years?

• (1420)

**Miss Deborah Grey (Edmonton North, Ref.):** Mr. Speaker, they should have kept a balanced budget 30 years ago. Then we would not have got in this mess of \$600 billion.

When something happens to \$3 million, when it gets stolen from a bank vault it is called robbery and good citizens are supposed to dial 911. But what do you do and who do you call when \$3 billion gets snookered out of the government vault thanks to the Prime Minister and his cabinet? We had a multibillion dollar surplus this year but it has already been spent even the day before the budget. Why is the Prime Minister treating the taxpayers' surplus as his own personal cash to do with as he pleases?

**Hon. Herb Gray (Deputy Prime Minister, Lib.):** Mr. Speaker, after Canadians consider the unfounded allegations in the hon. member's question, they will want to dial 911 to have something done about the official opposition.

\* \* \*

[Translation]

**BILL C-28**

**Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ):** Mr. Speaker, in his report to the finance committee on Bill C-28, the ethics counsellor raised a number of different hypotheses as to what could have been done to avoid the appearance of a conflict of interest. He stated that possible options had not been subject to prior examination, as they ought to have been.

Does the Deputy Prime Minister not agree that, by not consulting the ethics counsellor before the bill was introduced, the Minister of

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Finance showed a flagrant lack of judgment and placed himself in an apparent conflict of interest?

**Hon. Herb Gray (Deputy Prime Minister, Lib.):** Mr. Speaker, the Minister of Finance had no knowledge whatsoever of that amendment, and it was therefore impossible for him to consult the ethics counsellor. When the decision was made, he was not the one working on the amendment. It was the Secretary of State for Financial Institutions.

**Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ):** Mr. Speaker, it is rather disconcerting that the Minister of Finance would introduce a bill without knowledge of its contents. I find that a bit disconcerting.

**An hon. member:** It's a bit odd.

**Mr. Gilles Duceppe:** What the Secretary of State for Financial Institutions may have done privately we do not know, but everything done publicly was done by the Minister of Finance.

Will the Deputy Prime Minister admit that the only conclusion that can be reached is that there is an apparent conflict of interest, because the Minister of Finance is the only one publicly identified with Bill C-28?

**Hon. Herb Gray (Deputy Prime Minister, Lib.):** Mr. Speaker, if the hon. member is bothered so much by these amendments, why did his colleagues not oppose them either in the House or in committee? Their silence attests to the validity of the amendments. There is no basis for allegations of a conflict of interest, either real or apparent.

**Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ):** Mr. Speaker, the ethics commissioner said "If I had been informed prior to the introduction of the present bill or its predecessor, Bill C-69 introduced in 1996, we would have discussed the best way to resolve the question of introducing the bill in the name of the Minister of Finance".

My question is for the Deputy Prime Minister. How does he explain that, for two years, the Minister of Finance appeared to be in a position of conflict of interest and that, throughout that period, neither he nor anyone in the government thought it wise to seek the opinion of the ethics commissioner?

**Hon. Herb Gray (Deputy Prime Minister, Lib.):** Mr. Speaker, why did the hon. member and his colleagues say absolutely nothing for two years on this if the amendments created a conflict of interest or the appearance of one? This goes to show that their allegations are once again groundless.

**Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ):** Mr. Speaker, for two years, the Minister of Finance appeared to be in a conflict of interest and it took the questions of the Bloc Québécois to get a reaction from the government.

Are we to understand that the role of the ethics commissioner is not to ensure government ethics but rather to provide opinions after the fact in order to save the skins of ministers caught red handed?

**Hon. Herb Gray (Deputy Prime Minister, Lib.):** Mr. Speaker, according to the *Ottawa Sun*, when questioned on whether the minister would have done anything contrary to the code of ethics, the Bloc ally, the member for The Battlefords—Lloydminster replied "Personally I do not think so. I believe the Minister of Finance is an honest man, I really do".

We finally got the truth out of the Reform Party, now it is time to have the truth from the Bloc Québécois.

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• (1425)

[English]

**EMPLOYMENT**

**Ms. Alexa McDonough (Halifax, NDP):** Mr. Speaker, it appears that our finance minister had to leave the country to discover Canada's crisis of growing inequality and joblessness. Canadians were relieved to hear the finance minister advise the G-7 that tomorrow's budget will tackle social inequality and joblessness.

Will this government accept as reasonable targets for the year 2000 reducing poverty by one-third and reducing unemployment below 6%?

**Hon. Herb Gray (Deputy Prime Minister, Lib.):** Mr. Speaker, I hope the hon. member will accept that while there is a lot more to be done, since this government has been in office the unemployment rate has gone down by more than two percentage points. Furthermore 372,000 jobs were created last year alone.

That is a signal of our commitment. That is a signal of our efforts through this budget and through our policies in the months to come.

**Ms. Alexa McDonough (Halifax, NDP):** Mr. Speaker, the finance minister told Canadians he was returning to the purple book for his post-deficit blueprint. What does the purple book say about unemployment? It claims that 8% is the natural rate of unemployment.

Given the horrendous human deficit amassed over the past four years, will this government throw away the purple book target of 8% and replace it with detailed plans to reduce unemployment below 6% by the year 2000?

**Hon. Herb Gray (Deputy Prime Minister, Lib.):** Mr. Speaker, I must say I question the accuracy of the premise in the hon. member's question about the so-called purple book. In return I ask her to throw away her purple rhetoric and get down to business working with us to help create jobs and a better life for Canadians.

*Oral Questions***YOUTH**

**Hon. Jean J. Charest (Sherbrooke, PC):** Mr. Speaker, the Prime Minister has decided to spend the fiscal dividend in advance on the so-called millennium fund choosing to totally ignore the number one problem facing Canadian students, student debt.

I would like to know today from the government whether it will choose to continue to ignore the plight of 400,000 young Canadians out of work or whether or not it will make a commitment today so that every young person in this country will be in school, in training or at work.

**Hon. Pierre S. Pettigrew (Minister of Human Resources Development, Lib.):** Mr. Speaker, like the leader of the Tory party I expect to hear the Minister of Finance read his budget tomorrow.

What I can already say is that since the month of November our two departments have worked very closely together, as well as the Minister of Finance and myself to address the situation of students in Canada following a November stakeholders conference that my department organized here in Ottawa. Students, the lenders and the provinces were there. We reached a consensus which I hope has been very useful for the Minister of Finance in preparing his budget.

**Hon. Jean J. Charest (Sherbrooke, PC):** All he can do is hope, Mr. Speaker.

[Translation]

I do not know what the point is in holding meetings with students, in trying to reach consensus, if the number one problem, student debt, is being ignored.

I would like to ask the Minister of Human Resources Development specifically if he intends to make a commitment that every young person in Canada will be either in the work force, in school, or in a training program. Why continue to ignore the 400,000 young people in Canada who have no jobs at the present time? Why not act in their interest at last?

**Hon. Pierre S. Pettigrew (Minister of Human Resources Development, Lib.):** Mr. Speaker, we have done something extremely significant in recent years with the youth employment strategy, and the Conservative leader ought to show a little more interest in it.

I can tell you that, at this time, the number one problem for young people is tomorrow's economy. We must ensure that they can stay in school as long as possible, because young people with insufficient education are the ones with the greatest difficulty in the job market.

As a government, we are going to do all we can to ensure that young people are not tempted to leave school too soon because of their financial situation.

[English]

**THE DEBT**

**Mr. Monte Solberg (Medicine Hat, Ref.):** Mr. Speaker, while the finance department spent the weekend leaking like a colander, there was one issue that the government really did not raise. There was one budget issue it did not want to talk about, our massive \$600 billion debt. It is kind of like the crazy aunt the government has hidden up in the attic somewhere. It is trying to keep it a little bit of a secret.

• (1430)

The fact is the average Canadian family pays \$6,000 in taxes a year just to pay the interest on the debt.

Given that shameful fact, why is the debt not the government's number one priority in tomorrow's budget?

**Mr. Tony Valeri (Parliamentary Secretary to Minister of Finance, Lib.):** Mr. Speaker, on the matter of debt, this government does not just have rhetoric, it has a record. Thanks to our success against the deficit, this government actually paid down \$13 billion of marketable debt. We will continue to pay down that debt.

**Mr. Monte Solberg (Medicine Hat, Ref.):** Mr. Speaker, the government's record is very clear. It has added \$100 billion to the debt and the only debt it has paid down was paid down with borrowed money from the Canada pension plan. This is not a very good bargain for Canadians.

The fact is the \$6,000 in taxes that Canadians pay every year in interest could be used for things like paying household bills, preparing for their own retirement or paying for their children's education and sending them to university, something the government claims it is very concerned about.

Given the shameful fact that Canadians pay \$6,000 a year in taxes just for interest on the debt, why again is the debt not the number one issue in tomorrow's budget?

**Mr. Tony Valeri (Parliamentary Secretary to Minister of Finance, Lib.):** Mr. Speaker, once again as we quite clearly said in the fiscal update, we have made it clear that the contingency reserve will be used to pay down the debt once the deficit is eliminated.

The quickest way to lower the debt is a growing economy. That is why at the same time we pay down the debt, we will invest in Canadians, grow this economy and watch the debt go down.

[Translation]

## IRAQ

**Mr. Daniel Turp (Beauharnois—Salaberry, BQ):** Mr. Speaker, my question is for the Minister of Foreign Affairs.

Over the course of the weekend we learned that the Secretary General of the United Nations was successfully negotiating an agreement with the government of Iraq on the application of the UN resolutions. In other words, the diplomatic solution we advocated is within reach and the Security Council will be asked to vote on this solution tomorrow.

If the members of the Security Council move in one direction and the United States in another, which direction will Canada take?

**Hon. Lloyd Axworthy (Minister of Foreign Affairs, Lib.):** Mr. Speaker, first off, we were certainly encouraged by the proposals the Secretary General made to Baghdad over the weekend.

At this point, we, like the other countries, will have to wait to have a chance to examine the proposal carefully to be sure that all the issues have been properly dealt with. Then we will be able to consult the other members of the coalition in order to decide on a response.

Certainly, the initiative of the Secretary General is to be applauded.

**Mr. Daniel Turp (Beauharnois—Salaberry, BQ):** Mr. Speaker, since the start of this crisis, the government has said, sometimes half heartedly, that it favoured a diplomatic solution.

Since a diplomatic solution has now been reached, negotiated by none other than the Secretary General of the United Nations, does the minister intend to promote this approach among his partners, including the United States?

[English]

**Hon. Lloyd Axworthy (Minister of Foreign Affairs, Lib.):** Mr. Speaker, we have not just been talking about it. We have been working on it. We have been making every effort to ensure that all the possibilities that could be explored for a settlement were explored.

I am very pleased to report that as of Friday the security council has decided to double the amount of money that would go into a humanitarian program for Iraq to ensure that there would be a proper set up of oil for food. That is an issue Canada took a particularly strong role in promoting.

## Oral Questions

### PENSIONS

**Mrs. Diane Ablonczy (Calgary—Nose Hill, Ref.):** Mr. Speaker, the proposed seniors benefit was announced nearly two years ago but the government still has not tabled its legislation. Under the seniors benefit some seniors will face clawbacks and taxes on their retirement savings of as much as 75%.

I ask the minister, will tomorrow's budget assure Canadians that this huge tax grab on their retirement savings will be scrapped?

• (1435)

**Mr. Tony Valeri (Parliamentary Secretary to Minister of Finance, Lib.):** Mr. Speaker, I invite the hon. member to be here in the House tomorrow at 4.30 p.m. so that she can see what is in the budget.

**Mrs. Diane Ablonczy (Calgary—Nose Hill, Ref.):** Mr. Speaker, Canadians have been waiting two years and all the member can give them is a glib response like that.

How can Canadians plan their retirement savings without knowing how this government intends to tax their savings? In fact we understand from the minister's leaky department that he will not even be introducing seniors legislation until the fall.

Why will he not clear things up for Canadians now?

**Mr. Tony Valeri (Parliamentary Secretary to Minister of Finance, Lib.):** Mr. Speaker, first let us make it clear that this government believes the creation of the seniors benefit is critical if we still believe in Canada. It is important to provide pension support for low income senior women and men. This government believes that. Sadly the Reform Party does not.

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[Translation]

### OIL INDUSTRY

**Mr. Pierre de Savoye (Portneuf, BQ):** Mr. Speaker, my question is for the Minister of Industry.

A study of competitiveness in the oil industry, commissioned by Industry Canada among others, was released in Toronto last Wednesday. Based exclusively on the large oil companies, this study completely ignores independent distributors, who represent 20% of the market in Quebec alone.

Given that this study is incomplete and biased, will the minister agree to have an independent group of experts conduct an impartial study of operating costs related to retail gas sales?

**Hon. John Manley (Minister of Industry, Lib.):** Mr. Speaker, a study was done a long time ago. I think it has been available to the

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public for six months now. A number of questions were raised regarding the study's methodology, and I will consider them.

**Mr. Pierre de Savoye (Portneuf, BQ):** Mr. Speaker, my supplementary is for the Minister of National Revenue.

Given that the Government of Quebec already treats the large oil companies and many independents equally with respect to road tax, unlike the federal government when it comes to excise tax, will the Minister of National Revenue agree to follow Quebec's example and allow independent distributors to charge excise tax as well?

[*English*]

**Hon. Harbance Singh Dhaliwal (Minister of National Revenue, Lib.):** Mr. Speaker, I want to assure the hon. member that all corporations fully comply with the excise tax. Independents will also apply on the same basis. I will take his representations and look at the matter.

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**IRAQ**

**Mr. Gurmant Grewal (Surrey Central, Ref.):** Mr. Speaker, media reports indicate that yesterday the secretary-general of the United Nations brokered a deal with Saddam Hussein.

Will the Minister of Foreign Affairs tell Canadians whether or not the Canadian government finds the deal acceptable?

**Hon. Lloyd Axworthy (Minister of Foreign Affairs, Lib.):** Mr. Speaker, as I said in answer to the previous questions, we are very encouraged by it but we want to assure ourselves along with the other members who are taking a strong interest that the deal meets the kind of conditions that were set out by the security council.

The secretary-general will not be back to brief the security council until tomorrow afternoon. Certainly it is very encouraging. I think we must also be sure that we have the kind of deal that will work.

**Mr. Gurmant Grewal (Surrey Central, Ref.):** Mr. Speaker, how can the minister be so far out of the loop that he does not have any information? Will he find out about the deal from CNN? Whom does this minister have to check with before he can decide whether or not the deal is acceptable to Canadians?

**Hon. Lloyd Axworthy (Minister of Foreign Affairs, Lib.):** Mr. Speaker, the unfortunate problem with Reform Party members is that they make their policy based on what they see in the media. They have no ideas of their own. They do not take the time to read things carefully. They have no sense of how to go about making sure that the proper decision is made.

I do not make my decisions by what I see on CNN. I wish members of the Reform Party would grow up and start looking at things carefully as well.

[*Translation*]

**EDUCATION**

**Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ):** Mr. Speaker, many stakeholders in Quebec, from university presidents to student federations, from the Government of Quebec to Quebec's Liberal Party, have opposed the planned millennium scholarship fund.

They are unanimously agreed that this money would be better spent on existing education budgets, rather than on creating new mechanisms.

• (1440)

For the good of students and education in Quebec, would the minister demonstrate good faith on this issue and allow Quebec, as is only right, to opt out with full compensation?

**Hon. Pierre S. Pettigrew (Minister of Human Resources Development, Lib.):** Mr. Speaker, student loans are an important issue in Canada. Tomorrow's budget will contain, I hope, important improvements to the student loans system.

The Government of Quebec, which has chosen to opt out of the Canadian program, will be fully compensated for all the improvements we will be making to the permanent structure for student loans, except that the millennium fund is coming out of this year's money. It is a dividend we are able to give this year and is not part of the permanent structure of government funding—

**The Speaker:** The hon. member for Etobicoke—Lakeshore.

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[*English*]

**FOREIGN AFFAIRS**

**Ms. Jean Augustine (Etobicoke—Lakeshore, Lib.):** Mr. Speaker, we are very concerned when Canadians are killed while vacationing overseas.

Could the secretary of state for the Caribbean region inform the House on the developments in the case of Richard Gravelle, an Edmontonian who was murdered in the Bahamas on February 13?

**Hon. David Kilgour (Secretary of State (Latin America and Africa), Lib.):** Mr. Speaker, unfortunately my colleague, the hon. member for Etobicoke—Lakeshore, is correct.

I am certain that all of us in the House would join in expressing sympathy for the profound misfortune of the Gravelle family from Edmonton. The Bahamian ministry of tourism has already provided consular assistance to the Gravelle family.

*Oral Questions*

The preliminary for the two people charged with the murder will begin on May 2.

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**QUEBEC**

**Ms. Val Meredith (South Surrey—White Rock—Langley, Ref.):** Mr. Speaker, yesterday while responding to the separatist government in Quebec, the President of the Treasury Board stated that the time when federalists were timid had passed.

The Minister of Intergovernmental Affairs previously stated that if Canada is divisible so is Quebec. Yet the government urged the supreme court not to consider the question of partition. The government continues to give Quebecers mixed messages.

Which minister and which position represent the Prime Minister and the government?

**Hon. Stéphane Dion (President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs, Lib.):** Mr. Speaker, a huge amount of legal issues would be at stake in the negotiation of secession. This is one.

We asked the court what it thinks is the fundamental one, the first one, if the actual secession has legal support, yes or no. We are awaiting the answer which we will respect in either case.

**Ms. Val Meredith (South Surrey—White Rock—Langley, Ref.):** Mr. Speaker, there is a lot more involved than just the legal issue.

Three years ago the country was almost lost because the government refused to inform Quebecers about the consequences of a yes vote. Today it refuses to inform Quebecers of the efforts of the other provinces to keep the country together.

When will the government start talking and communicating with Quebecers about the Calgary declaration terms for discussion?

**Hon. Stéphane Dion (President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs, Lib.):** Mr. Speaker, I must inform my hon. colleague that according to all the information we have, including polls, the Calgary declaration is strongly supported in Quebec.

\* \* \*

**CHILD POVERTY**

**Mr. Nelson Riis (Kamloops, NDP):** Mr. Speaker, my question is for the Deputy Prime Minister.

Tomorrow when the finance minister presents his budget 1.5 million Canadian children will be living in poverty. The minister

said in London yesterday that the government was preparing plans to address growing social inequality.

Will the Deputy Prime Minister confirm that tomorrow's budget will not ignore the 1.5 Canadian children living in poverty?

**Hon. Herb Gray (Deputy Prime Minister, Lib.):** Mr. Speaker, the hon. member has long experience in the House. He knows that I cannot talk about what will be in the budget, if anything will be in the budget or not be in the budget.

● (1445)

I can confirm that we as a government and as members of Parliament are concerned about the plight of children living in poverty. I look forward to measures being taken over coming months to help deal with that.

As far as talking about what is in the budget and confirming what is in the budget, he knows as well as I do that this cannot be done by me or anybody on this side today.

**Mr. Nelson Riis (Kamloops, NDP):** Mr. Speaker, back in 1989 the House unanimously passed a resolution to eliminate child poverty by the year 2000. Instead there are 538,000 more children living in poverty.

In recognition of what the Deputy Prime Minister has just said, would he not think it a good idea for the government to set a target to reduce child poverty by the year 2000 by at least a third?

**Hon. Pierre S. Pettigrew (Minister of Human Resources Development, Lib.):** Mr. Speaker, we have been working along with our partners in the provinces on the issue of child poverty.

We are already committed to having \$850 million added to the Canada child tax credit as of July 1, 1998. As a government we are committed to having another \$850 million added during the course of this mandate. That is very important to alleviating child poverty.

We in this place believe that every child in the land needs to have a good start in life. That is why my colleague in the department of health has great programs like CAPC, for which financing has been restored and even enhanced.

\* \* \*

**TAXATION**

**Mr. Scott Brison (Kings—Hants, PC):** Mr. Speaker, with the government's high tax policies the best way to start a small business in Canada is to start a big one and wait.

High taxes, especially payroll taxes, continue to deny Canadians real employment growth. Will the Minister of Finance offer meaningful tax relief to small businesses to get governments off their backs and to get employment growth back on track?

**Mr. Tony Valeri (Parliamentary Secretary to Minister of Finance, Lib.):** Mr. Speaker, tomorrow at 4.30 p.m. the budget

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will be presented to the House. I invite my hon. colleague to be here tomorrow so he can hear quite clearly what is in the budget.

As we saw in the prebudget consultation the government is listening to Canadians. I am sure he will see in the budget what will be a reflection of Canadian priorities.

**Mr. Scott Brison (Kings—Hants, PC):** Mr. Speaker, that answer does not work for Canadians and it does not put Canadians back to work.

My second question is about tax relief for low income Canadians. Our party has been putting this issue on the table for 18 months but the finance minister refuses to commit to any specific relief.

Will the finance minister finally listen to us and increase the basic personal exemption from \$6,500 to \$10,000 and take two million Canadians off the tax rolls, or does the minister believe that Canadians making less than \$10,000 should be paying federal income tax?

**Mr. Tony Valeri (Parliamentary Secretary to Minister of Finance, Lib.):** Mr. Speaker, as the hon. member mentioned, last week the Conservative Party released a prebudget submission in which it urged that we cut taxes before we balance the budget. That goes to show the kind of priority that party places on balanced finances.

It is hardly surprising from a party which left Canada to dig out from under a \$42 billion deficit, hardly surprising.

\* \* \*

**NATIONAL PAROLE BOARD**

**Mr. John McKay (Scarborough East, Lib.):** Mr. Speaker, my question is for the solicitor general. While statistics show that crime is down, the fear of crime is up among Canadians.

The parole board has been often criticized when releasing offenders into the very communities in which they were sentenced.

What has been done at the National Parole Board to improve public safety?

**Hon. Andy Scott (Solicitor General of Canada, Lib.):** Mr. Speaker, the government has made a number of changes to the National Parole Board. Most important, all appointments are made on the basis of merit and not political affiliation.

As a result of these changes all vacancies are publicly advertised. We receive many applications. They are reviewed by senior managers at the parole board against objective criteria. Interviews are held.

Because most offenders return to the communities they left, it is very important that we have a controlled and gradual release or

reintegration program. The first step in that exercise is a sound hiring policy in the National Parole Board.

\* \* \*

● (1450)

**TAXATION**

**Mr. Jason Kenney (Calgary Southeast, Ref.):** Mr. Speaker, earlier the Deputy Prime Minister said that the opposition did not care about young Canadians. It is no mistake that there are more young Canadians on this side of the House than there are on that side of the House in a government which is giving young Canadians an additional \$100 billion in debt, a \$600 billion debt, 17% youth unemployment and \$25,000 in average student debt. Now the government is assessing the investment of Canadians in their own education as a taxable benefit.

Will the minister of revenue tell us whether or not it is the policy of the government that Canadians whose companies invest in their training should actually be penalized through the tax system?

**Hon. Harbance Singh Dhaliwal (Minister of National Revenue, Lib.):** Mr. Speaker, I thank the hon. member.

I wish to inform the House of a press release put out by the hon. member which was totally irresponsible and very immature. He says millions of Canadians may face retroactive tax on training and education.

This is patently false and the hon. member should stand and apologize to the House and to Canadians.

\* \* \*

[Translation]

**HEALTH**

**Mrs. Pauline Picard (Drummond, BQ):** Mr. Speaker, my question is for the Minister of Health.

Whereas the federal government is the primary supplier of blood products, whereas the provinces already pay the costs of health care for victims of Hepatitis C; and in light of the huge cuts by the federal government to provincial health transfer payments, is the federal government prepared, in negotiating the damages to be paid to victims of Hepatitis C, to take into account the large amounts the provinces are already contributing to health care for victims of Hepatitis C?

[English]

**Hon. Jane Stewart (Minister of Indian Affairs and Northern Development, Lib.):** Mr. Speaker, the best I can do is reiterate what the Minister of Health said on the issue last week in the House.

He said that no one would be happier than he with a compensation package for hepatitis C victims. He said that victims were best

*Oral Questions*

served with a package of compensation that involved both levels of government, and he said that he was prepared to wait a little longer to see if we could get that agreement.

\* \* \*

**PAY EQUITY**

**Ms. Bev Desjarlais (Churchill, NDP):** Mr. Speaker, the President of the Treasury Board has acknowledged the findings of the advisory committee on senior level retention and compensation in the Public Service of Canada. He says that the government values top quality executives in the public service.

Why is it that the government will accept the findings of the advisory committee but refuses to accept the ruling of the human rights commission on pay equity?

Is it because the government does not value the work of female employees, or does it just not care about low and middle income workers?

**Hon. Marcel Massé (President of the Treasury Board and Minister responsible for Infrastructure, Lib.):** Mr. Speaker, the simple truth is that the commission has not made a ruling.

What is important now is that we have made an offer of \$1.3 billion for pay equity. The union has refused to put it to a vote by its members. For the common good, I once again ask the member to put pressure on the syndicates and the unions so they will put this offer to their members.

\* \* \*

**EDUCATION**

**Mr. Charlie Power (St. John's West, PC):** Mr. Speaker, it is obvious to everyone in the House that the mysterious millennium fund is nothing more than an ego fund for the Prime Minister. It should be more properly called the "me lend my name" fund. Students want an education fund that addresses the issues of all students today, not the ego of their Prime Minister.

My question is for the Deputy Prime Minister. While students of the next millennium might benefit, what do students of this millennium have to look forward to?

**Hon. Pierre S. Pettigrew (Minister of Human Resources Development, Lib.):** Mr. Speaker, we have said time and again that student debt is a major problem. We have been working hard at it. Tomorrow our budget might be interesting.

I find the millennium fund absolutely extraordinary. I was in London last weekend at the G-7 meeting. I listened to the debate on how to celebrate the millennium. They are building a very expensive dome that will cost millions of pounds while this Prime Minister is choosing to invest in the great brains of our young. That is what he is doing and that is a good thing.

• (1455)

**CENSUS**

**Ms. Carolyn Bennett (St. Paul's, Lib.):** Mr. Speaker, the recent release of the 1996 census report has raised serious concerns among our newest Canadians. They, finally having become Canadian citizens, are still being asked their race and ethnic origin.

I have a question for the Secretary of State for Multiculturalism. Why does the government collect this data and how is it used?

**Hon. Hedy Fry (Secretary of State (Multiculturalism)(Status of Women), Lib.):** Mr. Speaker, the issue of the census is set up to find the demographics of the country.

A census is the way of defining the demographics of the country. Canada is not a homogeneous country. It is a country that is made up of people from every corner of the world. Canada is also a country that believes strongly in its social programs and equality and knowing our census—

**The Speaker:** The hon. member for Cypress Hills—Grasslands.

\* \* \*

**RAILWAYS**

**Mr. Lee Morrison (Cypress Hills—Grasslands, Ref.):** Mr. Speaker, on Thursday almost 400 Saskatchewan reeves, mayors and municipal counsellors at a transportation meeting in Saskatoon voted unanimously to ask the government to delay rail line abandonments until Mr. Justice Estey had completed his review of the system. If piecemeal fragmentation continues, there will be nothing left worth shortlining. Mr. Estey's work will be essentially academic.

Will the minister show some leadership and table legislation—we will support it—to address the concerns of these producers?

**Hon. David M. Collenette (Minister of Transport, Lib.):** Mr. Speaker, we are very well aware of the concerns of farmers in Saskatchewan as well as others across the country.

In discussions I have had with the railways, I have alerted them to the need to be very sensitive about the way they go about the abandonment process. There is no organized or systematic plot going on, to use the hon. member's words, to abandon these lines before Justice Estey reports.

I think the hon. member should work with his commission. I think in the end we will see that the results will be good for all concerned.

*Points of Order*

[Translation]

**DISEASED SHEEP**

**Mr. Jean-Guy Chrétien (Frontenac—Mégantic, BQ):** Mr. Speaker, since January 1997, over 3,000 sheep have been slaughtered in Quebec because they were found to have scrapie, which fortunately is not transmittable to humans.

Does the Minister of Agriculture and Agri-Food intend to investigate why this disease was not detected by inspectors until recently, and will he report back to the House?

[English]

**Hon. Lyle Vanclief (Minister of Agriculture and Agri-Food, Lib.):** Mr. Speaker, first I inform my colleague that there has been no scientific guaranteed proof that there is a connection between the disease he is referring to and humans.

To be on the safe side, when sheep are found in a flock in Canada, even if there is one sheep found in the flock of many, we destroy the complete flock. We have the best control of that disease of any country in the world and we will continue that for the protection of Canadians and their health.

\* \* \*

**THE ENVIRONMENT**

**Mr. Rick Laliberte (Churchill River, NDP):** Mr. Speaker, the environment minister states that the harmonization accord signed last month will improve co-operation with the provinces and will increase Canada's environmental protection standards. Contrary to the minister's assurances, Canadians are witnessing a loss of environmental protection across the country. The federal cuts have continued beyond program review, including the protection of atmospheric sciences.

Will the environment minister explain to the citizens of Canada which departments will be stopping hazardous waste dumping in Ontario sewers?

**Hon. Christine Stewart (Minister of the Environment, Lib.):** Mr. Speaker, the federal government and my department have a great concern about hazardous wastes and whether they are crossing borders or being dumped anywhere in the country.

We watch all cases very carefully to make sure that anybody that is perhaps not complying with standards is made aware of what the federal regulations and rules are. We will assure all members of this House that we are following through with our supervision, inspections and maintenance of standards.

● (1500)

**YOUTH**

**Hon. Jean J. Charest (Sherbrooke, PC):** Mr. Speaker, in question period today the Minister of Human Resources Development said the number one problem facing young people was staying in school or getting an education. If the government thinks that is the issue, I want to know whether or not it will reinstate the very successful stay in school program that was launched in 1990 to help prevent young people from dropping out of high school.

**Hon. Pierre S. Pettigrew (Minister of Human Resources Development, Lib.):** Mr. Speaker, I can demonstrate very well that our youth employment strategy and our youth service Canada have been doing wonders for many of the youth who deserve a second chance. Our record is very good as far as that is concerned.

I would like to tell the Tory leader that there are a lot of students out there who find it very difficult to continue their studies precisely because they have a hard time financing their studies. If we can help them, we will do our very best. That is the priority for this government.

\* \* \*

**PRESENCE IN GALLERY**

**The Speaker:** I would like to bring to members' attention the presence in the gallery of members of a delegation led by Mrs. Leni Fischer, President of the Parliamentary Assembly of the Council of Europe.

Also my colleagues, I would like to bring to your attention the presence in our gallery of the Hon. Pat Binns, Premier of the Province of Prince Edward Island.

**Some hon. members:** Hear, hear.

\* \* \*

**POINTS OF ORDER**

## COMMENTS DURING QUESTION PERIOD

**Ms. Wendy Lill (Dartmouth, NDP):** Mr. Speaker, I rise on a point of order. I would like to ask the member for Medicine Hat to retract a statement which he made regarding "the crazy aunt in the attic".

As the New Democratic critic for persons with disabilities and as an aunt myself, I find this reference sexist and demeaning to persons with disabilities. I think we should lead the way in this House to fight against offensive stereotypes. I would ask for a retraction from the member for Medicine Hat.

**The Speaker:** My colleague, many times in the course of debate we use words that are not exactly unparliamentary but which

border on it. I would urge all hon. members of course always in their choice of words to be very judicious.

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## ROUTINE PROCEEDINGS

[English]

### COMMITTEES OF THE HOUSE

#### FINANCE

**Mr. Maurizio Bevilacqua (Vaughan—King—Aurora, Lib.):** Mr. Speaker, I have the honour to present in both official languages the third report of the Standing Committee on Finance. Pursuant to its order of reference dated February 4, 1998, your committee has adopted Bill C-28, income tax amendments act, 1997, and has agreed to report it with amendments.

\* \* \*

• (1505)

### PETITIONS

#### TAXATION

**Mr. Murray Calder (Dufferin—Peel—Wellington—Grey, Lib.):** Mr. Speaker, I am pleased to present a petition from the residents of Mount Forest, Dundalk and Shelburne, Ontario. The petitioners request that Parliament raise the tax exemption on allowances for volunteer firefighters from \$500 to \$1,000.

#### PENSIONS

**Mr. Nelson Riis (Kamloops, NDP):** Mr. Speaker, it is my honour pursuant to Standing Order 36 to present a petition on behalf of a number of people from British Columbia.

They are very concerned about the government's announcement that it is going to soon introduce changes to Canada's retirement and benefit system. The petitioners are asking the government not to proceed with any changes to Canada's pension system until adequate input from Canadians from all points of Canada has been considered.

#### GOODS AND SERVICES TAX

**Mr. Nelson Riis (Kamloops, NDP):** Mr. Speaker, the second petition contains signatures mostly from residents of Kamloops but also from residents in a number of communities throughout central British Columbia.

The petitioners are calling on the government in the budget tomorrow that if it is going to consider any tax reductions it begin by phasing out the GST.

#### PUBLIC SAFETY OFFICERS COMPENSATION FUND

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

### Supply

The petitioners would like to draw to the attention of the House that police officers and firefighters are required to place their lives at risk on a daily basis as they discharge their duties. Employment benefits of police officers and firefighters killed in the line of duty are often insufficient to provide for their families.

Also the public mourns the loss of police officers and firefighters killed in the line of duty and wish to support in a tangible way the surviving families in their time of need. The petitioners therefore pray and call upon Parliament to establish a public safety officers compensation fund for the benefit of families of public safety officers who are killed in the line of duty.

\* \* \*

[Translation]

### QUESTIONS ON THE ORDER PAPER

**Mr. Peter Adams (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, the following question will be answered today: No. 52.

[Text]

Question No. 52—**Mr. Leon E. Benoit:**

Besides the Canadian Wheat Board, which other government regulated bodies have partially elected, partially appointed board of directors and president/CEO appointed by the minister?

**Mr. Rey D. Pagtakhan (Parliamentary Secretary to Prime Minister, Lib.):** The structures of organizations to which GIC appointments are made have been reviewed, and it was found that none met the conditions contained in the question. There are no other government regulated bodies that have partially elected, partially appointed boards of directors and presidents/CEOs appointed by the minister.

[Translation]

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

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

**Some hon. members:** Agreed.

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## GOVERNMENT ORDERS

[English]

### SUPPLY

#### ALLOTTED DAY—MULTILATERAL AGREEMENT ON INVESTMENT

The House resumed consideration of the motion and of the amendment.

**The Deputy Speaker:** When the House broke for question period, the hon. member for North Vancouver had seven minutes remaining in his allotted time.

*Supply*

**Mr. Ted White (North Vancouver, Ref.):** Mr. Speaker, it is always a little disconcerting when speeches are interrupted in the middle but I will continue on from this point.

I had just finished explaining to members how I would be finding out the political will of the constituents in my riding so that I could vote that way when or if the MAI comes before the House.

I would challenge other members particularly those of the NDP who assume that their constituents are against this thing to really get out there and start sharing information from both sides. Do exactly what I do and find out how the majority feel.

I would like to turn to a few of the questions that have been sent to me in a stack of letters from constituents. I will not be able to go through all the questions but I will give a few.

Is it not true that foreign corporations would be able to ignore our environmental and labour laws, leaving us to be ruled by large corporations? The government's response to that has been that it is not true. It says that all corporations will have to abide by the same environmental and labour laws in Canada as domestic corporations. They ask why we should have two sets of laws anyway as it does not do anyone a favour to have domestic companies working to a lower environmental or labour law than we would have for a foreign company.

• (1510)

I accept that explanation as reasonable. But my question is, why are the Liberals not out there telling the public? Why are they not out making this information available? That is what today's debate is all about.

The second question asked, and it was mentioned earlier here today, why is there a 20 year opting out period? If the deal turns out to be bad for Canada, why should we be stuck in it for 20 years?

The government's response is that it is not true. We are only tied in for five years. The 20 years refers to any companies, perhaps like McCains, that have made a large investment in one of the participating countries only to find that country then opts out again. McCains or any other company for that matter would be protected for the following 15 years.

Members on the government side are nodding their heads so I have got their explanation right. But why are they not out there telling the public? Why do we in Reform have to stand here to facilitate this when it is the government's job to be selling the program, to be answering questions from the Maude Barlows and the Paul Hellyers? Why is the minister not out there debating those people? Instead of that he sits in his chair doing nothing, waiting for this thing to explode around him.

There are adequate statistics available from NAFTA from the last 10 years to show that these types of investment programs really work. I have in front of me the figures for NAFTA for more than 10 years actually, the figures from 1984 to 1997. In that time the volumes of exports to the U.S.A. almost doubled from \$85 billion to \$157 billion a year, thanks to NAFTA. Meanwhile our exports to other countries, almost all the other countries of the world, have actually gone down. In Europe they have gone up, but to a lot of other countries they have actually gone down.

If we can get a good MAI which facilitates trade in the same way that NAFTA has in North America, we have a really good chance of building our exports and therefore our job creation in Canada. That would not just help McCains and Northern Telecom, it would work for the small companies in my riding that are very busy exporting in small quantities to those other countries.

The MAI or at least the principle behind the MAI, the concept of an MAI promises similar benefits. If it is properly and fairly negotiated it should ensure that any person or company investing in one of the signatory countries will find identical investment rules in place in each country. That is good. Negotiating such an arrangement makes good sense.

It even makes sense if it forces our cultural and health industries in Canada to compete in a real world marketplace and to become excellent instead of mediocre, to strive for excellence in the climate of competition. I think that may be good. I have two pages of letters to the editor of the *North Shore News* in the last week complaining about the health care system being in disarray. If there was a little bit of competition introduced to the marketplace we might find it would go a long way to solving some of the problems.

It is always possible of course that even under the best possible negotiated MAI some inefficient and subsidized industries are going to go out of business and jobs will be lost. Under NAFTA, jobs disappeared from the costly and inefficient shipbuilding industry in my riding but they were replaced by high tech, cleaner, new industry jobs, many, many more of them. Frankly the unions in the shipbuilding industry let down their members badly by not helping them to retrain and adjust to the new marketplace reality.

This brings me once again to criticize this Liberal government which is not adjusting to the reality of the information age we live in. People want to know what is going on. They want to know what the government is negotiating on the MAI. The Liberals have failed to acknowledge that they need to do that.

The minister has blown it completely. As I mentioned, he should have been out there debating Maude Barlow. He should have been debating Paul Hellyer. He should have been debating the professors, the academics from the socialist universities who are complaining about this MAI. The Speaker laughs but, Mr. Speaker, the universities are loaded with socialists.

*Supply*

As for the question of sovereignty disappearing, I would like to see the minister debating Maude Barlow about the loss of sovereignty. Frankly I do not believe there would be a loss of sovereignty because the Liberal government is so dictatorial, I cannot see the Prime Minister giving up even one iota of his power to anybody else. To suggest that we are going to lose our sovereignty is totally ridiculous.

I am rapidly running out of time and I have only asked a fraction of the questions that are in the big pile of letters from my constituents. I have passed on copies of some of those letters to the parliamentary secretary to be answered.

• (1515)

I know he will do that for me. However, I will finish with a quote from a fax from Dr. Koscielniak who sent it to me. He says in one of his questions: "Why the secrecy? Could it be that the Liberals are ashamed of this treaty?"

Maybe Dr. Koscielniak has hit the nail on the head. This minister and his entire government are actually ashamed of the treaty because they are ashamed to admit that world trade is a reality. It needs to be properly negotiated and fairly implemented.

Those members made the promise to get rid of NAFTA and found out that it works. Now they have the responsibility of the MAI and they are so ashamed at having to back peddle that they do not want to talk about it.

I would just like the minister to get out there and actually start doing something.

**Mr. Julian Reed (Parliamentary Secretary to Minister for International Trade, Lib.):** Mr. Speaker, I just wonder whether my hon. friend is aware of this document called "Revised Draft Reservations".

The revised draft reservations are the actual guts of what is being negotiated at the present time. There is common agreement on a lot of the broad draft, but there are 52 pages of revised draft reservations.

Before these reservations are properly negotiated and so on, how is the minister expected to go out and deliver these reservations which are not yet negotiated or agreed on?

The minister has made a very public statement about the concerns. He has abbreviated the concerns I think very succinctly. A week ago last Friday he made a speech to the Centre for Trade Policy and Law in which he laid down some of the key salient points for all Canadians to hear.

This statement is on the Internet. It is available to every citizen of this country. He talks about the interpretation of expropriation where it should be narrow, the Canadian definition. He gives the ironclad reservations for health care, social programs, education, culture, programs for aboriginal people and minority groups, and

finally no standstill or rollback requirements in any of these areas of reservation.

With regard to culture, he supports excluding culture from the MAI altogether.

Is the minister not communicating with Canadians by making statements such as this?

**Mr. Ted White:** Mr. Speaker, I am aware of the big 52 page draft of reservations that he is talking about, but it is the government's responsibility to make sure it is widely circulated. It has not done it.

Even though the minister cannot talk in absolute specifics, he should be debating Maude Barlow on national television in general terms. Frankly, I cannot think of anything that would be more entertaining than this. It would probably get the largest TV audience of the entire year.

To talk about the amount of information available, if the government is not doing its best to get it out there, people do not get it.

The Internet address was given earlier. It is [www.parl.gc.ca](http://www.parl.gc.ca). That is the general Internet site. It is not the specific site. Let us get the specific site so that people can actually find the stuff.

This is just an example again of how poorly they communicate with the constituency.

**Ms. Judy Wasylcia-Leis (Winnipeg North Centre, NDP):** Mr. Speaker, the more we hear from members of the Reform Party in this debate, the clearer their agenda becomes.

They tried to leave the impression this morning that they are concerned about culture and health care and social services and that they will only support the MAI if reservations that work are entrenched in the MAI.

We have now just heard from the member for Medicine Hat a very clear statement that I think is probably a little more revealing of the truth and a little more in line with the motives of Reform behind this motion today.

The member for Medicine Hat just said that we need more competition in health care. This is after all of his colleagues have stood up in the House and claimed to be concerned about wanting a reservation in the MAI to protect health care.

• (1520)

This all begins to fit. We know that the MAI opens the door to foreign investments and will begin to dismantle medicare.

Where does the Reform Party stand? Is it going to stand up against the MAI and protect medicare or is it going to join with the Liberals, the Conservatives and the Bloc in this House, open the doors and kill medicare?

*Supply*

**Mr. Ted White:** Mr. Speaker, health care is reserved under NAFTA. The government has indicated that it would also reserve it under the MAI.

Unfortunately enough in January when I was in Florida I got kidney stones—

**Ms. Judy Wasylcia-Leis:** Mr. Speaker, on a point of order, this is very serious. The member should be aware that this issue went before the health committee. A motion was put—

**The Deputy Speaker:** The hon. member is engaging in debate. The hon. member for North Vancouver has the floor. He should be allowed to complete his remarks. He will do so briefly I know because the time has expired.

**Mr. Ted White:** Mr. Speaker, I was saying I was unfortunate while I was in Florida over Christmas to get kidney stones. I had to go into a hospital in Florida. The service levels were spectacular. It really put to shame what happens in my riding in North Vancouver with socialist medicine.

I do not think there is any harm in having some competition. Even though it is reserved out of the MAI by the Liberals, I know it is widely supported in my riding that there should be some competition to get some efficiency into the system.

**Mr. John Reynolds:** Mr. Speaker, I rise on a point of order. The member from the NDP referred to the member for Medicine Hat. The speech was so good I would not want anybody to mistake the member, not that the member for Medicine Hat would not have also made a great speech. The member is from North Vancouver.

**The Deputy Speaker:** I did refer to the hon. member as the member for North Vancouver. I did not know whether the hon. member was referring to some remarks made during question period when she made her comment.

Resuming debate.

**Hon. Sergio Marchi (Minister for International Trade, Lib.):** Mr. Speaker, I stated in this Chamber on February 12 that I would be glad to debate the government's approach to negotiations toward an MAI agreement with members of the opposition anytime, anywhere. I am pleased that the hon. members opposite have taken up my invitation so quickly. What better venue could there be for this discussion than right here in Parliament.

I must also say that it is a great time to be talking about matters of international trade which are obviously tied to international investment. Canada has never done better than it is doing now under this Liberal administration. Figures released last week by Statics Canada show that Canadian exports last year grew to their highest level ever, \$301 billion. They are continuing to grow.

What this means is jobs and economic opportunities for Canadians. This also reflects the high level of confidence and dynamism in the Canadian economy, now that we have managed to bring the deficit under control and set the stage for strong future economic growth, as the Minister of Finance will discuss tomorrow afternoon in his budget.

[Translation]

I am particularly glad to have this opportunity to report to Parliament on the steps I have taken to familiarize Canadians with the issues involved in the MAI negotiations, and will continue to promote a national debate on this subject.

[English]

In the first years of the MAI process in 1995 there was not a lot to talk about because the preliminary phases of all such negotiations are quite abstract. There was not very much on the table in the way of substance. However, the talks entered a more important period around the time that I became trade minister last June.

Upon assuming the MAI file, together with the ministers of finance and industry, I approached this MAI process in two phases. The first was the priority of getting more information out to the Canadian public. That is exactly what we have done. Government officials and I have made ourselves available to numerous media interviews. We have provided the media community across the country with background information. We have provided ongoing information packages to all members of Parliament. We have consulted widely with Canadians.

• (1525)

[Translation]

The government has been in regular consultations with provincial governments, through meetings, conference calls and correspondence. We have spoken with some 40 private sector organizations ranging from the Canadian Chamber of Commerce to the Canadian Council for the Arts, the Canadian Federation of Agriculture, the Canadian Labour Congress, the Sierra Club, and health groups.

[English]

Finally, there was a request made for the House of Commons subcommittee on international trade to hold public hearings on the MAI last year so as to give a broad range of Canadians an opportunity to express their views.

If we look at those views we will find that Elizabeth Smythe, a professor from Concordia University, said: "I want to close by noting that the hearings of this committee itself indicate a shift in the willingness of the Canadian government to seek input from Canadians on this agreement. I also want to note that I think the

Canadian negotiators themselves have been very effective and extremely co-operative and forthright, as my own experience attests”.

University of Toronto Professor Robert Howse said: “Finally I would like to note the value of this kind of hearing and the hopefully enlightened focus it can put on the specifics of an issue like the MAI and grassroots attitudes toward it”.

When the committee reported Canadians noted that the Conservative Party, the Bloc Quebecois and the Reform Party all agreed with the government that Canada should participate in these negotiations.

The second phase, which began this year because negotiations were scheduled to intensify, was the right time to further engage Canadians on the remaining outstanding issues, whether through speeches or round tables, through members of Parliament holding their own meetings in their neighbourhoods and communities, or through the provincial governments in mandating their committees to review various aspects of the MAI.

When members of the official opposition accuse the government in the motion today of having failed to encourage public discussion on the MAI or to explain the issues involved, they simply do not know what they are talking about. That is precisely what we have been doing all of these past few months.

In fact, I will be pleased at the end of my comments to table in the House today a 20 page document which summarizes the many different extensive consultations which the government has conducted with diverse groups right across our nation. Any objective person looking at the list will have to come to the conclusion that there has been wide and serious engagement as well as outreach. When taken together these groups represent thousands of Canadian companies and millions of individual Canadians.

In contrast to this, Canadians may be right to ask what about the Reform Party, the official opposition in the House, looking at itself in the mirror. In other words, what have Reformers been doing to increase the understanding of Canadians on the MAI? What contributions have they actually made? Where are the community town hall forums that the official opposition has organized? Where are the lists of the meetings of their NGO communities? Have they outreached with the stakeholders across this country?

The government has done the responsible thing, but it seems that somehow the official opposition can be irresponsible and not do one single thing. Its members sit back and say that it is supposed to be passed on. There was not even a single letter from the official spokesperson on trade for the Reform Party making one positive, constructive suggestion on the MAI. There is further evidence of where Reform Party members are coming from when they reject in the committee report a broad exemption for Canadian culture. In that same report why do they reject the inclusion of labour guidelines for multinationals in the MAI?

### *Supply*

• (1530)

Now the Reform Party wants to open up the health care system and the social services—

**Mr. John Herron (Fundy—Royal, PC):** Mr. Speaker, I rise on a point of order. My apologies to the hon. minister for interrupting him, but I would like to make a point that he might share with me.

If my hon. colleagues in the Reform Party are so concerned about the MAI on their supply day, do you not think they would have enough energy to have a quorum?

**The Deputy Speaker:** Is the hon. member calling for a quorum? I do not see a quorum. We had better ring the bells.

*And the bells having rung:*

**The Deputy Speaker:** I now see a quorum. The hon. Minister for International Trade has 11 minutes remaining in his time.

**Hon. Sergio Marchi:** Mr. Speaker, as I was about to say, in both process and substance the Reform Party is suspect. Yes, there is a lot of hot air. Yes, there is a lot of huffing and puffing. When we notice what Reformers stand for, we cannot understand their eagerness to abandon basic Canadian values.

The Reformers complain in their motion that they do not understand why Canada is participating in these negotiations. While many concepts are difficult, the answer is quite clear.

*[Translation]*

Investment flows are particularly important for Canada. We are host to \$180 billion of foreign investment. And we must not forget that every billion dollars of foreign investment generates over 40,000 jobs over five years. Furthermore, Canadians have invested \$170 billion abroad.

*[English]*

Despite the fact that trade and investment are inextricably linked there is no multilateral framework of rules for investment as there is for trade. In many countries, in particular in developing countries beyond the OECD, the treatment of foreign investment remains unpredictable.

The MAI is essentially about developing a code of conduct for countries that host and invite direct foreign investment and not as some would suggest a charter for multinational enterprises. The fact is that we already have transparent and fair rules for foreign investment in Canada.

The right kind of MAI would ensure the same kind of treatment for Canadians abroad without requiring us to substantially change what we are already doing.

*Supply*

We have said on many occasions that we want to eventually take the MAI to the WTO whose membership is in the area of 130 countries and develop north and south. In that forum we could negotiate a truly multilateral agreement on investment that would complement the rules on trade via the same body.

It is sad the official opposition says in its motion today that it does not understand any of this, particularly since its position in the committee report was:

The Reform Party supports Canada's participation in the OECD effort to construct an MAI that will encourage foreign investment in Canada and give protection to Canadian investment abroad.

If the Reformers do not understand our explanation for participating in the negotiations, why are they supporting that participation? They are either confused or playing at political gamesmanship or, as we correctly suspect, both.

Let me stress a crucially important point. Participating in these MAI negotiations does not mean we are hell bent on signing any resulting agreement come what may.

• (1535)

It is quite the contrary. We will only accept an MAI that meets the following key Canadian requirements. The first requirement is a narrow interpretation of expropriation which makes it entirely clear that legislative or regulatory action by government in the public interest is not expropriation requiring compensation, even if it has adverse profitability consequences for both companies and investors.

The second is ironclad reservations at both national and provincial levels that completely preserve our freedom of action in key areas including health care, social programs, education, culture and programs for aboriginal peoples and minority groups.

Finally, there would be no standstill or rollback requirements in any of the areas of reservation or exception I have just mentioned.

With regard to culture we support excluding culture from the MAI altogether for all countries. If some nations insist on addressing this sector we will register, as is our legitimate right, a country's specific reservation in this area. At the end of the day for Canadian culture there would be no difference between the two options. Canadian culture is simply not negotiable.

*[Translation]*

We will also not accept an agreement that adversely affects Canada's supply management regime. We will take the necessary reservations to preserve investment measures specific to our agricultural interests and responsibilities. The same will apply to the management of our natural resources.

*[English]*

In addition there are important questions on how the MAI should approach labour and environmental standards and whether we should call for binding or non-binding language. Even experts in the NGO community agree that this is a complex issue where it is very important to avoid unintended consequences.

I had a very positive discussion on this and other issues with provincial trade ministers at last week's federal-provincial meeting. The NDP minister from Saskatchewan said:

Canada is taking a very strong position at the table that health, social services and education will be an unbound reservation and that those matters will not be touched or Canada will not sign the agreement. That is the position that they have taken very strongly.

He went on to add:

Many of us have been encouraged to think the fight for the MAI is very worth while.

This was from the NDP Government of Saskatchewan. Al Palladini, the minister from Ontario, said:

First of all I want to congratulate the minister for initiating this meeting. I thought the meeting was a very successful one and certainly the assurance that all the ministers from each province received today on the MAI is that the federal government is certainly going to be the driving force behind this thing, but at the same time with positive input allowed or giving opportunity to the provinces, especially in environment and in labour. So I am really confident that these things are going to materialize in getting us an agreement that is good for both Canada and the global community.

None of the provinces advocated that Canada walk away from the MAI table. In fact they were quite reassured by the direction that the Government of Canada was taking, and we agreed to work on areas that needed further work.

Given that labour is largely a provincial jurisdiction and that we share responsibility in the environment, I have asked for their views and I await their responses particularly in these two areas because the large majority of both provinces and territories have not given us their final position on these two important matters.

We are also continuing to push hard for clear provisions in the MAI against the extraterritorial application of laws on investment such as the U.S. Helms-Burton act on Cuba.

I will continue to take the time necessary—and we now have it—for full consultation with all parties. For some critics, including the NDP, our insistence on meeting key Canadian requirements is not good enough. They say we should not be at the table at all, that we should be watching from the sidelines. They said that again today, particularly the MP from Kamloops, at a time when the NDP premier is reaching out in a rather desperate way to both the business and investment communities.

*Supply*

• (1540)

I could not imagine a more self-defeating course for Canada than the one they are advocating. All we would accomplish by running away would be to forgo any chance of shaping an agreement that works to our advantage or that satisfies Canada's particular needs.

Last week the leader of the federal New Democratic Party publicly recognized that globalization brings opportunities. I congratulate her on catching up, however belatedly, to the latter part of the 20th century.

The Government of Canada believes that Canadians do not want to hide from globalization. Instead, they want to work with governments to try to shape it to our advantage, which is exactly what our participation at the MAI table is all about.

In conclusion, we will not run away and we will not hide. Above all, we will not capitulate either. We are quite prepared to take the time to get it done right. If our requirements are not met, we will not sign. We will still continue to attract investment to Canada.

I want, as I said, the right deal at the right time and not any deal at any cost or at any time. For the government, Canada's interests and values must always be and always will be paramount whether or not the Reform Party likes it. We will never settle for anything less.

**Mr. Charlie Penson (Peace River, Ref.):** Mr. Speaker, is it not interesting? We finally flushed out the Minister for International Trade. He had 20 minutes here today and he dealt with some of the concerns people are raising. I think that is great. It is about time.

Instead of using his time to bash the opposition parties, he should have used his time to explain this deal to the fullest possible detail.

It is almost annoying that the minister would suggest the Reform motion—I guess he did not read it—says that we do not understand this. The motion says that we are condemning the government for failing to explain why it is negotiating the MAI, why it is failing to explain the benefits and costs to the Canadian people, and why it is failing to take part in public discussion on the agreement.

The minister and the parliamentary secretary will know that the amount of mail on this is increasing dramatically. All members are getting a lot of mail on it. It is because the minister and his department have failed to go out and sell the deal across the country.

He says in his response that they took it to committee and asked the committee to study it. Absolutely. It was three weeks in committee. We were told that we needed a report by December 13 when the House rose. I guess we did because the thing was moving along. There was a deadline where we were going to have an April 30 signing if everything went ahead. We understand this may be delayed, but that is the timeframe we were working toward.

When was the minister to involve the public? It is the end of February. The deal is supposed to be signed on April 30. Things move along pretty slowly in this process. The minister said we had a lot of people make representations, a lot of organizations, 40 some, including chambers of commerce. In spite of that the committee said the government should continue and increase its efforts to inform Canadians of the merits of negotiating the MAI.

Why would the committee say that? A lot of people came to committee and said that, first, the committee should have travelled across the country and addressed the concerns where people live and that, second, a lot of people did not even know what MAI meant. What does it mean? There has to be an education process. We have a minister and a department that are not taking the time.

The committee made 20 some recommendations in the middle of December. We still have not had a response to the recommendations.

I have a couple of questions for the minister. When will they respond to the committee's report? Will they wait until the day the MAI is signed? Will the minister bring the deal back to the House of Commons for debate so that we have a chance to consult with our constituents once they arrive at an agreement, a chance to debate it in the House of Commons and a chance for a vote by all members?

• (1545)

**The Deputy Speaker:** I am trying to move the debate along. Since there are so many members who wish to ask questions I will try to maximize the number of questions within the time constraints.

**Hon. Sergio Marchi:** Mr. Speaker, I would like to table, in both official languages, a 20 page document which outlines the degree of consultations which has taken place with the Government of Canada across the country. I table this enlightening document for the benefit of my friends who seem to be resigned to having a pathetic debate.

One member was complaining about having kidney stones. Another member said "why are you bashing the Reform Party?" It was not a question of bashing the Reform Party. That comes very easily. Its members do that job best themselves. What I was trying to say was here is what the Government of Canada has done. Here is who we have consulted. These are the bottom lines of the Government of Canada.

The trade critic for the Reform Party has not given me one word on the MAI. His party has had no meetings to speak of. They have not travelled across the country to discuss this matter with the stakeholders but they say they are the responsible leaders of Her Majesty's official opposition. It is as if they are saying they do not have anything to say or to do.

*Supply*

Then of course they cry when we ask them why they are open to foreign culture entering our country. What is wrong with them when the entire Parliament of Canada is prepared to defend our identity? What is wrong with them when they do not want to support labour rights being defined, both the rights and obligations of the multinational companies as well as the workers? Why does the member want to sell our health care system? He pathetically stood in his place to tell us that he got better treatment in the United States of America than he could have in Canada. In the United States there are 50 million people who do not have any insurance to speak of.

Then he asked about social services. He said there was not enough competition in social services.

If the hon. member wonders why he is getting bashed, it is because he deserves it.

**Mr. Nelson Riis (Kamloops, NDP):** Mr. Speaker, I would like to ask at the end of my question, or perhaps after I hear the response from the minister, that you seek unanimous consent to extend this question and comment period. I liked his last response a great deal and this is one of the few chances we are going to get to question him.

As a serious point of order, I would ask for the consent of the House to extend the question and comment period for 10 or 15 minutes to allow other members to ask the minister a question.

**Some hon. members:** Agreed.

**Mr. Nelson Riis:** Mr. Speaker, I have a short question. The minister repeated the mantra we have heard so often from him and his colleagues that \$1 billion of direct foreign investment results in 45,000 jobs. However, the point is that 97% of foreign investment in 1997 came into Canada not to create new jobs but to buy existing Canadian companies.

Would the minister simply confirm that 97% of all foreign investment that came into Canada in 1997, \$21-plus billion, was to purchase existing Canadian companies and not to create new jobs?

**Hon. Sergio Marchi:** Mr. Speaker, the figures do not come from my department or from the Liberal Party of Canada. The figures come from Statistics Canada, which happens to be one of the best statistics gathering organizations recognized the world over.

Statistics Canada has two sets of numbers. For every \$1 billion in traded merchandise we sustain or create some 11,000 jobs in Canada. For every \$1 billion of investment in Canada we create or sustain 45,000 jobs over the course of a five year period.

That investment may take different forms. For instance, in the province of British Columbia 30% of its GDP is made up of trade with the Asian market. Trade and investment represent an important lifeblood for our national community. They are the flip side of the same coin. One creates the other.

• (1550)

Second, we also have to recognize that we are not just talking about incoming investment in the order of \$180 billion to Canada and that when that comes in, not only does it create job opportunities, it also imports important R and D development in our country.

We are also talking about Canadians aggressively investing abroad, \$170 billion. Not only does that create more competitive companies for our firms internationally, it also creates spin-off jobs at home as well as research and development.

When we went to Latin America and made investment, it also created jobs for firms of architects in B.C., firms of lawyers, firms of engineers. The investment is the complement to trade. The two go hand in hand and Canada, without trade and investment, will not be able to create the economic wealth that both he and I want for today's generation, particularly for young Canadians.

**Mr. Charlie Penson (Peace River, Ref.):** Mr. Speaker, I rise on a point of order. There was a suggestion from the NDP that we seek unanimous consent to see whether we could extend this 10 minutes. We would be in favour of that if the Chair would be interested in seeking it.

**The Deputy Speaker:** Is there unanimous consent to extend the period of questions and comments for the minister by 10 minutes?

**Some hon. members:** Agreed.

**Mr. Scott Brison (Kings—Hants, PC):** Mr. Speaker, first I want to commend the minister on his evolution from a vociferous opponent of free trade to now an ardent supporter of the principles that my party has supported since before 1988.

My question for the minister is relative to the Australian model for treaty negotiation which was introduced by Alexander Downer, foreign minister, in May 1996.

This could apply to Canada's participation in MAI, it could apply to our participation in Kyoto or virtually any international agreement that we are pursuing. The treaty as legislated will be tabled in Parliament at least 15 days before the government takes binding action.

This means the treaty will be tabled after the treaty has been signed for Australia but before action is taken that would bind Australia under international law.

Will the minister commit to having the treaty that is signed tabled in the House for 15 days for legitimate, meaningful debate similar to what Australia has now? That was the same position we took as part of the foreign affairs and international trade committee.

We did not achieve agreement at the committee but I would like to ask the minister, who I really hope believes in this type of meaningful dialogue, whether he will commit to 15 days of debate

and discussion with the final agreement tabled in the House prior to ratification.

**Hon. Sergio Marchi:** Mr. Speaker, as far as the first point goes, I think if the history of political parties in the country is looked at, it will be found very objectively that the Liberal Party of Canada has always been the party to try to tear down these protectionist walls and be very multilateral, very much a freer trade orientation.

The member's party certainly has a history of suggesting that those old Chinese walls need to be built bigger, better and higher. If he is a student of history he should hit those history books. I think he will be pleasantly surprised.

The second point is the whole question of parliamentary engagement. I appreciate the hon. member's suggestion of the model used by the Australians. I think he mentioned that to me in a very constructive way last year when he was still the trade critic. I appreciated that.

I certainly will give a commitment to study one of the recommendations tabled in the report of some kind of parliamentary engagement at the end of the process. Should the committee come back to the House in terms of a debate? Should there be some parliamentary motions?

I think it is also early days. I am being very up front with him. We do not know whether there will be an MAI agreement, what shape it will be, will it change any laws of the Parliament of Canada.

• (1555)

We are prepared to look at the question. We have mentioned that we are going to report earlier than we are allowed, so that we can provide those kinds of answers for Parliament.

**Mr. John Reynolds (West Vancouver—Sunshine Coast, Ref.):** Mr. Speaker, the last little debate between the Conservatives and the Liberals was quite enlightening. The minister asked us to look at our history books. I remember very well this minister arguing against free trade in this House. I am amazed and happy that he got into cabinet. It does sometimes change the way we think or the way we have to think. I am happy he is now a free trader.

I hear him knock the Reform Party. This party has always been in favour of free trade. We have not changed our position. Do not give me the eyes, we have been. The minister is the one who has changed his mind many times.

This party is the one that brought this matter to the House of Commons. That is why it is being debated today. The NDP could have brought it on one of its supply days. The Liberals could have

### *Supply*

done on it their supply day. We brought it here. We are debating the issue but we are not getting one answer.

Every party has asked the same question. A very good question came from my colleague in the Conservative Party. The weakness in this whole debate has been that the minister has not been out selling it. There is a lot of false information coming from our socialist friends at the other end to the Canadian people. Will the minister guarantee the Canadian public that before Canada ratifies the agreement the House of Commons will have the chance to debate and vote on the issue? It is very simple. That is all we are asking.

**Hon. Sergio Marchi:** Mr. Speaker, the reason I was raising my eyes is that he somehow gave the impression to the House that the Reform Party had a history rich enough to talk about the free trade agreement and NAFTA. Not only does it not have a history, it does not have a future.

In terms of parliamentary engagement, he may not like the answer but I gave it to him. He can get up and ask another question. What I was trying to say is that we are not afraid of an engagement of Parliament. It was not his party or his critic or anybody else who pressured the government into putting this issue before the parliamentary committee. It was an initiative voluntarily taken by the Government of Canada.

The reason we wanted a report by the end of December 1997 was that if there was to be a signature by the end of April we wanted the parliamentary committee to be able to offer its advice to the government in January so that when crunch time came on the negotiations we would have the advice of the Parliament of Canada. The hon. critic for the Reform Party knows this. I told him so and he agreed with it at the time. We did it at the front end and we are certainly going to consider what role, if any, Parliament can play at the back end of the process.

**Ms. Wendy Lill (Dartmouth, NDP):** Mr. Speaker, the minister told me in the House that culture would be carved out for the MAI. Then he said if we do not get a full exemption we will settle for country specific reservation, like we did in NAFTA.

Everyone knows that NAFTA does not protect us since it allows retaliatory measures by the U.S. The former trade minister said on January 30, 1997: "We do not have any cultural protections under NAFTA. That is a myth, we never did".

If the government insists on continuing with this negotiation will the government commit to protecting culture with a full exception to the text like that enjoyed by financial services such as banks and national securities?

**Hon. Sergio Marchi:** Mr. Speaker, I tried in my address today and a few days ago to answer the hon. member's question. I know

*Supply*

she is serious about the cultural industry. I know that she took on the Reform Party some hours ago on it.

I said two things. First, Canada takes the position that the culture issue should not be on the MAI table. But because it operates by consensus, if one country insists on having it on the table we have said, which is our right, that we will take a country specific exemption. For the purposes of Canadian culture either of the two options is the same. The bottom line for us is that cultural is not negotiable.

Second, where culture does have an exemption is in the investment chapter under NAFTA. It will do so at bare minimum under the MAI.

If I can be up front with the hon. member, I do not think for culture the concern is either NAFTA or the MAI. The concern I have for culture and trade is at the WTO. When the application came against our Canadian magazine industry and the movie industry, it came through the WTO.

• (1600)

I have advocated publicly that we need to square the circle at the WTO. If we can do labour and trade, if we can do trade and the environment, if we can have the very sensitive and emotional debate on agriculture in the next round, surely we can also despite the difficulty try to square the circle with trade and culture. Culture at the end of the day comes down to self pride and identify. Every country, big or small, rich or poor, has one.

Increasingly with technology where you can download culture, countries which think that a different language or a different history can protect them in terms of culture identity are wrong. We are finding that more allies, more countries are seeing it the way Canada does. I would like to mobilize some kind of international opinion that at some point, maybe in the next round, we can have rules on trade and culture that protect and distinguish between illegitimate and legitimate practices.

**Mr. Ted White (North Vancouver, Ref.):** Mr. Speaker, I am going to ask a question that is from a constituent so I hope this will be one question the minister actually answers. It is a specific question. Could jobs in our resource extraction sectors go to foreign workers? For example could Americans come in to buy up Canadian fishing licences and could Fletcher Challenge bring in New Zealanders to work for lower wages in the woods? Could the minister please answer those questions for a constituent.

**Hon. Sergio Marchi:** Mr. Speaker, if the member had listened to the speech I gave when we talked about natural resources, the answer would be very self-evident.

**Mr. Gary Lunn (Saanich—Gulf Islands, Ref.):** Mr. Speaker, the minister stated just a few moments ago that he was seeking the

advice of the committee as he wants its input and involvement in the parliamentary process. The committee made specific recommendations to the minister, number four, a full impact analysis and number five, that this has to be public disclosure, a transparent process with consultation with the public.

These recommendations came from the committee. They were endorsed and supported by a majority of Liberals. His own chairman has responded in the House today by saying that it is not practical to do a full impact study so early on. It is not practical, and those were his own words, for an open consultation process.

Will the minister tell this House that he is willing to go to Canadians, to go out to British Columbia and talk about this multilateral agreement on investment so that they know what the heck is going on? That is what this debate is all about.

**Hon. Sergio Marchi:** Mr. Speaker, if the member was listening to the debate and I agreed with unanimous consent to afford extra time, we have been doing that. It is not only myself, but also our backbenchers and our government officials. I would also like to see him and some of the other huffy puffy Reform Party members take their responsibilities seriously.

We initiated the parliamentary dialogue. We are certainly grateful for the advice the parliamentary committee has given the government. As the member knows, being a student of parliamentary procedure, the government is given 150 days to report back to the committee. The hon. critic for the Reform Party knows that I have also made a commitment to do it before the allotted time because I can appreciate the sensitivity of some of those recommendations.

We are grateful and we are obviously studying those recommendations and will be reporting back to that committee very soon.

[*Translation*]

**The Deputy Speaker:** 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 Vancouver East, poverty; the hon. member for Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, employment insurance; the hon. member for Selkirk—Interlake, Haiti; the hon. member for Sackville—Eastern Shore, fisheries.

[*English*]

**Ms. Val Meredith (South Surrey—White Rock—Langley, Ref.):** Mr. Speaker, I would like to advise the House that I will be sharing my time with the hon. member for Calgary Southeast.

This is an interesting discussion that we are having. I was appalled at the comments of the minister when he indicated that Reform had no history in this debate.

*Supply*

• (1605)

I inform the minister that I was involved in a debate during the 1988 election campaign when the Conservatives were talking about free trade and the Liberals were against free trade. The Liberals and the NDP argued against the free trade agreement between Canada and the United States.

I was also involved in the debate on NAFTA during the 1993 election campaign. I remember the Liberals and the NDP arguing against NAFTA. It is interesting how things change when one gets into the government.

The debate today is about the Reform motion which I will read again for the understanding of viewers who are just joining this debate:

That this House condemn the government for: (1) failing to explain why it is negotiating the Multilateral Agreement on Investment (the MAI); (2) failing to explain what benefits and costs it foresees for the Canadian people; and (3) failing to take part in public discussion on the Agreement.

The motion must sound familiar to some Liberals because it is similar to a motion they made against the Tory government in March 1992 while the Tories were negotiating the free trade agreement. The Liberal motion on NAFTA which was presented on March 24, 1992 was put forward as follows:

That this House condemn the government for its failure to be completely open with Canadians about its principal goals and objectives in the current North American free trade negotiations.

Now the Liberals are saying that our motion is bad although they put a similar motion before the House in 1992. Come on.

The hon. member's comments are even more interesting. The hon. member who just gave us a 40 minute dialogue on his position said in 1992 "We had to rely this morning on the *Toronto Star*, as have Canadians, to try to learn what the Government of Canada has been dealing with in terms of the other two countries. It is a shame that we have to rely on one of our newspapers to begin to enlighten not only Canadians but elected Canadians who are supposed to deal with issues on behalf of 26 million shareholders of this company called Canada".

We are talking grassroots here now "Back home on an issue that is fundamental to the livelihoods of all Canadians there is silence and ignorance. When there is silence and ignorance, whether it is true or not, there is certain to be fear of the unknown at the very least". This is from the hon. minister who just spoke.

The NDP and its allies are out in strong force, in particular in my province of British Columbia. Whether it is the Council of Canadians or whether it is the environmental groups, they are telling Canadians one side of the issue. And where is our government in this? Nowhere. Nowhere has the other side of this issue been debated either publicly or individually with Canadians. This is the same group of people, with the exception of the Liberals who were against the free trade agreement and NAFTA. We see them

once again out there campaigning very strongly against this government proposal.

The comments from the NDP are that Canada will lose its sovereignty, that we will have to give up our health care and that we will lose our Canadian culture. Those of us who do not see the boundaries and the borders can understand why somebody is not debating the other side of the issue, why somebody is not challenging those kinds of comments which are being put before Canadians.

I believe Canadians want to hear both sides. I am convinced that Canadians want to know not only what the benefits are but what the drawbacks are. I believe Canadians are sophisticated enough to know that in any international treaty Canada enters into and which Canada signs there will be some winners and some losers. Canadians want an honest evaluation of what is likely to happen. They are not getting it with a government that sits in silence and does not want to participate in this debate. That is where this government has failed. This is why Canadians across the country are very concerned.

• (1610)

I will quote the minister's own words again from his March 1992 speech on NAFTA "When there is silence and ignorance, whether it is true or not, there is certain to be fear of the unknown at the very best". That is so true. It is the silence and the government's reluctance or the refusal to even talk to people in Canada about what the MAI is, what does this multilateral agreement for investment mean. Who are going to be the winners, who are going to be the losers? When we talk about losing our sovereignty to the large corporations of the world, is it true, is it not true? What exactly does this multilateral agreement on investment mean to Canadians?

Because I believe I have a commitment to my constituents I had a full page in my householder on this particular issue trying to bring it to their attention so that we could start this kind of debate. I must say that most of the comments I received from my constituents were negative. They felt that there was a problem with it.

I want to read the question so that the House understands what they were asked. The question was: Do you support the basic principle of the MAI which states that foreign companies shall be subject to the same regulation as domestic companies? There were almost 2,000 responses to that survey question. Of those almost 2,000 responses 1,507 or 77% of the people said yes that they supported that principle. Only 317 or 16% said no.

Again, despite that support for the principles of the multilateral agreement on investment the people who chose to comment, who actually wrote to me, had negative things to say. I want to share with the House one of the comments that I received. I quote "The citizens of Canada require an across Canada forum to be held on the MAI now. This has been negotiated in secrecy until it was leaked to the press last spring. This government was elected on promises to renegotiate NAFTA, so where is their mandate to progress with the MAI? The repercussions for Canadians and

*Supply*

Canada could be so grievous that open and free debate across this country is needed. This government does not represent Canadians. This has become very clear in this country since 1993”.

That is a comment from a constituent of mine. There were many others who made comments which support that issue.

The MAI is a draft agreement, as I understand it, that is being negotiated by this government. It is a draft agreement that applies to 28 other countries around the world, but most Canadians do not know that. Most Canadians do not know what other countries we are talking about entering into this negotiation. That kind of debate and that kind of information should be widely known so that people can understand who it is we are talking about entering agreements with.

There is a whole list of exemptions that Canada has already placed through the NAFTA and NAFTA is the basis on which the MAI agreement is being negotiated. Canadians need to know that. They need to know what exemptions already in place in NAFTA are going to be carried over to the MAI.

Canadians need to be brought into this discussion. I and my colleagues believe that Canadians deserve to be included in the governance of their country and that Canadians deserve to have the right to have this kind of debate before that agreement is signed.

I would like to know from the minister and from his department, are they going to provide this debate before the people of Canada and before this House of Commons before the agreement is signed?

**Ms. Wendy Lill (Dartmouth, NDP):** Mr. Speaker I would like the Reform Party member to answer a question I have on the Reform Party's minority report on the MAI.

As far as I can determine from the minority report, Reform says “The protection for culture, if it must exist, should be drawn as clearly and as narrowly as possible”. This seems to aid the United States position on that which is that they would oppose very broad cultural exemptions.

• (1615)

I would like to know from the Reform Party if they would justify promoting the interests of huge entertainment giants like Sony, Walt Disney and Blockbuster at the expense of the rights of Canadians to their own cultural expression?

**Ms. Val Meredith:** Mr. Speaker, Reformers are not afraid to say that Canadians can compete at any level, whether it is on a cultural basis, business basis, industry basis or anything else. Canadians have the potential and it has been proven. Whether it is Céline Dion or Bryan Adams in Vancouver, Canadians have proven that they

can compete on an international scale. They do not need protection. They need promotion and support.

What we would like to see is a tighter concentrated framework for culture because things like the Internet and the new technologies can be easily drawn under that cultural characteristic. We feel that would be detrimental to development, investment and jobs in this country.

**Mr. Alex Shepherd (Durham, Lib.):** Mr. Speaker, I wonder if the member could comment on the fact that the evolution of the MAI, as I understand it, is basically to address those areas which are not already mandated by multilateral agreements. Eighty per cent of our trade is with the United States, therefore 80% of our investment agreements are already documented in the NAFTA. The rest of that, almost 20% or at least 15%, is now mandated in bilateral agreements. In other words, 95% of our trade and investment policy is already undertaken in these agreements.

What the member is talking about and what her party is so concerned about is an agreement that cannot at maximum affect any more than 5% of foreign direct investment now occurring in Canada. Could she relate to me how important she thinks that is?

**Ms. Val Meredith:** Mr. Speaker, my understanding is that 65% of our investment is with the United States, not 95%. This is why we need to have this kind of debate. It is so those kinds of figures get put on the table and everybody knows what they are.

The issue here is, yes, Canada already through NAFTA has this investment agreement with the United States and Mexico. However, what is happening here is we want to use that same framework and expand it to 28 countries, some of which we already have an investment agreement with. It is not under NAFTA but in bilateral agreements.

What we have is 28 countries agreeing to consider this option. I understand there are more undeveloped countries that are waiting for this to happen so they can come on board as well.

**Mr. Jason Kenney (Calgary Southeast, Ref.):** Mr. Speaker, I am pleased to rise in support of the motion before the House. The motion reads:

That this House condemn the government for: (1) failing to explain why it is negotiating the Multilateral Agreement on Investments (the MAI), (2) failing to explain what benefits and costs it foresees for the Canadian people, and (3) failing to take part in public discussion on the Agreement.

At the outset I would like to say that it is really quite remarkable to hear the hon. Minister of International Trade speak on this motion. We have presented this motion in part to give this minister a platform to explain to this House and, through it, to Canadians why there is a need for the national treatment of investment as is

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proposed under the MAI. Why would Canada benefit from the further liberalization of trade laws?

Instead of taking the opportunity and seizing the moment, he used most of his time for partisan politics, for taking cheap shots at opposition parties.

There is a principle at the heart of parliamentary democracy which this government sometimes seems to lose sight of which is the principle of ministerial responsibility. We on this side of the House are merely legislators. The minister is a legislator as a member of Parliament and is a minister of the crown, a member of the executive branch of government responsible for negotiating and implementing foreign treaties. It is his responsibility, not that of opposition legislators, to explain and articulate the need or lack thereof for Canada to enter into certain foreign agreements, the MAI in this case. The government has yet once more failed in that respect.

• (1620)

That is not surprising coming from this minister and this government given that this is a minister and this is a party in government which in 1988 launched a vicious attack on the free trade agreement with the United States, which committed that it would tear up the free trade agreement, that it would retroactively veto the free trade agreement.

There are members sitting on the opposite side of this House who argued in 1988 that free trade would lead to the end of Canadian sovereignty. I remember a Liberal commercial on television with a map of North America where somehow magically the border of the 49th parallel was erased on the television screen. They said that Canada was going to become the fifty-first state, that this would lead to untold economic misery, that our universal publicly administered health care program would be doomed. That is what they said, people sitting over there right now, including the Minister of International Trade.

In 1993 they said they were going to renegotiate the NAFTA. The last time I checked, they did not change the North American Free Trade Agreement one iota. The reason why this minister has a huge credibility deficit addressing the MAI, the reason why so many Canadians are so cynical and suspicious about the real motives and outcome here is precisely because they have never admitted the kind of radical change of philosophy that they have undergone in government with respect to free trade.

I would suggest that the minister do just that, that he and his colleagues do some stock-taking and apologize for how they tried to engage in precisely the same kind of fearmongering and

misrepresentation that our friends in the New Democratic Party and the party to our left are wont to do.

The Reform Party has always supported the principle of free trade. We support the principle of national treatment of investment. We support it not because we want to give more than we get, but because we realize that Canada as an enormous exporter, as a country whose economic engine is export industries and services, would benefit enormously from allowing our companies, our investors, greater freedom of trade in foreign jurisdictions.

Late last year I was invited by the hon. Minister of Finance to take part in a Canadian delegation at the American Hemispheric Free Trade Discussions in Santiago, Chile, with all of the governments of North, South and Central America. I had an opportunity at that conference to speak with Canadian companies with major investments in South America. Let me give one example in Chile.

A Canadian mining company based in British Columbia has invested hundreds of millions of dollars in capital and training in mining operations in Chile that have generated handsome profits for this Canadian company, for its Canadian shareholders, for its Canadian employees. It has brought new wealth to this country like so many other Canadian export-oriented companies.

This very same company was considering whether it would be able to continue its operations in Chile or would have to suspend its operations at some point because there is a dual tax scheme in Chile, a tax regime which imposes a much higher tax on the corporate profits of companies that are foreign owned. By allowing certain countries to discriminate against foreign-held companies, that company and its Canadian employees are not only penalized but are at risk of losing the hundreds of millions of Canadian dollars that they have invested there.

There are dozens and dozens of similar instances not only in this hemisphere but throughout the world where Canadian investments are put at peril by these kinds of discriminatory protectionist policy regimes which make everybody poor and nobody richer.

• (1625)

We want with this motion to focus on this government's inability or unwillingness to lodge a major national debate. The minister says that we had committee hearings on it. That is wonderful. Three weeks. I do not know how many business days the committee actually met in Ottawa, 10 or 11 business days. It stayed here in Ottawa and the only people they heard from were the usual talking heads from interest groups.

Whatever that committee did, whatever its report said, I can assure members that it did not get out to the constituents of every member of this place, some of whom are being misled by the propaganda of radical left wing conspiracy theorists to believe that

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the MAI will lead to another end of Canadian sovereignty, another end to our health care programs and so on.

What does this government do? Absolutely nothing. In the red book, the MAI was not even mentioned as an election issue. We are talking about a significant international investment agreement that was not even raised as an election issue by this government. It has been under negotiation for two years. They had done virtually nothing in those two years to present it to this House or to Canadians. Then they blame the opposition for not articulating the government's policy.

I really do not understand. As one of my colleagues says, it really is audacious. We have asked one simple question of the minister who spoke not long ago, whether or not he would commit to having this House debate and perhaps ratify—imagine that—any agreement that is signed by the Canadian negotiators in Paris at the OECD.

He could not give us a straight answer on that very simple question. As somebody who is about as free trade as someone can get, even I start to wonder what is going on here, what is being hidden.

Why can the minister not just give a simple straightforward commitment that the democratically elected representatives of the people of Canada will have an opportunity to get to the bottom of the agreement, to look at the details, to see how broad or how narrow the exemptions are, to see whether or not Canada will benefit, to see what the economic costs and benefits are.

Why can he not make that commitment in this place today? It is not a big deal. It does not cost the government anything politically or financially to allow members and Canadians to debate this.

For those reasons, I really strongly believe that this minister needs to make a fundamental reassessment about how he has managed this file. There is a great deal of hysteria building up out there and he has done virtually nothing to tell Canadians the truth about this agreement and its implications.

We hope this motion tonight will be the beginning of just such a debate.

**Mr. Svend J. Robinson (Burnaby—Douglas, NDP):** Mr. Speaker, I listened with great interest and astonishment to the comments of the Reform Party member for Calgary Southeast. Of course, it is interesting to see the born again Reform Party suddenly expressing concern about the MAI.

The member for Calgary Southeast quite rightly points out that the Liberal Party during the last federal election campaign was silent on the MAI. That silence was just as deafening from the Reform Party. I recall on many instances the leader of my party, the

member for Halifax, colleagues from Winnipeg and elsewhere, alerting Canadians to the profound dangers of the MAI.

We were the only party that even touched this issue in the last federal election campaign. In fact as recently as a couple of weeks ago, Reform Party members of Parliament were vigorously defending the MAI. My colleague from Vancouver East debated the member for North Vancouver and the member for North Vancouver was extolling the virtues of the MAI.

Reform Party members of Parliament signed on to the agreement of the foreign affairs committee on the MAI. New Democrats of course have from the outset strongly opposed this agreement, this 20-year lock-in that would constitute a massive assault on Canadian social programs, environmental programs and culture.

• (1630)

My question for the member for Calgary Southeast is a very straightforward one. Could the member explain why the leader of the Reform Party was totally silent, not one word, not a peep, not a whisper, about the MAI during the last federal election campaign?

Why the hypocrisy today? They realize that Canadians are deeply concerned about the MAI. They suddenly woke up and said "my God, maybe we better do something about this". They were silent and had supported the MAI from the very beginning.

**Mr. Jason Kenney:** Mr. Speaker, let me correct the record in two important respects.

First, we were not silent during the election campaign on this issue. We spoke about it in public forums. We had a clear position. We supported the negotiations, not the agreement, because there is no agreement. We do not support an agreement that does not yet exist. That is why we want to be able to debate it in this place. We do support negotiating instead of pulling out of the negotiations unilaterally and hiding our heads in the sand, as our friends from the New Democratic Party would want us to do.

We will go through the negotiations. We support the government's presence at such negotiations. Canadians will be able to debate the agreement that is finalized there.

We have been very willing to discuss the issue all along and during the election campaign. When I debated the New Democratic candidate in my constituency he never raised the matter, but I did talk about our support in principle for free trade. I do not know what the hon. member is talking about.

**Mr. Mac Harb (Ottawa Centre, Lib.):** Mr. Speaker, I cannot believe it. My colleague in the socialist movement is absolutely right. One thing about the NDP is that it was consistent in its opposition to anything having to do with a free market economy.

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The hypocrisy of the party over there standing up today and suddenly pretending that it is the defender of those opposed to the multilateral agreement on investment is an ultimate insult to the people.

These people have no knowledge of what is going on around the table. They pick up their information in bits and pieces from what they receive in the mail or what they read in this paper or that paper. They never took the time to look into the agreement to see what it really meant for Canadians.

I want to close by saying that the agreement takes nothing away from Canada. There is everything to gain for us and nothing to lose. They should get their heads out of the sand and stand in support of what the government is doing rather than acting like a jacuzzi socialist without knowing the least bit about socialism.

**Mr. Jason Kenney:** Mr. Speaker, when it comes to not knowing much about socialism, I plead guilty. I have never been in a jacuzzi but my limousine Liberal friend across the way will know that we have not engaged in the sky is falling chicken littleism of the loony left.

Let us be clear. Obviously the member came in after I was done my remarks because he did not hear what I said. The Reform Party does support and always has supported the principle of free trade. I talked about why it is necessary for our investors to get national treatment overseas.

Where is the hon. member coming from? Is he in favour? Was he in favour of the FTA in 1988?

**Mr. Mac Harb:** Yes.

**Mr. Jason Kenney:** He was in favour of it. I guess he did not tell Mr. Turner that. Was he in favour of NAFTA in 1993? We do not know where the Liberals are coming from. At least Reform has been consistent.

**Mr. Reg Alcock (Winnipeg South, Lib.):** Mr. Speaker, at least I know what a socialist is, unlike the previous member. I am sharing my time with the member for Parkdale—High Park. I would appreciate a signal as I get to the end of my allotted time.

• (1635)

I am pleased to engage in the debate today. I must confess that I was a little surprised by the issue right from its inception. I am particularly surprised by the attitude taken by my friends in the New Democratic Party. The member from Burnaby stated a few minutes ago that New Democrats have been unalterably opposed to the deal from the beginning. While that is not inconsistent, it strikes me as being a little unintelligent.

We all know that Canada, as well as the rest of the world, is moving into a different kind of economic structure, one which gives a trading country like Canada enormous opportunities around

the world. Our businesses are engaged in every corner of the globe and they are asking for some measure of protection.

I have been quite active with groups in Winnipeg that are looking at emerging markets in the Far East in particular. There are companies in Winnipeg that have managed to secure very substantial agreements with China. These companies are not large multinationals. They are companies that are currently doing business in Winnipeg. In fact right now there is a big delegation of people in the hog business who are looking at selling pork products abroad and making substantial investments in China, Korea and Taiwan.

**Mr. Nelson Riis:** The MAI has nothing to do with those countries.

**Mr. Reg Alcock:** The problem is that the New Democrats are unwilling even to hear the other side of the debate. All they want to do is say "It is wrong. The sky is falling". Let us at least get some of the comments from the other side on the table.

The fact is that a significant number of ordinary Canadians are trying to do business around the world. It is in their interest to have a legal framework which protects their interest.

It is true that any time we get into an agreement which is contractual in nature we also agree to certain things. If we are asking other people for exemptions or to change their body of law or to limit their freedom to act, we will do the same thing in a contractual manner.

It is also reasonable, when we start to negotiate any kind of agreement, that the various parties put on the table their preferred deal, their perfect world. They may differ significantly from our view of a perfect world. That is why there are negotiations.

We have discussions which go on for some period of time and we reach common positions. It is not rocket science; it is the business of negotiating an agreement.

I am a little surprised at the shallowness of the Reform Party's motion, particularly the second and third parts of it. It states that the government has failed to explain what the benefits and costs will be and that the government has failed to take part in public discussions.

I have a document, to which the minister referred, that goes back to May 24, 1995. If members check their calendars they will determine that was before the last election. On that date there was a public announcement of the launch of the negotiations.

I will not, unless called upon, take up the time of the House to go through this, but since then there have been hundreds and hundreds of meetings, discussions, phone calls and documents exchanged with everybody from business to labour. They go right across the spectrum. The people who have wanted to be involved in the process and wanted to get information have been provided with it quite extensively.

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I am not certain what the Reform Party is attempting to achieve with the debate when its members stand in the House and profess they cannot get things that it seems the rest of Canada has been able to obtain quite easily.

There are some very legitimate concerns. My friends in the New Democratic Party, when they step down from their rhetoric and start to look at the issues, actually make some valid points.

• (1640)

I think the member for Dartmouth made a cogent and coherent argument about some legitimate concerns relative to culture. A number of concerns have to be looked at in light of what we are prepared to accept in terms of limitations on our own freedom of action.

We can say on the one hand that we are giving up our sovereignty and will no longer be able to act on behalf of the people of Canada. On the other hand we can say we are entering into an agreement where we agree to do something and the other side agrees to do something. We weigh what we are giving up against what we feel we are achieving.

The minister, contrary to the opinion expressed by the Reform Party, was not the least bit shy about being in the House and debating this point, as he has not been the least bit shy about being anywhere in Canada and discussing it. In the discussions I have had in my riding I have had the same kind of reaction.

Articles have been printed in the paper. One article was something like "if we pass this agreement life in Canada will end". That kind of rhetoric has done two things. It has devalued the debate and made it more difficult for the New Democrats to put on the table legitimate concerns about this very complex set of negotiations. It has also raised concerns on the part of people who may not be aware, may not have the time or may not have a sense of what is happening internationally around them, particularly older people.

We set up a committee in my riding to work on this issue. People, at first blush, after reading the rhetoric were quite fearful about what may or may not be happening. However, when we sat down and looked at the questions, got the information from the minister and came back and had a discussion, it seemed that step by step people were satisfied that their concerns were being addressed and their fears were being taken into consideration in the negotiation.

It is important to make three key points. The first is that there is nothing mysterious or secretive about involvement in the MAI negotiations. This is not something that will all of a sudden be sprung on people. Goodness knows an enormous amount of information has been shared already. It is a process that began publicly over two years ago.

It is clear the minister and the government want to let Canadians know what they are doing.

Second, if it can be achieved, a good and fair set of rules for international investment would in principle be good for Canada. I do not think I need make that point in the House. If we could get a set of principles or rules in place that further international co-operation, trade and investment in a way that is of net benefit to the people of Canada and the people in the rest of the world, it would be a good thing. It is a good thing when nations come together to negotiate and build a framework of agreements rather than to fight. It is a good thing if we negotiate a solution in Iraq rather than fight to reach a solution.

It is important to underline the third one. At the end of the negotiation the government will not sign on Canada's behalf an MAI that does not fully support key Canadian values and safeguard vital Canadian interest. I believe that is an important point to end on.

Every day people are negotiating and looking for ways to improve things in the country. Having reached an end to those negotiations, we in the Chamber and in the country will be called on to evaluate it. If it does not meet that test we will not sign it.

• (1645)

**Mr. Gurmant Grewal (Surrey Central, Ref.):** Mr. Speaker, the Liberals have been negotiating this agreement for at least two years.

Before the election we saw red book II, in which we did not see any mention of MAI. We heard no mention about MAI in the throne speech and I was surprised when I saw this report on multilateral agreement on investment marked confidential. This report would not be in my hands if it was not leaked to us.

Why was this government negotiating in confidence without letting Canadians know what the benefits or costs to Canadians are? Why was this government afraid to have a public discussion on this issue? Why was this government afraid of calling a public debate on this issue? Why was the government afraid of having an informed discussion on this issue?

We are asking a simple thing. We want public discussion on this issue. We want debate in the House. Can this member inform us why he is afraid of having a discussion in this House?

**Mr. Reg Alcock:** Mr. Speaker, not only am I not afraid of having public discussion, I am standing and participating in the discussion taking place in this House.

The member asks why there was no mention. This was publicly announced on May 24, 1995.

**An hon. member:** Three years ago.

**Mr. Reg Alcock:** Exactly. There is no surprise here. This process has been going on for a very long time. There have been mailings, packages, information sent to members of Parliament on July 25,

September 15, October 17, November 4, February 16, February 9—

**The Acting Speaker (Mr. McClelland):** If the member will forgive me, we will go on to the next question so that we can get a couple of questions in.

**Ms. Judy Wasylycia-Leis (Winnipeg North Centre, NDP):** Mr. Speaker, I think the member for Winnipeg South is smarting a bit from the fact that New Democrat MPs in Winnipeg held a public meeting on the MAI just last week and at the drop of a hat over 350 people attended, a sold-out crowd of people deeply concerned about the MAI.

The member does not want rhetoric. He wants a calm debate on this issue. We have been trying to have such a debate. I would like to ask the member for Winnipeg South a question regarding a matter relating to the health committee where we actually tried to have such a debate on guaranteeing that health care, medicare, would be protected from the MAI.

All we got from their side were voices from the BCNI and the Fraser Institute saying trust the Liberal government. There were no arguments, no accountability, no answers.

If this member and this government are so committed to maintaining medicare and believe it is not a threat in the MAI, why will they not agree to a complete exemption for health care in the MAI as opposed to the NAFTA reservations which evoke all kinds of concerns?

**Mr. Reg Alcock:** Mr. Speaker, I must confess I was not aware that such a meeting was held in Winnipeg.

I think the simplest way to answer that question, although it evokes a number of responses, is just to reiterate the point that was made.

In negotiations, many things are broadly talked about but the commitment that has been made is at the end of negotiations this government will not sign on Canada's behalf an MAI that does not fully support key Canadian values and safeguard vital Canadian interests.

Health care is definitely one of those key Canadian values that every member on this side of the House will support.

**Ms. Sarmite Bulte (Parkdale—High Park, Lib.):** Mr. Speaker, first I would like say how pleased I am to join in this debate today on the multilateral agreement on investment.

I do so in a number of capacities, as a member of the subcommittee on international trade disputes and investment and as a member of the standing committee on heritage.

### Supply

Also, I rise today as a member of a riding that is home to many artists and individuals who are involved in the arts and cultural industry in Canada, a sector I am absolutely passionate about and care for very deeply.

• (1650)

I would like to start the debate by reiterating the key messages that the minister has been saying about the MAI. First, there is nothing mysterious or secretive about our involvement in the MAI negotiations. I believe that Canada has a duty to be there to protect that which is important to Canadians.

Second, if it can be achieved, a good and fair set of rules for international investment would in principle be a good thing for Canada.

Third, at the end of the negotiations, the minister will not sign on Canada's behalf an MAI that does not fully support key Canadian values and safeguard vital Canadian interests.

I would like to talk about one very important vital Canadian interest and Canadian value. That is the arts and cultural industry in Canada and what we as a government have been doing in consultation with the cultural sector and the individual actors, creators, writers, technicians, publishers who live in my riding.

We have been consulting with the minister. We have been going to the minister, having the minister's ear and the minister has been listening. Let me put that in the context of what I would ask all members to read, a report that was tabled at the Canadian Conference of the Arts by Garry Neil which sets out the problems with the original draft text that came out in May 1997.

In his report, Mr. Neil makes absolutely clear that according to that draft which was released, the cultural sector would be covered fully by the MAI as drafted in January 1997. Unfortunately I have to disagree with hon. members of the Reform Party that Canada can compete anywhere and in any sector, including the cultural sector. With all respect, they can only do so because of this government's cultural policy which advocates the creator and Canadian content and the infrastructure to take that Canadian content through the creator to our audiences in Canada. That has been our policy.

Mr. Neil goes on by saying that potentially with the January 1997 text as drafted, the MAI would affect in some way virtually every cultural policy. We may be able to compete today in children's programming for one reason alone, because we have a cultural policy that promoted children's programming.

Yes, we are world leaders in television programming for children. *The Comfy Couch*, *Dudley the Dragon*, things that our children and our grandchildren know about, have come about through one of those policies which has been the Canada cable and

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television production fund which is only given to Canadian companies. Those things would not have been created.

Let us see the impact the MAI in its 1997 form would have had on culture. Let us talk about what, if we had accepted that draft as written, it could potentially have done for culture. Particularly to Reformers who feel that culture should not be on the table, that it should just be part of this agreement, let me tell them what would happen.

Canada prohibits, limits or restricts foreign ownership in most of our cultural industries currently. For example, no foreign company can own more than one-third of a Canadian broadcaster or distribution undertaking, cable, satellite or otherwise.

The policy in the book trade generally prohibits a Canadian company from being sold to non-Canadian interests. The policy in film distribution prohibits a foreign company from establishing a new business in Canada, except to distribute its own productions.

Increased foreign ownership in the sound recording business is reviewed by investment Canada under the net benefits test. Ontario's periodical and publication distribution act and several Quebec statutes require Canadian ownership.

The other thing our government's policy does for culture is that funding programs are limited to Canadian individuals and firms. Access to most funding programs is denied to non-Canadian companies and individuals, for example funding support for film and television production activities through Telefilm, the provincial agency. The Canada Council is limited to Canadian firms.

If taxation is carved into the MAI, the support through the refundable investment tax credit and the companion provincial schemes are also at risk. The CRTC has been mandated by this government for the creation of private sector production and talent support programs in both the television and sound recording industries by directing licences to provide certain percentages of revenues for these purposes. These programs are generally not available to foreign firms.

● (1655)

Let us look at the book publishing industry development program, the block grant program of the Canada Council and the publication assistance program. They are limited to Canadian book and magazine publishers. Access is also limited to many funds that support new media productions, again limited to Canadian firms. The cultural industries development fund, administered by the former federal business development bank, provides assistance only to Canadian firms.

However, since the definition of investor in the MAI includes organizations and associations operated on a not for profit basis,

direct and indirect funding of these activities may be subject to challenge if access is denied to a foreign association or organization having a Canadian presence or asset. Let us look at the Canadian content requirements. For a television program to qualify under Canadian content, the producers of that material must be Canadian.

Those are examples of this government's cultural policy not just to protect Canadian culture but to promote it, to ensure that we have a viable industry that, as Reform says, can compete anywhere in the world. That is because of this government's policy. If we look at that, we must also look to see what has to be done for our cultural sector. The subcommittee on the MAI and the Canadian heritage committee have been listening to what has to be done.

Mr. Neil has said in his report that first and foremost Canada must take a lead role and try to support the principle of the French government which is asking for a full exception. Currently the only exception in the MAI text as drafted in January 1997 is an exception for national security. The French addendum puts in a principle of cultural exception. Let us use that word clearly, exception.

We also listened to representatives from SOCAN, the society of Canadian composers, who came up with a review of different ways we could exempt culture. They came up with a broad definition of culture, one that differs from the NAFTA definition. When we consider where we were with culture years ago when NAFTA was drafted, we did not have the technology and the art we now have. They added words to it. Television and broadcasting are now part of it. The committee looked at that.

The same day we heard from SOCAN, the standing committee on heritage also heard from representatives from the Ministry of Industry who spoke about the multimedia industry. They told us how our cultural industries account for 25% of the multimedia industry. But that is not a definition in NAFTA. So the committee is listening. Perhaps the SOCAN exception is not sufficient. We have to continue to consult with heritage, with industry as to what the appropriate exceptions should be. Again, we are now talking about exceptions but that is not all we have to look at.

If we cannot get all the other countries to buy into the idea of an exception for culture as we have done for national security, then there is one other recommendation made by Mr. Neil in his report. If the broad exception is not agreed on, the country specific reservations must be unbound and new measures must be permitted.

I am happy to report that is exactly what the Minister for International Trade has stated. If we are not able to obtain a full out exception along the principles of the French exception, then Canada will accept nothing less than an unbound country specific

reservation, the recommendation made by Mr. Neil at the Canadian Conference of the Arts.

The minister is listening and the committee is recommending the principles of SOCAN. Mr. Keith Kelly, the executive director of the Canadian Conference of the Arts, told us to make it self-judging and important, protect what is important to Canadians. That is what this government is going to do. If we do sign we will do so only when we have fully protected the cultural industries. We will not sign until we have a definition that covers not only the arts and cultural industries of today but the arts and cultural industries of tomorrow. Only in that way, by continuing with our present cultural policy of ensuring Canadian content and creation and the infrastructure to support it, only then will we be able to compete abroad.

• (1700)

**Mr. Jim Abbott (Kootenay—Columbia, Ref.):** Mr. Speaker, I am rather curious with this very broad exemption the member is asking for if it would include such things as telecommunications, computer software, television signals, Internet service. These are all things that could be argued as relating to Canadian culture. If that is the case and considering the whole area that I have just mentioned is the greatest expansion of investment in the world today with satellites and all of the very high level, high priced technology, is she not really saying that with that broad exception no investment in Canada for anything to do with new telecommunications, Internet, satellite or anything else?

**Ms. Sarmite Bulte:** Mr. Speaker, I thank the member for his very important and relevant question.

One of the things with respect to the broadening of the definition is if we look at the SOCAN exception it has added communications by telecommunication in its definition of cultural industries. I think this is something we are going to have to debate as to what are cultural industries. We cannot predict in the future what our new cultural industries will be.

I do not believe that the NAFTA definition is simply enough. But I also take the recommendation made by the Canadian Conference of the Arts that one way we can ensure we can protect and promote our cultural industries abroad and have them compete in this competitive world is by making culture self-judging.

**Ms. Wendy Lill (Dartmouth, NDP):** Mr. Speaker, I would like to thank the hon. member for Parkdale—High Park for actually reading into the record some very important facts that have been put forward by Garry Neil and also by Keith Kelly.

I understand a great deal about the issues the hon. member is talking about and I appreciate her concern about culture in Canada.

### *Supply*

I am still very nervous though about wording. I would like to know whether the hon. member thinks it would be a good idea to have people like Garry Neil and Keith Kelly, spokespeople for the arts, available to actually make a final judgment on whether or not we have at the end of the day a cultural carve out which is acceptable to them. How does the hon. member think that could happen so that we will not at the end of the day find ourselves with something which is absolutely useless for culture in this country?

**Ms. Sarmite Bulte:** Mr. Speaker, I think consultation is important, absolutely. One of the recommendations the subcommittee made was to support the approach to seek general exception, make it self-judging and aggressively pursue an alliance with respect to exceptions.

Yes, I think it is important that we continue to have discussions with members of the arts and cultural communities which we are doing right now in the Standing Committee on Canadian Heritage. This is not something we have put aside to just let the subcommittee work with. The more consultations we have the better. We need to continue this and get into partnerships which this government is willing to do with the arts and cultural industries in Canada.

**Mr. Charlie Penson (Peace River, Ref.):** Mr. Speaker, I was on the subcommittee on trade disputes which considered this issue with the hon. member. I know of her concern for the cultural and arts sector.

What bothers me a little bit is it seems to me we are talking about a big agreement here that has the potential for benefiting a lot of sectors. Culture is one of them, but there are a lot of sectors that could enjoy more investment. There are a lot of Canadian businesses that are investing outside our country and which need the protection this kind of agreement would provide, protection for non-discrimination, protection for expropriation.

The member has suggested we should walk away from this unless we get this broad self-judging exemption for our cultural industry—

**The Acting Speaker (Mr. McClelland):** The member for Parkdale—High Park has about 45 seconds to respond.

**Ms. Sarmite Bulte:** Mr. Speaker, I believe the minister has made it absolutely clear and I support the minister. If we cannot get an acceptable cultural country specific reservation, we will walk away from this agreement.

• (1705)

We are not protecting our industries right now. If we look to see who controls our publishing, who controls our recording, who controls our film distribution, it is not Canadians. We do not have a protectionist policy. We do not stop those people from coming into Canada and investing under our rules and under the transparency

*Supply*

rules. I invite companies to come and to be part of our cultural industries, but not to take them over.

**The Acting Speaker (Mr. McClelland):** Resuming debate. Before we do, hon. members, if during the questions and comments there seems to be a good interest and a lot of members wanting to ask questions, if you would indicate that to me then I will know the number of people who want to ask questions. Then we can keep the questions and comments quite short so we can get in as many people as possible.

**Mr. Jim Abbott (Kootenay—Columbia, Ref.):** Mr. Speaker, for your information I will be sharing my time with my colleague from Vancouver Island North.

The Reform Party is very proud to have brought this to the floor of the House of Commons in the absence of information being provided by the Liberals over this very, very important issue. The questions of the people of Canada have fundamentally been met by silence.

I heard the member for Winnipeg speaking about the fact that members of Parliament had been briefed. Is that not wonderful. There are 300 of us. There are 30 million Canadians who would like the information, not just 300 members of Parliament.

During the 1997 election the question came up, what is the MAI? What is it all about? There was a lot of concerned chagrin on the part of many Canadians, myself included, because I did not know what the MAI was. All I found out was that it had been under a process of negotiation not just for weeks, not just for months, but for well over a year and the people of Canada had been basically kept in the dark. This has led to a deep concern on the part of Canadians as to what this government, indeed what these multinational companies are up to. What is going on behind closed doors?

Into that vacuum of information we have had the foes of the MAI jump. They have jumped in with books. They have jumped in with public appearances on radio and television. They have been in front of every microphone, and where has the minister been? I do not know. Certainly not in front of a microphone, certainly not explaining this.

I ask the question, what is in it for the foes, what is their agenda? I suppose to a certain extent a person could say it makes an awful lot of money for public interest groups. They take a contrary position to the government and they build it up in some kind of a ghost and goblin way, such as the Council of Canadians has done. It makes a lot of money for their cause and keeps their people employed. Their attack on this is sometimes blunt and forceful and sometimes subtle.

I have in hand a book entitled *MAI: The Multilateral Agreement on Investment and the Threat to Canadian Sovereignty*. If that is not ghosts and goblins, I do not know what is.

To show the subtleness I am referring to, I quote from page 67: “While it is doubtful whether foreign based corporations would try and use the MAI rules to strike down provincial labour codes directly, the new investment treaty would most certainly create a more competitive climate, which would put additional pressure on governments to weaken parts of the labour codes”. Then they give some examples, and they conclude by saying: “These examples show that this kind of economic type legislation is increasingly the target of attack by big business in this country”.

What is going on here is the foes to the MAI are basically having a field day while fundamentally we have silence from the government on the other side. It is into this breach that the Reform Party jumps, and we jump with information.

The multilateral agreement on investment is going to be a creation of negotiation. It is not a stationary object we can throw stones at. It is presently under negotiation. I suggest, as a matter of fact I state, that a multilateral agreement on investment would be of great benefit to Canada as a trading nation and to all the people of Canada who work for the companies that are involved in producing the goods and services.

What is the MAI? Quite simply it is nothing more and nothing less than a common set of rules that defines the rights and obligations of investors from 29 countries when they invest in any of the other 28 countries that are currently negotiating the agreement. That is it. That is what the MAI is.

• (1710)

The MAI fundamentally sets out a level playing field. It replaces a mixture, a pot-pourri of overlapping and sometimes conflicting investment agreements between all of those countries and other countries in the world. It brings some order to the chaos that presently exists between countries in terms of rules which subject companies to the rules of governments when they make investment in foreign countries.

I also point out that we now have the free trade agreement, NAFTA and the General Agreement on Tariffs and Trade which is now conducted under the World Trade Organization. All of those agreements have sections relating to investment. We have chaos at this particular point.

What would happen if we did not sign? In committee just the other day, Mr. Jack Stoddart, the chairman and publisher of General Publishing Company, said “It is important because we can live within the OECD”—the Organization for Economic Cooperation and Development—“without the MAI and that is important because many people feel that it is either all or nothing. You have to be in or we will be sort of out in left field. We have so many trade deals, so many trade treaties already with countries we are talking

about in the 29 countries but, as Mike Harris the skip of the Canadian men's curling team said 'Well, tomorrow the sun will rise'.

Mr. Stoddart then says "Well, if we don't sign this deal the sun will rise. I would suggest however that it is going to be a difficult day for the cultural industry if the deal goes through the wrong way".

What are we saying here? There are very large Canadian multinational corporations that have investments worldwide. Just to name a few: Cominco, Noranda, Inco, General Motors. They all have investments worldwide. If those investments are put into jeopardy by a foreign country determining that they are going to be treating the Canadian investment in their country in a different way to the way in which they are treating their other national companies, that effectively means the jobs of tens, if not hundreds, of thousands of Canadians presently working in Canada have the potential of being in jeopardy because of the actions of a foreign nation against a Canadian multinational company.

I just heard a Liberal across the floor say we will not sign a deal unless we get a broad cultural exemption. Was she saying that the jobs and investments in the cultural industry in Canada are more important than the jobs and the investment in the large companies in Canada that have investments outside of our country? Is she pitting one group of workers or one group of investors against another saying that if the mythical cultural group is not protected, then we are not going to protect anyone? That is a rather shameful way to look at it.

We have the globalization of culture whether we want it or not. I heard in committee people from Quebec and people interested in the French language in Canada saying that there is an encroachment on the Internet and the worldwide web of English and English terms are getting in the way of French and thereby undermining the French culture in Canada. This is not unique to Quebec. It is not unique to French speaking Canadians anywhere in Canada. This is exactly the complaint that is addressed in Russia. Russia is using an English word for floppy disk. There is nothing like that in its lexicon.

The difficulty is that if we go to a broad exception such as has been proposed by the Liberals, the U.S. will not sign it. Therefore the MAI will not come into effect. If we go to a broad exception, we have not really achieved anything in any event because we have not been able to define what is culture and what is not culture. Consequently, we will end up with the same chaos we presently have.

The MAI will not make or break Canadian culture. The MAI is a part of our arrangement relative to Canadian culture. The position of the Reform Party is that it would support exceptions as narrow as required and only when necessary for specific protection. This idea

### *Supply*

of a broad exception, an all encompassing exception, is not acceptable.

• (1715)

We believe that culture should be negotiated at the World Trade Organization as a package of culture. We must negotiate in concert with Germany, France, the U.K. and Australia against the United States to form an alliance against the United States because of its attitude toward the export of its culture.

The MAI, properly negotiated, will be a powerful tool in the hands of Canadian companies and Canadian workers will move ahead as a result of it.

**Mrs. Elsie Wayne (Saint John, PC):** Mr. Speaker, it is my understanding that all opposition parties would like to have a full impact analysis of the MAI. We also suggest that the MAI be subject to a final text which fully protects Canadian culture, but not only Canadian culture. I have heard much about that today, but I have not heard about the environment, labour standards, health, education and social services at the federal and sub-national levels.

I wonder what the member of the Reform Party feels about issues other than culture.

**Mr. Jim Abbott:** Mr. Speaker, the impact analysis is something which has been recommended, as I understand it, by the subcommittee. The Reform Party is in support of that section of its report.

The other areas which the hon. member is asking about are presently covered under the NAFTA and we would expect the same kind of treatment in those areas. Otherwise we would end up with conflict between the NAFTA and the MAI. The agreements must be negotiated in parallel. We cannot have two separate agreements which relate to the same thing saying different things.

**Mr. Mac Harb (Ottawa Centre, Lib.):** Mr. Speaker, I want to make it unequivocally clear that the multilateral agreement among all of the OECD members is not an end in itself. It is a beginning. The next step would be to go to the World Trade Organization and, hopefully, every member of the World Trade Organization will abide by the same rules.

I also want to tell my colleague that our negotiators are not going to a round table with other OECD members to discuss our cultural industry as an open field. There are already protections under the FTA and the NAFTA for our cultural industry. We want to ensure, as a minimum, that what we have in terms of exemptions now under the NAFTA and the free trade agreement will continue when we sign the MAI.

To that extent, what the government is doing, basically, is the absolute minimum in a fair game.

I want to take my colleague's comments today as an endorsement of what the government is doing.

*Supply*

**Mr. Jim Abbott:** Mr. Speaker, the cultural exemption to which the member speaks which exists under the NAFTA is indeed a very weak exemption. It can be countervailed.

I would like to use *Sports Illustrated* as an example. I realize that *Sports Illustrated* comes under the WTO, but I am using it as an example. If we are not prepared to comply with the findings of a tribunal, the United States could countervail *Sports Illustrated* with wood. The United States could countervail movie production with wine making. The U.S. has a whole host of remedies which would go against us on our exemption.

It borders on being a myth that we have a cultural exemption under the NAFTA.

**Mr. Alex Shepherd (Durham, Lib.):** Mr. Speaker, I was interested in the hon. member's comments. What he said was, if you have this unconditional or broad mandated carve-out for culture, the Americans will not sign. Therefore we cannot go ahead with it.

• (1720)

Somehow the Reform Party's position is that we will go out with some other multilateral partners and make them give us some special conditions on culture. Is the Reform Party's position not that if we cannot get our way with this agreement then we will cave in to the Americans? Is that not what he said?

**Mr. Jim Abbott:** Mr. Speaker, it is always interesting to hear one's words repeated by somebody who has a different interpretation of them.

I quoted from a newspaper article which I take as being authoritative. U.S. negotiators say that they believe their cultural related companies, such as telecommunications and computer software firms, would not have as much access to the global market if countries were allowed to protect those kinds of industries. With a broad cultural exemption, it is my position that this government, particularly under the idea that was postulated by the Liberal speaker before me, is that this would be self-policing. We will decide what is going to be included and what is not. Quite frankly, the Yankee trader would be crazy to sign such an agreement.

**Mr. John Duncan (Vancouver Island North, Ref.):** Mr. Speaker, I am pleased to discuss the multilateral agreement on investment today. This is an official opposition Reform motion which is being debated. I will read it.

That this House condemn the government for: (1) failing to explain why it is negotiating the Multilateral Agreement on Investment (the MAI), (2) failing to explain what benefits and costs it foresees for the Canadian people, and (3) failing to take part in public discussion on the Agreement.

I have received a significant amount of correspondence on this issue. The main theme in the letters deals with concerns about the MAI as posing a threat to our economy, our environment, our

resources and our social and cultural programs, that it is a threat to Canadian sovereignty, and that it would provide new avenues for corporations to challenge national, provincial and municipal laws. There were major concerns about what we termed roll-back and stand-still provisions of the agreement.

The theme seems to be the loss of our Canadian way of life and a concern that any exemptions Canada may negotiate may be difficult to define and difficult to enforce.

What information do we have regarding the MAI? We have the website which has a draft of the text agreement. We have the exemptions proposed by Canada in November 1997. We have the statements of the minister and we have some parliamentary committee proceedings.

What does this information tell us? The first thing we know is that the committee never left Ottawa. Any concerned Canadians from other parts of Canada who appeared before the committee had to travel to do so. Very simply, it is not good enough to only consult in Ottawa on an issue of this magnitude. My position is that it is not for the official opposition to do this homework, it is for the government. In the words of one of my constituents "if it is so good for the Canadian people and the economy, why is it not being debated publicly?"

There are some things I looked for in the 52 pages of the reservations tabled by the minister in November which are of major interest to my constituents in Vancouver Island North. For example, the fisheries exemption. We have one for fishing, harvesting and processing and one for fishing related services which deals with port privileges and foreign fishing within our 200 mile zone. Critics have stated that if the MAI is signed the way it is currently worded, the exemptions do nothing to prevent Canadian fishing licenses from being owned by non-Canadians. If this is the case, it is a major change and one that I believe Canadians would not support.

I have read the fisheries exemptions carefully. They do nothing to alleviate my concern that Canadian fishing licenses should be reserved for Canadians only. The standing committee on fisheries has invited the Canadian negotiator to attend our committee to respond to this and other concerns. This has not yet occurred. There are many things that have not yet occurred on this file.

I attended a standing committee environment meeting two weeks ago because the Canadian negotiator was represented at the meeting. He stated that the minister was considering signing a letter of intent regarding the MAI at the end of April because there would be no final text available at that time. This is highly inappropriate as it takes us further down the road without knowing where we are going. It is also a dismal negotiating position for a government already known as a patsy in international circles. The minister should not sign anything at the end of April.

*Supply*

• (1725)

There are some concerns about provincial jurisdiction in particular from British Columbia and Prince Edward Island. For example, in B.C. the crown owns 95% of the forest land and uses the forest as a strong instrument of government policy making. Many people involved in the industry as well as government do not want this agreement to tie their hands in terms of promoting value added British Columbia manufacturing and other initiatives.

B.C. has the added complexity of the recent supreme court decision on aboriginal land title, the Delgamuuk decision. The current aboriginal affairs exemption is totally inadequate and does not cover the eventuality of investor compensation by government for ongoing aboriginal land claims.

This is an obvious shortcoming given that government may unavoidably be compelled to transfer assets or deny investment. This is a tremendously complex area that can no longer be glossed over. Provincial interests have been seriously neglected by the federal government on the major issue of aboriginal affairs for a long time. The time for Liberal government fudging is over, not to be continued with the MAI on this file.

It is readily apparent that a major set of consultations with stakeholders is required across the country and it has not happened. Canada has further reserved the right to adopt or maintain any measures with respect to public law enforcement, correctional services, income security, social security, social welfare, public education, training, health and child care. On the surface this sounds reasonably sensible. In addition, there are several exemptions for oil and gas, banking and financial services and land ownership. The list does not look as comprehensive as I would have anticipated given public concerns about the environment, for example.

What do I have to stack up against these criticisms? The minister is now saying that there is virtually no chance of an agreement by April and lots of chance for consultation. He made a speech. What did he say in his speech? He said: "Canada will not accept any general commitment to freeze the so-called standstill or phase out restrictions on foreign investment. Canada will retain the flexibility to carry out public policy in core areas of national interest. The MAI would also not force Canada to lower its labour or environmental standards. In fact, it is intended to keep other countries from lowering theirs to attract investment away from Canada".

He also said: "I can tell you what the MAI is not. It is not a charter of rights for multinational companies, nor does it spell the end of Canada's sovereignty. We will retain the right to enact laws in all areas, social policy, health care, corporate rules, labour and the environment. We will still be able to impose restrictions on foreign investment in sectors like culture, health care and education". That is what the minister said.

Where did he make this speech? To the Standing Committee on Industry in Ottawa. It is no wonder Canadians are wondering where the minister is who is responsible for the MAI. The question is who is right, the critics or the minister. Who are we to believe and where is the missing dialogue? Why is the government failing to explain to the public why it is negotiating the MAI and what the costs and benefits are for the Canadian people?

This is a very significant initiative which is certainly deserving of a much greater profile and public consultation than the government has given it. I would like to be able to analyse the information and come up with a reasoned response as I think many Canadians would like to do. Given what has transpired to date, this is impossible and I blame the government. I am in full concurrence with the official opposition motion to condemn the government for its lack of proactivity on this issue. It has had the time, the opportunity and the resources, but it simply has not had the political will.

In the minister's own words: "My department is consulting closely with the provinces, the private sector and non-governmental organizations".

• (1730)

Without challenging that statement there is one thing very wrong with it. He has left out the public. That concludes my remarks.

**Mr. Paul Bonwick (Simcoe—Grey, Lib.):** Mr. Speaker, I will start by commenting on some of the points that were raised earlier with respect to this, which will lead up to my question for the hon. member for Vancouver Island North.

Earlier the member for Kootenay—Columbia indicated that the government, if I understood him correctly, was pitting one industry against another industry. If I understood him properly we should not be protecting broad based Canadian heritage.

A very clear message has been sent out today. If I understood the member properly it is that Canadian heritage is on the trading block as far as the Reform is concerned. Absolutely not, as far as the government has said.

My question is for the hon. member for Vancouver Island North. Does he believe we should protect Canadian heritage at all cost, even if it were to mean not signing the MAI? Remember, sir, that you are dealing with the very make-up of our country when you are questioning this and people are listening.

**The Acting Speaker (Mr. McClelland):** I remind all members to address each other through the Chair.

**Mr. John Duncan:** Mr. Speaker, there are many issues in the MAI of which heritage is one. To wrap oneself in the heritage flag and suggest that the Liberal answer is the only answer, which is actually a totally unworkable answer, I am not going to respond directly.

*Supply*

What I will say is in any set of negotiations there are some basic issues. If we do not get what we want we should not sign it. I agree with that.

**Mr. Mac Harb (Ottawa Centre, Lib.):** Mr. Speaker, after hearing a few of the speeches by Reform Party members I concluded that we are in agreement about the need for an agreement.

However there is one exception. My colleagues in the Reform Party want the government to abandon its fight on behalf of cultural industries. I want to say for the record that we will not abandon that fight.

My colleague is trying to allude to the fact that certain Canadian laws will be affected if we were to sign the multilateral agreement. I want to correct the record. No Canadian laws will be affected as a result of that. Every Canadian law, whether provincial or federal, will continue to be in full force after the signing of the multilateral agreement.

I wanted to have straight that signing the agreement will not cripple the hands of the Canadian government from enacting special laws in Canada.

Would the hon. member stand and say that he commends what our Canadian negotiators are doing at the table?

**Mr. John Duncan:** Mr. Speaker, it is obvious that government members want to somehow portray themselves as the only defenders of Canadian culture.

If the hon. member wants to take that position he should narrowly define what he says and say exactly what he wants. What he has said so far does not cut it. A broad exemption really does not cut it.

I raised some legitimate concerns from a British Columbia perspective, from a provincial perspective. I do not hear anyone asking me about those legitimate concerns. Members will not find out about any of them if they sit in Ottawa and only accept input in Ottawa.

**Mr. Svend J. Robinson (Burnaby—Douglas, NDP):** Mr. Speaker, my question for the member for Vancouver Island North is a very straightforward one.

If the MAI is so important to the Reform Party, why was it that the leader of the Reform Party during the last federal election did not say one word about the MAI?

• (1735)

**Mr. John Duncan:** Mr. Speaker, we needed to see the details when the election campaign was going on. It is interesting that this question should come from the NDP.

During the election campaign, when I was asked about the MAI, I had an opinion. When the NDP candidate was asked about the

MAI, he did not know anything about it. Twenty-four hours later, he was totally opposed. What kind of homework is that?

**Mr. John McKay (Scarborough East, Lib.):** Mr. Speaker, I will be sharing my time with the secretary of state for regional development.

I am somewhat disappointed in the motion as it fails to move the debate off this eternal merry-go-round. It is in distinct contrast with the participation of the Reform Party in committee and its helpful contributions to the committee.

If I may, I would like to refer to the committee's minority report as it was written in the larger report. I take the Reform Party at its word when it says that it is a free trade party and supports Canada's participation in the construction of a multilateral agreement on investment. It continues:

The Reform Party is a free trade party that supports liberalized trade and investment. We thus support the MAI initiative at the OECD subject to the concerns we have outlined on labour and multinational standards and culture.

Having stated its position as supportive of the government's initiative, I propose to turn to two of its criticisms in the time allowed.

I highlight these in contrast to the motion which seems to be highly critical of the government. I characterize its critique as one of nuance rather than adamant opposition, as one with which reasonable people might disagree but one which is characterized by a broader sense of agreement.

The Reform Party states in its minority report:

We endorse most of the recommendations contained in the subcommittee's study of the multilateral agreement on investment with the exception of the one on labour and multinational standards and the one that has a broad exemption for culture.

I would like to turn to those two exemptions and ask whether Her Majesty's Loyal Opposition is giving the government good advice.

We have heard from a great variety of sources with respect to cultural exemption. It has a variety of names, a cultural carve-out, cultural exemption, sectoral exemption, et cetera. The argument is that the agreement will severely limit Canada's ability to foster indigenous culture and Canada's voice. Some of the rhetoric borders on paranoia and uses silly language like NAFTA on steroids.

The Reform Party, to its credit, is a bit more nuanced in its critique. For those of us who sat in on some of the testimony it became quite clear very quickly that not all cultural industries are created equal. Writers and artists dependent upon grants from government and other sources appeal to a limited audience or are just starting to feel the need for some protection.

Cultural industries that are capital intensive and have a degree of mass cultural appeal need access to large, international markets and international capital.

I would like to quote from the report:

Canada's film and television production industry increasingly depends on foreign markets. Peter Lyman of the Nordicity group pointed out the importance of foreign trade and investment from a Canadian perspective. Foreign financing and foreign revenues contribute about \$600 million to Canadian film and television production.

The example of CanWest Global was given as a Canadian firm that gets tens of millions of dollars in revenues from its foreign investments in Australia and New Zealand, which strengthens its ability to finance traders.

To state that all cultural industries are created equal is not consistent with the testimony of the witnesses. Clearly quite a number feel the need for protection, but there is also a number who feel that the protection of an MAI carve-out may be a serious detriment to their eventual success.

The Reform Party's position is that if the protection of culture must exist it should be drawn as clearly and narrowly as possible. In fact it would prefer a cultural policy which does not put stressful artists and companies at risk.

• (1740)

I am of the view that when the minister negotiates the final working agreement he should be very specific as to what culture, for the purpose of the agreement, means. This is not an abandonment of culture. I believe that this is the direction the government is going. It is one which is desirable and has broad support within the House.

The second area of dissent is on labour and multinational standards. The Reform Party's position in the minority report is:

Although the Reform Party fully supports the labour standards at issue—the right to organize democratically, bargain collectively and strike peacefully in the absence of discrimination—we cannot support thrusting these standards on to other countries.

I believe that the Reform Party is wrong for two reasons. It is missing an opportunity to develop a practice of raising international standards. Many of the countries with which Canada is negotiating have labour standards and practices which are appallingly low.

A number of countries that are party to these negotiations routinely exploit their labour force. In some respects it is an ideal time to try to raise labour standards rather than let them slip off the table as the Reform Party advocates. The argument which has the direct or indirect effect of raising standards needs to be supported.

The second reason I think the clause needs to be included is to level the playing field. I would much prefer that other countries bring their treatment of workers up to our standards, rather than the reverse. If we miss the opportunity to raise the standards for other countries, our own competitiveness will be eroded and therefore defeat what we hope to obtain from the agreement, namely the

### *Supply*

ability to sell into other countries without exploiting our labour force.

I believe this is an opportunity to enhance the lot of workers around the world and to provide a measure of dignity to all. No country including our own should be put in the position of having to exploit its own labour force to obtain a measure of prosperity. At its root, raising worldwide labour standards is enlightened self-interest and one which the minister should pursue with vigour.

In conclusion, the Reform Party has a useful contribution to debate. It is my view that it is a more nuanced approach to the cultural exemption and one which needs to be examined. However, on the issue of labour and multinational standards, Reform is clearly wrong and cannot be supported.

**Mr. Charlie Penson (Peace River, Ref.):** Mr. Speaker, it is interesting to hear so much talk about the Reform Party's dissenting opinion. I guess it must have struck a nerve.

It seems to me, though, that there was some talk about international markets in terms of culture. We know there are about \$700 million of investment in our Canadian cultural industries from countries such as Australia. If we decide to go the protectionist route, two can play that game. Other countries can play that game as well.

If we put broad cultural exemptions on instead of defining narrowly exactly what we need, how will that serve our interests with countries such as Australia which are investing in Canada? Would that not cut off some of the investment?

Most of the so-called threat to Canadian culture seems to be coming from the United States. We already have the NAFTA with a so-called cultural exemption which says that we can have retaliation and equivalent effect. It would be pretty tough to get a weaker exemption than that. That will remain in place whether or not we sign the MAI.

How does the member see the MAI destroying the cultural exemption which is already in place under the NAFTA?

• (1745)

**Mr. John McKay:** Mr. Speaker, the short answer is that I do not. The issue is the form of cultural industry which appears to be in need of protection. I believe the minister is in the process of negotiating that form of cultural protection.

The issue really is to equally access and have a level playing field with respect to those industries which have either mass appeal or that need large capitalization. In this way we can have our cake and eat it too. Those industries which do not require that protection will not have it in the agreement.

*Supply*

**Mr. Jim Abbott (Kootenay—Columbia, Ref.):** Mr. Speaker, I find it unfortunate that some Liberals choose to say that the Reform Party is not out to protect Canadian culture. It is quite the contrary. The Reform Party recognizes that Canadian culture is a very valuable commodity to this country but cannot be protected with a broad instrument such as they are talking about.

A quote in the Ottawa *Citizen* on February 17 from Paris reads “Scores of French writers, film-makers and composers joined forces yesterday in Paris to defend their government cultural subsidies against the threat posed by a new global investment pact. They fear it will undermine its cultural identity”.

Protection goes both ways. French-speaking people who want to export Canadian culture will be stopped at the border of France if the MAI is under a broad cultural exemption. If that is what we want and what France has asked for, we will have a wonderful little fortress with our Canadian culture with a great big wall around it because we cannot get it out in spite of the fact that Canadians and Canadian artists are world class people. We want to give them the opportunity to be able to export.

**Mr. John McKay:** Mr. Speaker, I am somewhat disappointed in the member opposite in that it appears he has missed my major point. I will repeat it.

The major point is that the industries which feel they are in need of protection will obtain protection from this agreement. However, those cultural industries which are not in need of protection, such as the CanWest and Nordicity in this world, will not necessarily obtain it in the agreement.

My point is simple: We will have our cake and eat it too. That is the essence of good negotiations and good agreement.

**Mr. John Reynolds (West Vancouver—Sunshine Coast, Ref.):** Mr. Speaker, I have a very simple question. What the hon. member is saying is very good but he has heard some good comments from this side. The hon. member is a fair member and has been around for a while. Does he agree that this debate should come back to this House for a full debate by all members of Parliament and voted on so that all Canadians understand fully what the agreement is going to be about?

**Mr. John McKay:** Mr. Speaker, the minister has already said that and answered that question fully. It is an agreement of this country and goes through the normal parliamentary process. I do not know why the member needs to be concerned about that.

[Translation]

**Hon. Martin Cauchon (Secretary of State (Federal Office of Regional Development—Quebec), Lib.):** Mr. Speaker, I am proud to rise today on behalf of the government to speak to such a

delicate and important matter as the multilateral agreement on investment.

For Canada, the MAI is a fundamental agreement with regard to what we are as a society, not only in social terms but also in terms of economic development. On the subject of economic development, I would point out that Canada is a leader around the world. It is also a leader in the establishment and advancement of multilateral processes.

The vitality of our economic component speaks eloquently of our international interventions. Canada, whose foreign trade represents over 40% of GDP, is one of the biggest trading nations in the world in terms of the figures involved. This figure is the highest of that of any of the G-7 countries.

Secondly, Canada's favourable trade balance increased from \$7 billion in 1991 to \$41 billion in 1996. So this agreement on investment is very important for us.

I said we were and still are leaders in this area. In this regard, we could perhaps look back and consider the first free trade agreements. We could even consider the notion of free trade.

• (1750)

It will be recalled that the first discussions on free trade, on liberalization, date back to the turn of the century, with the first Prime Minister and leader of the Liberal Party of Canada, Wilfred Laurier. Then, in the aftermath of the second world war, there was as we know a surge in globalization. Certain structures were put into place, leading to the creation of the World Trade Organization or WTO, which started out as GATT.

We know that the purpose of the WTO is to regulate international trade, to make sure that the rules of the game, so to speak, are respected. It is increasingly evident now as we speak that economies are no longer strictly national, that they are subject to international rules.

The phenomenon of globalization is gaining strength. Obviously, even if the WTO is doing a good job with trade regulation and liberalization, through its own framework and through the various bilateral and multilateral trade agreements that may be signed, in this era of globalization there are other elements that must be taken into account.

This is why the Multilateral Agreement on Investment represents another important element. It is one we must have at any price, if Canadian companies are to enjoy more freedom on the international scene, to be able to invest more readily and more confidently, and consequently to ensure that the Canadian economy prospers and that we are able to continue to hold our own and to create quality jobs.

Those who are against this agreement decry the fact that the negotiations took place behind closed doors. I think that those who say that are trying to mislead people. As a government, we

announced the start of negotiations with the other countries involved in the discussions on May 24, 1995, three years ago. Since then our government and all the other governments involved have indicated their intention to reach an agreement.

My hon. colleague responsible for International Trade has also been working extremely hard with parliamentarians in order to develop a position that is strictly Canadian and will open up markets, while respecting our strictly Canadian values.

In this connection, I must refer to the three guiding principles underlying these discussions. The first element is that this is a totally open process, not a secret one.

Second, the goal is to provide a framework for what, in this era of globalization, is termed international investment, to provide rules, standards, that will offer some security to businesses with an eye to development on the international scene.

Third, we as a government will be signing an agreement that will respect the principles of Canadian society, that will respect our society's interests, and that will have job creation as its ultimate goal.

In fact, a closer scrutiny of the MAI shows that this is, essentially, an agreement which will provide businesses with a framework and, in some cases, will create regulations such as those already in place within the G-7.

The MAI will consist of a number of elements, three of which we would classify as fundamental. First, there is the question of the rule of expropriation.

• (1755)

It is self-evident that this is a fundamental rule, and must not be interpreted in such a way as to end up as a kind of hobble, if I may use that word, to our role as a government to regulate and legislate in the public interest.

My colleague responsible for international trade is perfectly aware of the importance of defining the terms "expropriation", "legislation" and "national regulation". He is aware too, because it works both ways, of the importance of those definitions for our companies when they wish to establish an international presence and when they invest in other countries.

The second important element is the protection of our freedom of action in areas that may be found at the very heart of Canadian society. We obviously are referring to health care, social programs, education, culture and programs for native peoples and minorities.

The third element is the status quo. In other words, it means that we will not accept any restriction in the areas indicated of the freedom of action we currently enjoy.

In conclusion, we are told by our negotiators in Paris— since everything is happening in Paris under the aegis of the OECD

### *Supply*

—that negotiations are going well and we may reasonably expect to reach an agreement that honours the points I have just mentioned and the nature of Canadian society.

In other words, if we leave things in the hands of time and the fine team of negotiators we have and with my colleague, the Minister for International Trade, we will reach an agreement that can only benefit Canadian society and all Canadian industries.

[*English*]

**Mr. Charlie Penson (Peace River, Ref.):** Mr. Speaker, before any multilateral agreement is agreed upon by the Canadian government, would this member favour this issue coming back to the House of Commons for debate? Would he favour allowing time for us to consult with our constituents, having a full debate in the House of Commons and voting upon it here in this House?

**Hon. Martin Cauchon:** Mr. Speaker, as I mentioned in my speech, the negotiations with regard to this agreement were announced three years ago. It is a custom with international agreements that negotiations are carried out on a sort of confidential basis. The member states involved in the negotiation of the agreement are discussing the issues among themselves. At the end of the process, they will reveal to their populations the contents of the agreement. The negotiations are underway.

As far as this government is concerned and as far as my colleague, the Minister for International Trade has been involved, we have been very open minded. We want to be sure of the principles in this agreement. At the end of the day if we decide to sign this agreement it will be because we have found some Canadian principles enshrined in the agreement. We will make sure those Canadian principles are good for—

**Mr. Charlie Penson:** Mr. Speaker, I rise on a point of order. We need some relevance here. I asked the question of whether the government would bring this issue back to the House for a vote in the House of Commons. I want an answer to my question.

**The Acting Speaker (Mr. McClelland):** In the opinion of the Chair, the hon. parliamentary secretary was on topic.

[*Translation*]

**Hon. Lorne Nystrom (Qu'Appelle, NDP):** Mr. Speaker, I have a question for my hon. colleague. The negotiations currently under way with the other countries are very important for our country's future.

• (1800)

Why not hold public hearings and allow a parliamentary committee to travel across the country? This matter is so important for Canadians as a whole. It is democratic to hold public hearings, to discover the opinions of Canadians across the country. Why not do that? It is a democratic thing to do.

*Supply*

I have a second question. There is a provision in the agreement that concerns me a great deal; it says that, should Canada sign the agreement, there would be no review for 20 years. Does the parliamentary secretary agree with that?

**Hon. Martin Cauchon:** Mr. Speaker, on the subject of consultation, I think my colleague for international trade was quite eloquent in his remarks on the government's consultation process.

As was pointed out, the agreement is essentially still under negotiation among the parties to the round table, and, as I mentioned earlier, under the aegis of the OECD.

On the second question, since the agreement is still being negotiated and has not yet been ratified, the question is a hypothetical one I cannot answer.

[*English*]

**Mr. John Reynolds (West Vancouver—Sunshine Coast, Ref.):** Mr. Speaker, when this negotiation is complete and the Government of Canada has made up its mind to sign on, will it bring it back to the House of Commons for a full debate of this House of Commons and a vote by all members of this House of Commons, yes or no?

**Hon. Martin Cauchon:** Mr. Speaker, how many seconds do I have? A minute. It is pretty amazing to see that the hon. member comes back with what I would call with all due respect a hypothetical question.

As I said, the negotiations are still under way. All the member states are still involved in the negotiation process. I would like to remind my colleague from the Reform Party that Canadians supported this government in the last election. They trust this government. The people of Canada know that my colleague responsible for this department is taking care of our Canadian principles. Let us give the negotiation process a chance and we will see afterward.

**Mr. Chuck Strahl (Fraser Valley, Ref.):** Mr. Speaker, we have seen in this last speaker and this last exchange between the opposition parties and the government exactly why this motion is before the House today. It was brought forward by the Reform Party not because we are not in favour of multilateral agreements, not because we are afraid of free trade, not because we do not think Canadians can compete, but because when this deal is done, it should be debated and discussed and voted on by the people Canada through their representatives here in the House of Commons.

When that is not done, is it any wonder that Canadians spend their time now in town hall meetings looking at one another wistfully saying "Has anybody heard anything about the MAI? Has anybody got a clue on the government side what this is all about?"

It is obvious. Three times now, many times during the day but certainly in this last go around here, there has been a point blank question, when this deal is completed, will the government bring it back to the House for debate and a vote. Then the hon. member from the Liberal side stands up and asks how long he has to answer that question. Is it yes or no? It reminds me of the famous quote by Winston Churchill that it is the people who control the government. Not the government, the people. That is what it should be.

Members on that side of the House seem to think it is a good idea for the government to control the people. Is it any wonder that in the upcoming byelection in Port Moody—Coquitlam, Lou Sekora, now the new found Liberal messiah, will come into the Port Moody—Coquitlam riding and says "This is an excellent opportunity for me to represent you in Ottawa".

What is he actually up against? Maybe he does not know. I do not know Lou Sekora, maybe he just does not know. Maybe he thinks he is going to run it like his mayor's chair. But he is up against the backroom boys. He is up against the smoky backrooms, the cooked up deal presented to the Canadian people as a fait accompli.

• (1805 )

We are all told to accept it like good little boys and girls. When the Liberals are finished concocting this thing in whatever format it might have, we are told to just accept it. Although for some reason we are not at the level to understand the deal, we have to accept it because the father Liberals will tell us it is okay. It is the ultimate in Ottawa sending a message to Port Moody—Coquitlam, British Columbia saying "We know what is best for you. Do not ask any questions".

Lou Sekora is going to find out in spades that is what he is up against within the Liberal caucus. Do not ask a question. Do not ruffle any feathers. Do not rock the boat. Just accept and then sell the completed deal back in our ridings. Do not for heaven's sake debate it here in the House of Commons. That is what he is up against. That is too bad.

It is too bad because this debate should be about the MAI. Even given the Liberals' reluctance to discuss this, we have learned more from the government side today about the MAI, the process and what they are up to than we have learned in the last two and a half years. It is too bad the minister got so partisan. If he had just answered the questions we would have learned quite a bit more about this deal than we have learned so far through the newspapers, through the rumour mill, through the wild imaginings of Maude Barlow and her crowd.

It is too bad because this debate really is about a very important subject for all Canadians. Free trade is important for Canadians if it is done right. Multilateral agreements on investment could be a good thing for Canada if they are done right.

*Supply*

The problem, and the reason this motion is before the House today, is that the government has not done it right. The process has been wrong. The process is flawed. The government has been very secretive. This secret in the government reminds me of an abscessed tooth. It just sits there and bothers you, it grates at you, antagonizes you and sticks the needle into you. It is a secret. A constituent, a voter wants to know what it is about and somebody says "No, no. It is a secret. You can't know". His jaw starts to ache. "What is it about those guys that is causing this bunion on my gums? What is it that is forcing me to feel so aggravated?"

It is the secrecy. They say, "You guys cannot know because you are only the voters, you are only the business people and you are only the constituents who have to live with the deal. Why should you have to know about it?"

I am kind of partial to knowing what is going on in the country, and not just because I am a member of Parliament. I have to live here too.

No wonder constituents are looking for answers. They are not getting them. That is secret, it is abscessing, it is getting worse and it is causing this government a lot of damage on the MAI because it has not been forthcoming with what should be going on.

What have we said in the Reform Party? Our trade critic has amply and adequately described it throughout the day during his questions and answers. Let me run through the principles that should be guiding this. What should be guiding it?

Openness in all multilateral agreements. Let us be open about it and allow debate. Let us allow votes. Let us allow discussion in a public forum, and this certainly is the most public of forums. Lots of information explaining the costs and the benefits of the deal.

I said before that an MAI could be a good thing for Canada. I think it should be a good thing for Canada. We need foreign investment. In turn we need to invest in other countries and so on. That could be and should be a good deal for Canada.

Another is public consultation. The minister's idea of public consultation with British Columbia at least is to hold a meeting at the Chateau Laurier in the British Columbia room. He thinks that you just throw the doors open in the Chateau Laurier, where of course all the British Columbians are known to wait in the morning to talk to the minister, you crawl down to the British Columbia room, you throw the buffet open and say "They have been consulted. The B.C. room was wide open. All of the British Columbians that could pour into that room on short notice were welcome to attend".

That is not consultation. That is more of that niggling little pointy part the dentist uses to get right into the filling. That is the part that just says "Gee, you guys in B.C., why not take that. How do you like that?"

The people who could not come to the British Columbia room at the Chateau Laurier are back in my province of British Columbia saying "I don't know what they are doing down there. They will not tell me what they are doing. They will not discuss it. They will not debate it. They will not vote on it when it comes to conclusion. They will not have a discussion in the House of Commons by the representatives we sent there". Instead, the six Liberal yes men and women they have in British Columbia come here and say "Well, let me just get that needle again and see if I can get it under the tooth and see if I can make you more comfortable". I think not. It is too bad.

• (1810)

**An hon. member:** It is five Liberals.

**Mr. Chuck Strahl:** Lou Sekora has trouble counting.

I conclude with a couple of comments that came from the minister of trade when he was in opposition. This is what he said about NAFTA. NAFTA is a very similar type of agreement as the MAI, we think, although we cannot know because they will not tell us. This is what he said about NAFTA:

Without any information and with the results clear as day on the free trade agreement, Canadians can only respond with a certain amount of genuine fear for themselves and their nation.

That is what he said in 1992 about the NAFTA agreement. He went on to say in *Hansard* on March 24, 1992, in opposition that Canadians must be part of the equation. I guess that means at the British Columbia room at the Chateau Laurier:

Canadians must be part of the equation. They cannot be told at the end this is good for them. Canadians must decide for themselves, in conjunction with the Parliament, what is good for themselves, their children and the future of the country.

That is what this motion of ours is about today. Sure we condemn the government. Sure we say that it has mishandled this file. The reason is obvious. Canadians have said this secrecy, this way of giving us the *fait accompli* at the end of the process is not the way to negotiate international agreements and expect the Canadian people to buy into it.

That is the problem. The toothache, the secrecy, goes on too often, too long and the debates here are simply a rubber stamp instead of a meaningful debate and a meaningful vote. That should change. This motion is to address that issue and try to get the debate on the MAI at least started because the government has failed at every step of the way in having meaningful debate on the MAI, one of the most important agreements ever to face this country.

**Ms. Elinor Caplan (Thornhill, Lib.):** Mr. Speaker, I have a very serious question for the member opposite. I too believe it is important to have discussions in ridings across this country. I am having a town hall meeting on the multilateral agreement on

*Supply*

investment, an open forum, publicized in newspapers, as are many people.

My question for this member who speaks so sanctimoniously about how terrible it is to invite people to Ottawa is why has he as the whip of his party not spoken to Grant Hill? The health committee of this House of Commons wants to travel on the issue of natural products and substances. We had a proposal that was approved by the Board of Internal Economy and only because your member refused were we able to travel the country to listen to the views and concerns of people in Vancouver, Winnipeg, Halifax and other parts of this country where the committee wanted to go.

I ask the member, who is the whip of his party, why has he not spoken to Grant Hill and given—

**The Acting Speaker (Mr. McClelland):** Hon. members, a couple of things. Before we give the member for Fraser Valley an opportunity to respond, we do not refer to other members by name in the House. Also, the Chair cannot recognize members unless they are in their place. A 50 second response, the hon. member for Fraser Valley.

**Mr. Chuck Strahl:** Mr. Speaker, I do not know what to say to the hon. member. I do not know why she is trying to divert this debate on to natural products. It was her health minister who started the whole fracas on the natural food products. It was her minister who tried to stymie people who wanted to get access to natural products. It was her minister that put the health police against the health inspector. But I do not want to get excited about that.

Instead, I just want to say again that the opportunity to debate in public forums has to be done across the country on all kinds of issues. If the member wants to talk about natural products, we can get off on that tangent but I am unwilling to at this time.

The MAI should be discussed in public forums. When it is finally discussed and negotiated, then the final debate, the final public consultation happens here in the House of Commons and a vote to ratify it takes place in this House.

• (1815)

**The Acting Speaker (Mr. McClelland):** It being 6.15 p.m., it is my duty to interrupt the proceedings and put forthwith every question necessary to dispose of the business of supply.

The question is on the amendment. Is it the pleasure of the House to adopt the amendment?

**Some hon. members:** Agreed.

**Some hon. members:** No.

**The Acting Speaker (Mr. McClelland):** All those in favour of the amendment will please say yea.

**Some hon. members:** Yea.

**The Acting Speaker (Mr. McClelland):** All those opposed will please say nay.

**Some hon. members:** Nay.

**The Acting Speaker (Mr. McClelland):** In my opinion the yeas have it.

*And more than five members having risen:*

**The Acting Speaker (Mr. McClelland):** Call in the members.

• (1845)

(The House divided on the amendment, which was negatived on the following division:)

*(Division No. 90)*

## YEAS

## Members

Abbott	Ablonczy
Alarie	Anders
Bachand (Richmond—Arthabaska)	Bachand (Saint-Jean)
Bailey	Bellehumeur
Benoit	Bernier (Bonaventure—Gaspé—
Îles-de-la-Madeleine—Pabok)	Bernier (Tobique—Mactaquac)
Bigras	Borotsik
Breitkreuz (Yellowhead)	Breitkreuz (Yorkton—Melville)
Brien	Brison
Cadman	Casey
Casson	Charest
Chrétien (Frontenac—Mégantic)	Crête
Dalphonf-Guiral	Davies
de Savoye	Debien
Desjarlais	Desrochers
Doyle	Dubé (Madawaska—Restigouche)
Duncan	Elley
Epp	Gagnon
Gauthier	Gilmour
Girard-Bujold	Godin (Acadie—Bathurst)
Golding	Grewal
Grey (Edmonton North)	Guay
Guimond	Hanger
Harvey	Herron
Hill (Macleod)	Hill (Prince George—Peace River)
Hilstrom	Hoeppner
Jaffer	Johnston
Jones	Keddy (South Shore)
Kenney (Calgary-Sud-Est)	Kerpan
Konrad	Laliberte
Lalonde	Laurin
Lebel	Lefebvre
Lill	Loubier
Lowther	Lunn
MacKay (Pictou—Antigonish—Guysborough)	Manning
Marceau	Marchand
Mark	Martin (Esquimalt—Juan de Fuca)
Matthews	Mayfield
McDonough	McNally
Meredith	Mills (Red Deer)
Morrison	Nunziata
Nystrom	Obhrai
Pankiw	Penson
Perron	Picard (Drummond)
Plamondon	Power
Price	Proctor
Ramsay	Reynolds
Riis	Ritz

*Supply*

## PAIRED MEMBERS

Robinson  
Solberg  
St-Hilaire  
St-Jacques  
Strahl  
Thompson (Wild Rose)  
Vellacott  
Wasylycia-Leis  
White (Langley—Abbotsford)  
Williams—114

Schmidt  
Solomon  
Stinson  
Stoffer  
Thompson (Charlotte)  
Turp  
Venne  
Wayne  
White (North Vancouver)

Assad  
Bergeron  
Canuel  
Cullen  
Duceppe  
Eggleton  
Fournier  
Goodale  
Ménard  
Peterson  
Telegdi  
Tremblay (Rimouski—Mitis)

Asselin  
Cannis  
Copp  
Dubé (Lévis)  
Dumais  
Fontana  
Godin (Châteauguay)  
Martin (LaSalle—Émard)  
O'Brien (Labrador)  
Sauvageau  
Tremblay (Lac-Saint-Jean)  
Volpe

## NAYS

## Members

Adams  
Anderson  
Augustine  
Baker  
Barnes  
Bélaïr  
Bellemare  
Bertrand  
Blondin-Andrew  
Bonwick  
Bradshaw  
Bulte  
Caccia  
Caplan  
Catterall  
Chamberlain  
Charbonneau  
Clouthier  
Cohen  
Comuzzi  
Dhaliwal  
Discepola  
Drouin  
Easter  
Finlay  
Fry  
Gallaway  
Graham  
Guarnieri  
Harvard  
Ianno  
Jennings  
Karetak-Lindell  
Keys  
Kilgour (Edmonton Southeast)  
Kraft Sloan  
Lavigne  
Leung  
Longfield  
Mahoney  
Maloney  
Marchi  
Massé  
McGuire  
McLellan (Edmonton West)  
McWhinney  
Mills (Broadview—Greenwood)  
Mitchell  
Myers  
Normand  
O'Reilly  
Paradis  
Patry  
Pettigrew  
Pickard (Kent—Essex)  
Pratt  
Provenzano  
Reed  
Robillard  
Saada  
Serré  
Speller  
Steckle  
Stewart (Northumberland)  
Szabo  
Torsney  
Valeri  
Wappel  
Wilfert

Alcock  
Assadourian  
Axworthy (Winnipeg South Centre)  
Bakopanos  
Beaumier  
Bélangier  
Bennett  
Bevilacqua  
Bonin  
Boudria  
Brown  
Byrne  
Calder  
Carroll  
Cauchon  
Chan  
Chrétien (Saint-Maurice)  
Coderre  
Collenette  
DeVillers  
Dion  
Dromisky  
Duhamel  
Finestone  
Folco  
Gagliano  
Godfrey  
Grose  
Harb  
Hubbard  
Jackson  
Jordan  
Karygiannis  
Kilger (Stormont—Dundas)  
Knutson  
Lastewka  
Lee  
Lincoln  
MacAulay  
Malhi  
Manley  
Marleau  
McCormick  
McKay (Scarborough East)  
McTeague  
Mifflin  
Minna  
Murray  
Nault  
O'Brien (London—Fanshawe)  
Pagtakhan  
Parrish  
Peric  
Phinney  
Pillitteri  
Proud  
Redman  
Richardson  
Rock  
Scott (Fredericton)  
Shepherd  
St. Denis  
Stewart (Brant)  
St-Julien  
Thibeault  
Ur  
Vanclief  
Whelan  
Wood—138

**The Speaker:** I declare the amendment defeated.

[*Translation*]

**Mr. Bob Kilger:** Mr. Speaker, I believe you would find unanimous consent to apply the results of the previous vote to the main motion.

[*English*]

**The Speaker:** Is there unanimous consent?

**Some hon. members:** Agreed.

[*Editor's Note: See list under Division No. 090*]

**The Speaker:** I declare the motion lost.

## ALLOTTED DAY—BRAIN DRAIN

The House resumed from February 18 consideration of the motion and of the amendment.

**The Speaker:** The House will now proceed to the taking of several deferred recorded divisions. Pursuant to order made Tuesday, February 17, 1998, the House will now proceed to the taking of the deferred recorded division on the amendment relating to the business of supply.

**Mr. Bob Kilger:** Mr. Speaker, I propose that you seek unanimous consent that members who voted on the previous motion be recorded as having voted on the amendment now before the House, with Liberal members voting nay.

**The Speaker:** Is there agreement to proceed in this fashion?

**Some hon. members:** Agreed.

**Mr. Chuck Strahl:** Mr. Speaker, Reform Party members present will vote yes to this amendment.

[*Translation*]

**Mrs. Madeleine Dalfond-Guiral:** Mr. Speaker, members of the Bloc Québécois will vote yea.

*Supply**[English]*

**Mr. John Solomon:** Mr. Speaker, members of the NDP present this evening vote no.

*[Translation]*

**Mr. André Harvey:** Mr. Speaker, members of our party will be voting in favour of the motion.

• (1850)

*[English]*

**Mr. John Nunziata:** Mr. Speaker, on behalf of all the independents in the House I vote yea.

(The House divided on the amendment, which was negated on the following division:)

*(Division No. 91)***YEAS**

## Members

Abbott	Ablonczy
Alarie	Anders
Bachand (Richmond—Arthabaska)	Bachand (Saint-Jean)
Bailey	Bellehumeur
Benoit	Bernier (Bonaventure—Gaspé—
Îles-de-la-Madeleine—Pabok)	Bernier (Tobique—Mactaquac)
Bigras	Borotsik
Breitkreuz (Yellowhead)	Breitkreuz (Yorkton—Melville)
Brien	Brison
Cadman	Casey
Casson	Charest
Chrétien (Frontenac—Mégantic)	Crête
Dalphond-Guiral	de Savoye
Debien	Desrochers
Doyle	Dubé (Madawaska—Restigouche)
Duncan	Elley
Epp	Gagnon
Gauthier	Gilmour
Girard-Bujold	Goldring
Grewal	Grey (Edmonton North)
Guay	Guimond
Hangar	Harvey
Herron	Hill (Macleod)
Hill (Prince George—Peace River)	Hilstrom
Hoepfner	Jaffer
Johnston	Jones
Keddy (South Shore)	Kenney (Calgary-Sud-Est)
Kerpan	Konrad
Lalonde	Laurin
Lebel	Lefebvre
Loubier	Lowther
Lunn	MacKay (Pictou—Antigonish—Guysborough)
Manning	Marceau
Marchand	Mark
Martin (Esquimalt—Juan de Fuca)	Matthews
Mayfield	McNally
Meredith	Mills (Red Deer)
Morrison	Nunziata
Obhrai	Pankiw
Penson	Perron
Picard (Drummond)	Plamondon
Power	Price
Ramsay	Reynolds
Ritz	Schmidt
Solberg	St-Hilaire
Stinson	St-Jacques
Strahl	Thompson (Charlotte)
Thompson (Wild Rose)	Turp
Vellacott	Venne
Wayne	White (Langley—Abbotsford)
White (North Vancouver)	Williams—101

**NAYS**

## Members

Adams	Alcock
Anderson	Assadourian
Augustine	Axworthy (Winnipeg South Centre)
Baker	Bakopanos
Barnes	Beaumier
Bélair	Bélanger
Bellemare	Bennett
Bertrand	Bevilacqua
Blondin-Andrew	Bonin
Bonwick	Boudria
Bradshaw	Brown
Bulte	Byrne
Caccia	Calder
Caplan	Carroll
Catterall	Cauchon
Chamberlain	Chan
Charbonneau	Chrétien (Saint-Maurice)
Clouthier	Coderre
Cohen	Collenette
Comuzzi	Davies
Desjarlais	DeVillers
Dhaliwal	Dion
Discepolo	Dromisky
Drouin	Duhamel
Easter	Finestone
Finlay	Folco
Fry	Gagliano
Galloway	Godfrey
Godin (Acadie—Bathurst)	Graham
Grose	Guarnieri
Harb	Harvard
Hubbard	Ianno
Jackson	Jennings
Jordan	Karetak-Lindell
Karygiannis	Keyes
Kilger (Stormont—Dundas)	Kilgour (Edmonton Southeast)
Knutson	Kraft Sloan
Laliberte	Lastewka
Lavigne	Lee
Leung	Lill
Lincoln	Longfield
MacAulay	Mahoney
Malhi	Maloney
Manley	Marchi
Marleau	Massé
McCormick	McDonough
McGuire	McKay (Scarborough East)
McLellan (Edmonton West)	McTeague
McWhinney	Miffiin
Mills (Broadview—Greenwood)	Minna
Mitchell	Murray
Myers	Nault
Normand	Nystrom
O'Brien (London—Fanshawe)	O'Reilly
Pagtakhan	Paradis
Parrish	Patry
Peric	Pettigrew
Phinney	Pickard (Kent—Essex)
Pillitteri	Pratt
Proctor	Proud
Provenzano	Redman
Reed	Richardson
Riis	Robillard
Robinson	Rock
Saada	Scott (Fredericton)
Serré	Shepherd
Solomon	Speller
St. Denis	Steckle
Stewart (Brant)	Stewart (Northumberland)
St-Julien	Stoffer
Szabo	Thibeault
Torsney	Ur
Valeri	Vanclief
Wappel	Wasylcia-Leis
Whelan	Wilfert
Wood—151	

**PAIRED MEMBERS**

Assad	Asselin
Bergeron	Cannis
Canuel	Copps
Cullen	Dubé (Lévis)
Duceppe	Dumas
Eggleton	Fontana

*Government Orders*

Fournier  
Goodale  
Ménard  
Peterson  
Telegdi  
Tremblay (Rimouski—Mitis)

Godin (Châteauguay)  
Martin (LaSalle—Émard)  
O'Brien (Labrador)  
Sauvageau  
Tremblay (Lac-Saint-Jean)  
Volpe

**The Speaker:** I declare the amendment lost. The next question is on the main motion.

**Mr. Bob Kilger:** Mr. Speaker, I believe you would find consent to apply the results of the vote just taken to the main motion.

**The Speaker:** Is there agreement to proceed in this fashion?

**Some hon. members:** Agreed.

[*Editor's Note: See list under Division No. 091*]

**The Speaker:** I declare the motion defeated.

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## GOVERNMENT ORDERS

[*English*]

### SMALL BUSINESS LOANS ACT

The House resumed from February 19 consideration of the motion that Bill C-21, an act to amend the Small Business Loans Act, be read the second time and referred to a committee.

[*Translation*]

**The Speaker:** The House will now proceed to the taking of the deferred recorded division on the motion for second reading stage of Bill C-21.

**Mr. Bob Kilger:** Mr. Speaker, I think you will find unanimous consent to have members who voted on the preceding motion recorded as having voted on the motion now before the House, with Liberal members voting yea.

[*English*]

**The Speaker:** Is there agreement to proceed in this fashion?

**Some hon. members:** Agreed.

**Mr. Chuck Strahl:** Mr. Speaker, Reform Party members present will vote no on this motion.

[*Translation*]

**Mrs. Madeleine Dalphond-Guiral:** Members of the Bloc Québécois will be voting yea, Mr. Speaker.

[*English*]

**Mr. John Solomon:** Mr. Speaker, members of the NDP present vote yes on this motion.

[*Translation*]

**Mr. André Harvey:** Members of our party are voting in favour of this motion, Mr. Speaker.

[*English*]

**Mr. John Nunziata:** Mr. Speaker, on behalf of the small business people in York South—Weston I will be voting with the government on this motion.

(The House divided on the motion, which was agreed to on the following division:)

(*Division No. 92*)

## YEAS

### Members

Adams	Alarie
Alcock	Anderson
Assadourian	Augustine
Axworthy (Winnipeg South Centre)	Bachand (Richmond—Arthabaska)
Bachand (Saint-Jean)	Baker
Bakopanos	Barnes
Beaumier	Bélair
Bélangier	Bellehumeur
Bellemare	Bennett
Bernier (Bonaventure—Gaspé—Îles-de-la-Madeleine—Pabok)	Bertrand
Bernier (Tobique—Mactaquac)	Bigras
Bevilacqua	Bonin
Blondin-Andrew	Borotsik
Bonwick	Bradshaw
Boudria	Brison
Brien	Bulte
Brown	Caccia
Byrne	Caplan
Calder	Casey
Carroll	Cauchon
Catterall	Chan
Chamberlain	Charest
Charbonneau	Chrétien (Saint-Maurice)
Chrétien (Frontenac—Mégantic)	Coderre
Clouthier	Collenette
Cohen	Crête
Comuzzi	Davies
Dalphond-Guiral	Debien
de Savoye	Desrochers
Desjarlais	Dhaliwal
DeVillers	Discepola
Dion	Dromisky
Doyle	Dubé (Madawaska—Restigouche)
Drouin	Easter
Duhamel	Finlay
Finestone	Fry
Folco	Gagnon
Gagliano	Gauthier
Galloway	Godfrey
Girard-Bujold	Graham
Godin (Acadie—Bathurst)	Guarnieri
Grose	Guimond
Guay	Harvard
Harb	Herron
Harvey	Ianno
Hubbard	Jennings
Jackson	Jordan
Jones	Karygiannis
Karetak-Lindell	Keyes
Keddy (South Shore)	Kilgour (Edmonton Southeast)
Kilger (Stormont—Dundas)	Kraft Sloan
Knutson	Lalonde
Laliberte	Laurin
Lastewka	

*Government Orders*

Lavigne	Lebel
Lee	Lefebvre
Leung	Lill
Lincoln	Longfield
Loubier	MacAulay
MacKay (Pictou—Antigonish—Guysborough)	Mahoney
Malhi	Maloney
Manley	Marceau
Marchand	Marchi
Marleau	Massé
Matthews	McCormick
McDonough	McGuire
McKay (Scarborough East)	McLellan (Edmonton West)
McTeague	McWhinney
Mifflin	Mills (Broadview—Greenwood)
Minna	Mitchell
Murray	Myers
Nault	Normand
Nunziata	Nystrom
O'Brien (London—Fanshawe)	O'Reilly
Pagtakhan	Paradis
Parrish	Patry
Peric	Perron
Pettigrew	Phinney
Picard (Drummond)	Pickard (Kent—Essex)
Pillitteri	Plamondon
Power	Pratt
Price	Proctor
Proud	Provenzano
Redman	Reed
Richardson	Riis
Robillard	Robinson
Rock	Saada
Scott (Fredericton)	Serré
Shepherd	Solomon
Speller	St. Denis
Steckle	Stewart (Brant)
Stewart (Northumberland)	St-Hilaire
St-Jacques	St-Julien
Stoffer	Szabo
Thibeault	Thompson (Charlotte)
Torsney	Turp
Ur	Valeri
Vanclief	Venne
Wappel	Wasylycia-Leis
Wayne	Whelan
Wilfert	Wood—201

## NAYS

## Members

Abbott	Ablonczy
Anders	Bailey
Benoit	Breitkreuz (Yellowhead)
Breitkreuz (Yorkton—Melville)	Cadman
Casson	Duncan
Elley	Epp
Gilmour	Goldring
Grewal	Grey (Edmonton North)
Hanger	Hill (Macleod)
Hill (Prince George—Peace River)	Hilstrom
Hoepfner	Jaffer
Johnston	Kenney (Calgary-Sud-Est)
Kerpan	Konrad
Lowther	Lunn
Manning	Mark
Martin (Esquimalt—Juan de Fuca)	Mayfield
McNally	Meredith
Mills (Red Deer)	Morrison
Obhrai	Pankiw
Penson	Ramsay
Reynolds	Ritz
Schmidt	Solberg
Stinson	Strahl
Thompson (Wild Rose)	Vellacott
White (Langley—Abbotsford)	White (North Vancouver)
Williams—51	

## PAIRED MEMBERS

Assad	Asselin
Bergeron	Cannis
Canuel	Copps
Cullen	Dubé (Lévis)
Duceppe	Dumas
Eggleton	Fontana
Fournier	Godin (Châteauguay)
Goodale	Martin (LaSalle—Émard)
Ménard	O'Brien (Labrador)
Peterson	Sauvageau
Telegdi	Tremblay (Lac-Saint-Jean)
Tremblay (Rimouski—Mitis)	Volpe

**The Speaker:** I declare the motion carried.

(Bill read the second time and referred to a committee)

\* \* \*

[Translation]

## THE CANADA SHIPPING ACT

The House resumed from February 19 consideration of the motion that Bill S-4, an act to amend the Canada Shipping Act (maritime liability), be read the second time and referred to a committee; and of the amendment.

**The Speaker:** The House will now proceed to the taking of the deferred division on the amendment to the motion for second reading of Bill S-4.

The question is on the amendment.

[English]

**Mr. Bob Kilger:** Mr. Speaker, I propose that you seek unanimous consent that members who voted on the previous motion be recorded as having voted on the amendment now before the House, with Liberal members voting nay.

**The Speaker:** Is there agreement to proceed in such a fashion?

**Some hon. members:** Agreed.

**Mr. Chuck Strahl:** Mr. Speaker, because this bill originated in the Senate, the official opposition will vote yes to this amendment.

[Translation]

**Mrs. Madeleine Dalphond-Guiral:** Mr. Speaker, Bloc Québécois members will vote yea.

[English]

**Mr. John Solomon:** Mr. Speaker, members of the NDP will vote yes on this amendment.

[Translation]

**Mr. André Harvey:** Mr. Speaker, members of our party will be voting against the motion.

• (1855)

[English]

**Mr. John Nunziata:** Mr. Speaker, I agree that the bill should originate here. I vote yes to the amendment.

(The House divided on the amendment, which was negated on the following division:)

(Division No. 93)

YEAS

Members

Abbott	Ablonczy
Alarie	Anders
Bachand (Saint-Jean)	Bailey
Bellehumeur	Benoit
Bernier (Bonaventure—Gaspé—Îles-de-la-Madeleine—Pabok)	Breitkreuz (Yellowhead)
Bigras	Brien
Breitkreuz (Yorkton—Melville)	Casson
Cadman	Crête
Chrétien (Frontenac—Mégantic)	Davies
Dalphond-Guiral	Debien
de Savoye	Desrochers
Desjarlais	Elley
Duncan	Gagnon
Epp	Gilmour
Gauthier	Godin (Acadie—Bathurst)
Girard-Bujold	Grewal
Goldring	Guay
Grey (Edmonton North)	Hanger
Guimond	Hill (Prince George—Peace River)
Hill (MacLeod)	Hoepfner
Hilstrom	Johnston
Jaffer	Kerpan
Kenney (Calgary-Sud-Est)	Laliberte
Konrad	Laurin
Lalonde	Lefebvre
Lebel	Loubier
Lill	Lunn
Lowther	Marceau
Manning	Mark
Marchand	Mayfield
Martin (Esquimalt—Juan de Fuca)	McNally
McDonough	Mills (Red Deer)
Meredith	Nunziata
Morrison	Obhrai
Nystrom	Penson
Pankiw	Picard (Drummond)
Perron	Proctor
Plamondon	Reynolds
Ramsay	Ritz
Riis	Schmidt
Robinson	Solomon
Solberg	Stinson
St-Hilaire	Strahl
Stoffer	Turp
Thompson (Wild Rose)	Venne
Véllacott	White (Langley—Abbotsford)
Wasylycia-Leis	Williams—95
White (North Vancouver)	

NAYS

Members

Adams	Alcock
Anderson	Assadourian
Augustine	Axworthy (Winnipeg South Centre)
Bachand (Richmond—Arthabaska)	Baker
Bakopanos	Barnes
Beaumier	Béclair
Bélanger	Bellemare
Bennett	Bernier (Tobique—Mactaquac)
Bertrand	Bevilacqua
Blondin-Andrew	Bonin
Bonwick	Borotsik
Boudria	Bradshaw

Government Orders

Brisson	Brown
Bulte	Byrne
Caccia	Calder
Caplan	Carroll
Casey	Catterall
Cauchon	Chamberlain
Chan	Charbonneau
Charest	Chrétien (Saint-Maurice)
Clouthier	Coderre
Cohen	Collenette
Comuzzi	DeVillers
Dhaliwal	Dion
Discepola	Doyle
Dromisky	Drouin
Dubé (Madawaska—Restigouche)	Duhamel
Easter	Finstone
Finlay	Folco
Fry	Gagliano
Galloway	Godfrey
Graham	Grose
Guarnieri	Harb
Harvard	Harvey
Herron	Hubbard
Ianno	Jackson
Jennings	Jones
Jordan	Karetak-Lindell
Karygiannis	Keddy (South Shore)
Keys	Kilger (Stormont—Dundas)
Kilgour (Edmonton Southeast)	Knutsen
Brien	Lastewka
Kraft Sloan	Lee
Lavigne	Lincoln
Leung	MacAulay
Longfield	Mahoney
MacKay (Pictou—Antigonish—Guysborough)	Maloney
Malhi	Marchi
Manley	Massé
Marleau	McCormick
Matthews	McKay (Scarborough East)
McGuire	McTeague
McLellan (Edmonton West)	Mifflin
McWhinney	Minna
Mills (Broadview—Greenwood)	Murray
Mitchell	Nault
Myers	O'Brien (London—Fanshawe)
Normand	Pagtakhan
O'Reilly	Parrish
Paradis	Peric
Patry	Phinney
Pettigrew	Pillitteri
Pickard (Kent—Essex)	Pratt
Power	Proud
Price	Redman
Provenzano	Richardson
Reed	Rock
Robillard	Scott (Fredericton)
Saada	Shepherd
Serré	St. Denis
Speller	Stewart (Brant)
Steckle	St-Jacques
Stewart (Northumberland)	Szabo
St-Julien	Thompson (Charlotte)
Thibeault	Ur
Torsney	Vanclief
Valeri	Wayne
Wappel	Wilfert
Whelan	
Wood—157	

PAIRED MEMBERS

Assad	Asselin
Bergeron	Cannis
Canuel	Copps
Cullen	Dubé (Lévis)
Duceppe	Dumas
Eggleton	Fontana
Fournier	Godin (Châteauguay)
Goodale	Martin (LaSalle—Émard)
Ménard	O'Brien (Labrador)
Peterson	Sauvageau
Telegdi	Tremblay (Lac-Saint-Jean)
Tremblay (Rimouski—Mitis)	Volpe

*Government Orders*

**The Speaker:** I declare the amendment lost.

The next question is on the main motion.

**Mr. Bob Kilger:** Mr. Speaker, I propose that you seek unanimous consent that members who voted on the previous motion be recorded as having voted on the motion now before the House, with Liberal members voting yea.

**The Speaker:** Does the House give its consent to proceed in such a fashion?

**Some hon. members:** Agreed.

**Mr. Chuck Strahl:** Mr. Speaker, Reform Party members present will vote yes to this motion.

[*Translation*]

**Mrs. Madeleine Dalphond-Guiral:** Mr. Speaker, Bloc Québécois members will be voting yea.

[*English*]

**Mr. John Solomon:** Mr. Speaker, members of the NDP vote yes on this motion.

[*Translation*]

**Mr. André Harvey:** Mr. Speaker, members of our party will be voting in favour of the motion.

[*English*]

**Mr. John Nunziata:** Mr. Speaker, I will make that unanimous. I vote yes.

(The House divided on the motion, which was agreed to on the following division:)

(*Division No. 94*)

## YEAS

## Members

Abbott	Ablonczy
Adams	Alarie
Alcock	Anders
Anderson	Assadourian
Augustine	Axworthy (Winnipeg South Centre)
Bachand (Richmond—Arthabaska)	Bachand (Saint-Jean)
Bailey	Baker
Bakopanos	Barnes
Beaumier	Bélair
Bélangier	Bellehumeur
Bellemare	Bennett
Benoit	Bernier (Bonaventure—Gaspé—
Îles-de-la-Madeleine—Pabok)	Bernier (Tobique—Mactaquac)
Bertrand	Bevilacqua
Bigras	Blondin-Andrew
Bonin	Bonwick
Borotsik	Boudria

Bradshaw	Breitkreuz (Yellowhead)
Breitkreuz (Yorkton—Melville)	Brien
Brisson	Brown
Bulte	Byrne
Caccia	Cadman
Calder	Caplan
Carroll	Casey
Casson	Catterall
Cauchon	Chamberlain
Chan	Charbonneau
Charest	Chrétien (Frontenac—Mégantic)
Chrétien (Saint-Maurice)	Clouthier
Coderre	Cohen
Collenette	Comuzzi
Crête	Dalphond-Guiral
Davies	de Savoye
Debien	Desjarlais
Desrochers	De Villers
Dhaliwal	Dion
Discepola	Doyle
Dromisky	Drouin
Dubé (Madawaska—Restigouche)	Duhamel
Duncan	Easter
Elley	Epp
Finestone	Finlay
Folco	Fry
Gagliano	Gagnon
Galloway	Gauthier
Gilmour	Girard-Bujold
Godfrey	Godin (Acadie—Bathurst)
Goldring	Graham
Grewal	Grey (Edmonton North)
Grose	Guarnieri
Guay	Guimond
Hanger	Harb
Harvard	Harvey
Herron	Hill (Macleod)
Hill (Prince George—Peace River)	Hilstrom
Hoepfner	Hubbard
Ianno	Jackson
Jaffer	Jennings
Johnston	Jones
Jordan	Karetak-Lindell
Karygiannis	Keddy (South Shore)
Kenney (Calgary-Sud-Est)	Kerpan
Keyes	Kilger (Stormont—Dundas)
Kilgour (Edmonton Southeast)	Knutson
Konrad	Kraft Sloan
Laliberte	Lalonde
Lastewka	Laurin
Lavigne	Lebel
Lee	Lefebvre
Leung	Lill
Lincoln	Longfield
Loubier	Lowther
Lunn	MacAulay
MacKay (Pictou—Antigonish—Guysborough)	Maloney
Malhi	Maloney
Manley	Manning
Marceau	Marchand
Marchi	Mark
Marleau	Martin (Esquimalt—Juan de Fuca)
Massé	Matthews
Mayfield	McCormick
McDonough	McGuire
McKay (Scarborough East)	McLellan (Edmonton West)
McNally	McTeague
McWhinney	Meredith
Mifflin	Mills (Broadview—Greenwood)
Mills (Red Deer)	Minna
Mitchell	Morrison
Murray	Myers
Nault	Normand
Nunziata	Nystrom
Obhrai	O'Brien (London—Fanshawe)
O'Reilly	Pagtakhan
Pankiw	Paradis
Parrish	Parry
Penson	Peric
Perron	Pettigrew
Phinney	Picard (Drummond)
Pickard (Kent—Essex)	Pillitteri

*Adjournment Debate***ADJOURNMENT PROCEEDINGS**

Plamondon  
Pratt  
Proctor  
Provenzano  
Redman  
Reynolds  
Riis  
Robillard  
Rock  
Schmidt  
Serré  
Solberg  
Speller  
Steckle  
Stewart (Northumberland)  
Stinson  
St-Julien  
Strahl  
Thibeault  
Thompson (Wild Rose)  
Turp  
Valeri  
Vellacott  
Wappel  
Wayne  
White (Langley—Abbotsford)  
Wilfert  
Wood—252

Power  
Price  
Proud  
Ramsay  
Reed  
Richardson  
Ritz  
Robinson  
Saada  
Scott (Fredericton)  
Shepherd  
Solomon  
St. Denis  
Stewart (Brant)  
St-Hilaire  
St-Jacques  
Stoffer  
Szabo  
Thompson (Charlotte)  
Torsney  
Ur  
Vanclief  
Venne  
Wasylcyia-Leis  
Whelan  
White (North Vancouver)  
Williams

• (1900)

[*English*]

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

## POVERTY

**Ms. Libby Davies (Vancouver East, NDP):** Mr. Speaker, my question for the minister in December drew attention to the fact that yet another report graphically portrayed the tragedy of a million and a half Canadian children living in poverty in Canada.

There have been too many reports from the Canadian Association of Food Banks, the Canadian Council on Social Development, Campaign 2000 and others. All of these reports point to the same thing, that the Liberal government has failed to address poverty.

In fact, the situation is much worse than when this House passed a resolution unanimously in 1989 to eliminate child poverty by the year 2000. The only thing that the Liberal government has offered and has announced about four times is the national child tax benefit.

But even the child tax benefit is woefully inadequate. The \$850 million promised for the child tax benefit will not in any way compensate for the regressive policies of the Liberal government, nor the cutbacks in funding for social assistance of 40%.

As the benefit has been proposed, people on welfare will receive no additional funds. While the funds will initially be distributed to every child below a specified income level, provincial governments will deduct that amount from current welfare payments. This means that welfare poor children and their families will gain absolutely nothing from the government plan.

Despite government assurances that no child will be worse off under the plan, anti-poverty activists have real concerns regarding the implications and the messages that this segregation of working poor from welfare poor entails.

Without a commitment to a comprehensive anti-poverty agenda, the national child benefit is a band-aid solution that actually acts to depress wages and further marginalize poor people. Children are poor because their parents are poor. Eliminating child and family poverty will require a comprehensive strategy that must include other essentials such as job creation, housing, child care, training and post-secondary education.

The lack of affordable child care is a particular concern because the benefit is structured to push low income mothers into the workforce without providing funding for quality child care options.

**NAYS**

Members

Nil/aucun

**PAIRED MEMBERS**

Assad  
Bergeron  
Canuel  
Cullen  
Duceppe  
Eggleton  
Fournier  
Goodale  
Ménard  
Peterson  
Telegdi  
Tremblay (Rimouski—Mitis)

Asselin  
Cannis  
Coppis  
Dubé (Lévis)  
Dumas  
Fontana  
Godin (Châteauguay)  
Martin (LaSalle—Émard)  
O'Brien (Labrador)  
Sauvageau  
Tremblay (Lac-Saint-Jean)  
Volpe

**The Speaker:** I declare the motion carried

(Bill read the second time and referred to a committee)

\* \* \*

**BUSINESS OF THE HOUSE**

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

That on Thursday, February 26, 1998, notwithstanding any standing order:

1. The House shall meet at 8.30 a.m. for the purpose of considering Government Orders.
2. The daily routine of business, members' statements and oral questions shall take place at the usual times.
3. Any questions required to be put on that day pursuant to Standing Order 84 shall be put no later than 4.45 p.m.
4. The House shall then adjourn immediately after the question referred to in part 3 above is decided.

(Motion agreed to)

*Adjournment Debate*

The federal government has consistently put child care on the back burner despite promises to the contrary. There is no discussion and no plans that we have seen about strengthening child care as a complement to the child benefit.

We call on the government to review its child tax benefit and to acknowledge and recognize that this benefit is woefully inadequate and will not in any way compensate or substitute for the cutbacks that we have experienced.

If the government is committed to eliminating poverty in this country and helping poor children and their families, then we must at the very least ensure that this child tax benefit has adequate funds, is fully indexed and also applies to families on welfare.

**Mr. Robert D. Nault (Parliamentary Secretary to Minister of Human Resources Development, Lib.):** Mr. Speaker, this is not the first time but the second time in the last week that I have been asked to speak on behalf of the government as it relates to child poverty based on a question that the member from Vancouver East has asked.

I am quite frankly appalled that the member continues to suggest that this government and in fact all governments in Canada do not think that child poverty is a priority. Two years ago this June governments of all persuasions, not only Liberal, Conservative but in fact NDP governments, came together at a premiers' conference, with the Prime Minister chairing that particular conference, and made it very clear that the number one priority of Canadians was child poverty and that we would put in place in a partnership kind of scenario, certain programs that would help children and, of course, help their families at the same time.

• (1905)

We started that off with an \$850 million down payment on a program that is going to be one of the most far-reaching programs that this generation has ever seen. I cannot for the life of me understand why this member continues to suggest that not just this government but all governments are not committed to this very important issue.

Let me emphasize that this particular question is one which we have taken very seriously. The Campaign 2000 organization, which we all know, of course, is not a Conservative think tank, has said this is the first time that both levels of government have acknowledged the need for a plan to jointly address child poverty. I again emphasize a plan.

Yes, of course there are problems. We are working toward it. We are going to put programs in place and we will see them roll out as that plan starts to unfold in the weeks and months and years to come.

[*Translation*]

## EMPLOYMENT INSURANCE

**Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ):** Mr. Speaker, I am pleased to speak today on this motion to adjourn, when we know that tomorrow is an important day, budget day. On the eve of the budget, I think it is appropriate for two opposition MPs to raise the issue of the battle against poverty.

Despite what this government may say, the present situation in Canada is far from rosy in this connection. Poverty is increasing, and as I asked on November 25, 1997, of all those billions that are surplus in the employment insurance fund, is there not some way the government could make a special effort to get some of it back into the pockets of the unemployed during the time they are without work?

Let us never lose sight of the fact that, when there is talk of child poverty, it is very rare for poor children not to have poor parents, and the most important issue is to ensure that parents have enough money to live on.

We know that the employment insurance program can be self-financing and make an acceptable surplus with premiums of \$2 per \$100 of insurable earnings, as compared to the current rate of \$2.70 per \$100. Could the government not provide in tomorrow's budget for a reasonable premium reduction and use part of the 70 cents difference to improve the quality of life of those who find themselves without work?

Would that not be a good way for the government to really fight poverty with the main tool at its disposal, namely the EI fund?

Another point I wanted to make about the November 25, 1997 question is this. The minister's response at the time was "We are following this reform very closely". He was referring to the tabling, early in 1998, of a report evaluating the reform for 1997.

The report was tabled last week or the week before, and it does not contain any recommendation. On the one hand, the minister claims to be following the reform closely and promises that, if changes are needed, they will put everything on the table, but on the other hand, he tables a report for the entire year 1997, which does not include a single recommendation.

Will the minister decide to leave evaluation of the reform up to people who are capable of making concrete, short-term recommendations to him, because those now covered by the Employment Insurance Act, who are watching their benefits shrink and the number of weeks dwindle, or who are not eligible for benefits at all, cannot wait for the 1999 report, which will tell us that in 1998 they have still not managed to find the figures?

*Adjournment Debate*

Members of all the parties on the Standing Committee on Human Resources Development and the Status of Persons with Disabilities would certainly be able to come up with all kinds of examples and amendments to the act in order to make it more humane as quickly as possible, and ensure an acceptable minimum income for all unemployed workers.

Will the government take the opportunity offered by tomorrow's budget to put solutions on the table and finally ensure that its reform is fair?

[*English*]

**Mr. Robert D. Nault (Parliamentary Secretary to Minister of Human Resources Development, Lib.):** Mr. Speaker, I must admit that I find it very humorous. Those of us who were in this House in the last Parliament debated the EI changes in a very significant way. The committee—and my colleague from Malpeque was there—spent a lot of time talking about what the changes would mean. Of course when we implement changes of this magnitude, the largest changes in the last 25 years, there is going to be a period of adjustment. There will be a time when there are some unknowns.

• (1910)

In the legislation we committed ourselves to five separate reports, to monitor the system as it unfolds before Canadians to see if it has the right kind of effect on workers, if it has the right kind of effect on training and if it has the right component of insurance. There are both passive and active measures. This legislation is different from what we saw in the previous unemployment insurance legislation.

The first monitoring report which was tabled in Parliament last month obviously suggested very strongly that it was a preliminary report. Most of the information which the hon. member talked about cannot be forthcoming from the new legislation because it has just been implemented. We cannot get the data because people have not been under the new system long enough for us to make a judgment.

What that member and other members opposite are doing is basically playing with rhetoric, with words, because until we see the second, third, fourth and fifth monitoring reports and get the real data we will not be able to make a factual analysis of whether in fact the new EI changes are working or not working.

I want to make this very clear. The commitment of the government is very clear on this issue. If there is a need for changes, if the monitoring shows that there are certain areas which are not working properly and require modification, this government is

prepared to make those changes. That is the obligation and the commitment of this government.

HAITI

**Mr. Howard Hilstrom (Selkirk—Interlake, Ref.):** Mr. Speaker, my question originally had to do with the Royal Canadian Mounted Police and the military in Haiti. I would like to tell the House right off the bat that this question has absolutely nothing to do with politics and everything to do with the safety of the RCMP members stationed there on the peacekeeping mission. Actually, I believe that it is now a training mission.

In any event, the two areas we were dealing with after the military left had to do with the physical safety of members of the RCMP as they carried out their training duties and their work with the local police forces.

Haiti is a relatively unstable country. It is still working out its democratic institutions.

A couple of recent events come to mind. For example, a police chief was reportedly killed in the area with a machete. Apparently he was beheaded. That indicates that the level of violence to which I am referring is present.

At the time of my question and at the time of committee meetings on the RCMP superannuation act, one of the assistant commissioners stated that the RCMP did have some concerns and that they were sending a medical officer to Haiti to look into the situation and ensure that members of the force were being properly taken care of.

If a member of the RCMP is injured we want to ensure that they have the care required, similar to what they would receive in Canada.

My question to the parliamentary secretary is twofold. Are the members of the RCMP in Haiti sufficiently safe in their duties, having due regard to the local situation? This also includes other countries which might have military support in Haiti. Second, if a member of the RCMP is injured, either slightly or seriously, can the parliamentary secretary confirm that there will be adequate care given to that member?

**Mr. John Richardson (Parliamentary Secretary to Minister of National Defence, Lib.):** Mr. Speaker, I would like to address the concerns expressed by the hon. member for Selkirk—Interlake.

We are very proud of the quality of the people who were sent to Haiti by the Royal Canadian Mounted Police and with the way they co-operate and work as part of the full team with Canadian armed forces personnel.

*Adjournment Debate*

Canada has had a large number of people serve in Haiti and the police have certainly received all kinds of praise during their tour because of their excellent instruction and the models they have presented to the Haitian police.

• (1915)

In terms of the numbers of people who were there, we had 650 Canadian forces personnel and more than 50 members of the Canadian civilian police, mainly the Royal Canadian Mounted Police. When we left we did leave some protection. We left the Bisons, the armoured personnel carriers, so that when they paroled they would not be fully exposed. They would give them protection while patrolling from one town to another or within the cities of Haiti.

The main accomplishment of the military components was to establish some form of stability. It was not perfect when we left but it will take a long time before we ever get the Haitians to conform to the kinds of patterns that we would like to see. The modelling was never there. The kinds of rules and respect for the rule of law were not instilled in the civilian population. As a consequence, our police and our soldiers going in as peacekeepers had to play a lot of it as they saw it and use common sense.

They performed indispensable functions in monitoring and training national police forces. They played a major role through the assistance of local police forces in restoring civil order and contributing to the building of confidence and security between the parties and the local populations. That was what the Royal Canadian Mounted Police did.

With the 46 members of the police force there we have not had a major incident. They have looked after themselves well and have been well protected in due course.

## FISHERIES

**Mr. Peter Stoffer (Sackville—Eastern Shore, NDP):** Mr. Speaker, I would like to focus my attention this evening on the government's failed strategy of quiet diplomacy to resolve the Pacific salmon treaty dispute and the recent resignation of Canada's tough talking and well respected chief negotiator, Yves Fortier.

Throughout the dispute, Mr. Fortier has forcefully and eloquently articulated the concerns of Canadian fishermen. He has asserted three points over and over again which the Prime Minister and the minister of fisheries have failed to listen to.

Mr. Fortier's three points were that the Americans were over-fishing Canadian salmon stocks which violates the equity principle of the treaty, that the Canada-U.S. stakeholder process is doomed to fail because U.S. states and Indian or aboriginal tribes have no

interest in agreeing in a reduction of a catch of Canadian bound salmon, and that the U.S. and Canadian governments must resolve the dispute at the senior political level, a *tete-a-tete* between the Prime Minister and president. It is time to call in the so-called A team.

The report of special envoys Ruckelshaus and Strangway backs Mr. Fortier on these three points. Why did Mr. Fortier resign if the Ruckelshaus-Strangway report vindicated everything that he had been saying for the past four years as Canada's chief negotiator?

In his letter of resignation, Mr. Fortier outlined two paths the Canadian government could take to resolve the dispute. Ottawa could demand international arbitration and lobby Washington vigorously to impose a compromise on U.S. stakeholders, or Ottawa could weaken its demands and essentially sell out the fishermen to calm the waters between Ottawa and Washington.

Is it true that Mr. Fortier resigned because Ottawa decided on the second path, to sacrifice Canadian fishermen for the sake of warmer relations with Washington? Rumours are circulating on the west coast that the U.S. state department refused to continue negotiations if Mr. Fortier remained as Canada's chief negotiator. Could the minister confirm that the state department did ask for Mr. Fortier's resignation and, if it did, why did the Canadian government capitulate to American demands?

As the Canadian government calms the waters between Ottawa and Washington through quiet diplomacy, a storm is brewing off the B.C. coast. This summer the estimated average catch will only be 50 to 100 sockeye per boat on the north coast. There is also a major crisis with Skeena River coho, stocks that the Alaskans have been overfishing for years. There is a desperate situation developing in the B.C. coastal communities.

When will the Prime Minister demand that President Clinton sit down to resolve the dispute? When will the government assert itself to protect the interests of Canadian fishermen and demand that the Americans put conservation first?

Last summer the minister of fisheries talked of quiet diplomacy, that he could do nothing to stop American fishing except talk nice. As a result Canadian fishermen became desperate, backed into a corner by Alaskan overfishing and disastrous federal fishing policies that have left many almost bankrupt. These fishermen then engaged in some gumboot diplomacy of their own, blockading the U.S. ferry *Malaspina* to stop the overfishing.

• (1920)

When will the government learn that selling out Canadian fishermen to placate Washington will only cause more conflict and more pain for B.C. coastal communities and salmon fishermen?

*Adjournment Debate*

When will the Prime Minister find the backbone to stand up to President Clinton and demand his country live up to its obligations under the international treaty?

**Mr. Wayne Easter (Parliamentary Secretary to Minister of Fisheries and Oceans, Lib.):** Mr. Speaker, I am not surprised by some of the comments of the member opposite. He should know full well that the government is standing behind B.C. fishermen in their quest for a settlement. However I am little surprised by the slant he is taking in terms of being very selective in the points he picked out of Mr. Fortier's letter.

Read in its entirety, however, the letter is a clear description of the history of the Pacific salmon dispute and what needs to be done in the future.

Throughout the letter Mr. Fortier's sense of dedication and commitment shine through. After five years as chief negotiator on this difficult issue, it is not surprising that he expresses frustration with past experiences. Unfortunately those statements have been taken out of context. It is important to quote some of the other statements made in Mr. Fortier's letter.

He describes Canada's position in past negotiations as "clear and forceful yet flexible and fair" and Canadian demands as "valid, justified, reasonable and practicable". He describes how Canada only agreed to a stakeholder process after negotiating a formal framework which required a commitment by the United

States to resolve through government to government negotiations all issues left unresolved by stakeholders.

Mr. Fortier refers to this as "another significant victory for Canada, one that afforded us certain opportunities". It is those opportunities that the Government of Canada now hopes to capitalize on.

Mr. Fortier describes the Ruckelshaus-Strangway report as "the most recent positive development for Canada". He states that we have made progress and the government has been provided the tools with which to achieve the benefits that are its due under the treaty.

Finally it should be pointed out that the Minister of Fisheries and Oceans and the Minister of Foreign Affairs are now leading consultations aimed at developing an effective negotiating process. The Government of Canada intends to stand behind B.C. fisherman and ensure that there is a negotiated settlement to this process.

*[Translation]*

**The Acting Speaker (Mr. McClelland):** The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

(The House adjourned at 7.23 p.m.)

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