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OFFICIAL REPORT
(HANSARD)

**Tuesday, May 1, 2001
(Part A)**

Speaker: The Honourable Peter Milliken

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HOUSE OF COMMONS

Tuesday, May 1, 2001

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

• (1005)

[*Translation*]

NATIONAL CHILD BENEFIT

Ms. Raymonde Folco (Parliamentary Secretary to Minister of Human Resources Development, Lib.): Madam Speaker, on behalf of the Minister of Human Resources Development, I have the pleasure to submit two copies, in both official languages, of the report entitled “National Child Benefit Progress Report 2000”.

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[*English*]

TRADE

Mr. Pat O’Brien (Parliamentary Secretary to Minister for International Trade, Lib.): Madam Speaker, on behalf of the Minister for International Trade, I am pleased to table in the House today under Standing Order 32(2), in both official languages, the second annual report of Canada’s state of trade.

The report details Canada’s outstanding success in international trade and investment and it gives the evidence that international trade is indeed the engine of the Canadian economy at this time.

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[*Translation*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Derek Lee (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, pursuant to Standing Order 36, I have the honour to table, in both official languages, the government’s response to two petitions.

BUSINESS OF THE HOUSE

TAKE NOTE DEBATE

[*English*]

Hon. Don Boudria (Leader of the Government in the House of Commons, Lib.): Madam Speaker, there are two motions that I would like to seek consent of the House to have adopted.

There has been consultation among all political parties and they have agreed to the following. I move:

That, on Tuesday, May 1, at the ordinary time of daily adjournment, there shall be no proceedings pursuant to Standing Order 38, but the House shall continue to sit and shall resolve itself into a committee of the whole to consider a motion “That the committee take note of proposals to modernize the Standing Orders”, provided that, during consideration thereof, (1) the Chair of the committee shall not receive any quorum call or any motion except a motion “That the committee do now rise”; (2) That the Speaker may act as Chair of the committee; (3) two members may divide one twenty minute speaking time period; (4) when no member rises to speak, or four hours after the committee commences consideration, whichever is earlier, the committee shall rise; and (5) when the committee rises the House shall immediately adjourn to the next sitting day.

The Acting Speaker (Ms. Bakopanos): The House has heard the terms of the motion. Is there unanimous consent to adopt the motion?

Some hon. members: Agreed.

(Motion agreed to)

[*Translation*]

BILL C-16

Hon. Don Boudria (Leader of the Government in the House of Commons, Lib.): Madam Speaker, there is agreement among the leaders of all the parties in the House on the following motion. I move:

That Bill C-16, an act respecting the registration of charities and security information and to amend the Income Tax Act, be withdrawn from the Standing Committee on Justice and Human Rights.

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

Routine Proceedings

Some hon. members: Agreed.

The Acting Speaker (Ms. Bakopanos): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

(Motion agreed to)

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INTERPARLIAMENTARY DELEGATIONS

Mr. Bernard Patry (Pierrefonds—Dollard, Lib.): Madam Speaker, pursuant to Standing Order 34, I have the honour to table, in both official languages, two reports by the Canadian section of the Assemblée parlementaire de la Francophonie and the accompanying financial report.

The first report is on the meeting of the Commission de la coopération et du développement, held at Val d'Aoste, Italy from March 15 to 17, 2001.

The second is on the meeting of the Commission des affaires parlementaires, held from March 26 to 28 in Luxembourg.

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[English]

COMMITTEES OF THE HOUSE**HEALTH**

Ms. Bonnie Brown (Oakville, Lib.): Madam Speaker, I have the honour to present, in both official languages, the first report of the Standing Committee on Health.

Pursuant to order of reference of February 27, the committee has considered Votes 1, 5, 10, 15, 20 and 25 under health in the main estimates for the fiscal year ending March 31, 2002 and reports the same.

* * *

● (1010)

[Translation]

CANADA LABOUR CODE

Ms. Monique Guay (Laurentides, BQ) moved for leave to introduce Bill C-340, an act to amend the Canada Labour Code.

She said: Mr. Speaker, I am doubly pleased to introduce on International Workers Day a bill to amend the Canada Labour Code to enable a pregnant or nursing mother to avail herself of provincial occupational health and safety legislation.

I hope this bill will receive particular attention, and that we will pass it quickly.

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

[English]

PETITIONS**TRADE**

Mr. Paul Harold Macklin (Northumberland, Lib.): Madam Speaker, it is a pleasure to present a duly certified petition to the House today. The petitioners are from three high schools in the Cobourg area who showed their interest in the recent trade agreement negotiations. The high schools are St. Mary's, CDCI West and CDCI East.

The more than 600 petitioners are concerned about the manner in which the agreement is being negotiated. They call upon parliament to consult Canadians before entering into that agreement so the environmental, social and cultural consequences can be considered.

VIA RAIL

Mr. Peter Adams (Peterborough, Lib.): Madam Speaker, I have another petition from citizens of the Peterborough area who would like VIA Rail commuter service re-established between Peterborough and Toronto.

The petitioners point out the environmental benefits of this, for example, the reduction in greenhouse emissions. They also point out the reduction in accidents and costs on the highways and the way in which such a commuter service would improve Peterborough as a business, educational and tourist centre.

The petitioners call upon parliament to re-establish VIA Rail service between Toronto and Peterborough as soon as is humanly possible. The petition has support in five federal ridings.

KIDNEY DISEASE

Mr. Peter Adams (Peterborough, Lib.): Madam Speaker, my second petition concerns the bioartificial kidney, a research project which at present is being conducted in the United States. It is supported by Canadians from coast to coast to coast as an alternative to kidney dialysis and kidney transplant for treatment of those with end stage kidney disease.

This petition is now into the tens of thousands of signatures. It was developed by Ken Sharp in my riding and has already resulted in a meeting to be held very soon between leading researchers in the United States and researchers in Canada on the topic of the bioartificial kidney.

My third petition also concerns kidney research and is from citizens of the Peterborough area.

The petitioners call upon parliament to encourage the Canadian Institutes of Health Research to explicitly include kidney research as one of the institutes in its system and to be called the institute of kidney and urinary tract diseases.

Routine Proceedings

POISON CONTROL

Mr. Dick Proctor (Paliser, NDP): Madam Speaker, I am presenting a petition from farmers in the southwest part of Saskatchewan who are concerned about changes made by Health Canada after 1992 regarding strychnine, which is used to control the Richardson's ground squirrel. They allege that the amount of strychnine allocated now by volume is at a level that is not having much effect.

• (1015)

The petitioners call upon parliament to amend the relevant regulation so as to permit the sale of concentrated liquid strychnine to registered farmers until such time as an effective alternative can be found.

MARINE ATLANTIC

Mr. Peter Stoffer (Sackville—Musquodoboit Valley—Eastern Shore, NDP): Madam Speaker, it gives me pleasure to rise in the House to present a petition on behalf of the good people of Bras d'Or—Cape Breton who are very concerned about the decision of Marine Atlantic possibly moving its entire operations to Newfoundland.

The petitioners pray that parliament ensure Marine Atlantic at least maintains equality between Newfoundland and Cape Breton.

THE SENATE

Mr. Peter Stoffer (Sackville—Musquodoboit Valley—Eastern Shore, NDP): Madam Speaker, my second petition is on behalf of the great people of Lower Sackville, Nova Scotia, in my particular riding, who believe that the Senate is unconstitutional.

The petitioners believe it is a waste of \$50 million a year and they pray that parliament will take measures to abolish the Senate.

* * *

QUESTIONS ON THE ORDER PAPER

Mr. Derek Lee (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, the following questions will be answered today: Nos. 20 and 23.

[Text]

Question No. 20—**Ms. Jocelyne Girard-Bujold:**

Could the government provide: (a) the amount in the transitional jobs fund that was not utilized in the fiscal year 2000-01 and was redirected on June 22, 2000, toward the Economic Development Agency of Canada for the regions of Quebec; and (b) a list of all amounts paid out in grants since June 22, 2000, by the Economic Development Agency of Canada for the regions of Quebec through the Canada jobs fund, indicating the date each such grant was made?

Mr. Derek Lee (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): I am informed as follows: (a) The transitional jobs fund, TJF, ended March 31, 1999. Therefore no funds from TJF were redirected toward the Economic Development Agency of Canada for the regions of Quebec for fiscal year 2000-01.

TJF was replaced by the Canada jobs fund, CJF, which came into effect on April 1, 1999. On June 22, 2000, the Government of Canada announced that CJF would be closed down and that, in order to more strategically and effectively meet the unique needs of those regions where unemployment remained high, the CJF funds would be transferred to the regional development agencies. This would include the Atlantic Canada Opportunities Agency, Western Economic Diversification Canada, the federal economic development initiative in northern Ontario, the Economic Development Agency of Canada for the regions of Quebec and the Department of Indian Affairs and Northern Development.

The Government of Canada also advised that all project proposals received in HRDC offices on or before June 22, 2000, would be assessed and all existing financial commitments would be met.

No funds were transferred to the regional economic development agencies in fiscal year 2000-01. At the time of the announcement of the close down of CJF, there were close to 500 CJF proposals under review at either the local, regional or national level. From June 22, 2000, to the present, just over 130 CJF projects have been approved, including 52 from Quebec.

(b) The moneys allocated to the CJF have not yet been transferred from HRDC to the various regional economic development agencies.

A portion of these funds will be transferred to Canada economic development at the beginning of the 2001-02 fiscal year.

These additional funds will be channelled into Canada economic development's regular programs. These will provide additional means to enhance our ability to develop the potential of Quebec's regions and its enterprises.

Question No. 23—**Hon. Charles Caccia:**

What were the total estimated tax expenditures incurred by the government under mining provisions of the Income Tax Act for: (a) the Suncor Energy Inc. \$2.8 billion project millennium oil sands development project; and (b) the Shell Canada \$3.5 billion Athabasca oil sands project?

Mr. Roy Cullen (Parliamentary Secretary to Minister of Finance, Lib.): It would be a breach of the confidentiality provisions of the Income Tax Act to reveal information about an individual taxpayer.

However, the Department of Finance has developed a model to calculate the value of the tax incentives available to all new oil sands projects in Canada. The model results are described in a

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working paper that will be released soon. A draft version of the report estimated that on average a new oil sands project in Canada will receive federal income tax incentives worth 4.6% of the total capital investment of the project.

[English]

Mr. Derek Lee: I ask, Madam Speaker, that the remaining questions be allowed to stand.

The Acting Speaker (Ms. Bakopanos): Is that agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[English]

SUPPLY

ALLOTTED DAY—TRADE AGREEMENTS

Ms. Alexa McDonough (Halifax, NDP) moved:

That this House calls upon the government to respect the spirit of the evidence given by the Minister of International Trade before the Foreign Affairs Committee, who stated “I can assure you that we are not seeking an investor-state provision in the WTO or anywhere else”, by refusing to sign any trade agreement, such as the FTAA or the GATS, that includes a NAFTA Chapter 11-style investor-state clause.

She said: Madam Speaker, let me indicate at the outset that I will be sharing my time with the member for Burnaby—Douglas.

[Translation]

Two images come to the mind of Canadians on the subject of Quebec City: the wall, this reinforced concrete fence all around the old capital to prevent people from getting in and another wall, a wall of tear gas, or 5,000 tear gas grenades thrown everywhere, blinding everyone, demonstrators and residents.

[English]

Who could imagine more potent symbols for the squalid secrecy that surrounded international trade talks than that ugly wall and that haze of gas?

While the Liberal government trumpets its success at advancing the corporate driven globalization agenda, millions of Canadian now get the picture: fortress walls and noxious gases for ordinary citizens, privileged access and security passes for the corporate elite, rights and rewards for the rich, rhetoric for the rest of us. For the Liberals apparently that is what democracy looks like.

Quebec was the high water mark for irony and for hypocrisy. The official line was that the FTAA was about spreading democracy, but the chain link fences, the tear gas, the water cannons, the plastic bullets and mass arrests that prevented citizens from getting

anywhere near the summit made the case more effectively than anything else could that democracy is threatened by the corporate model of globalization.

Behind the wall around old Quebec the threat to democracy became more ominous as information leaked out that the NAFTA drafters had every intention of extending the most anti-democratic provision of NAFTA, chapter 11’s investor state clause, to the rest of the Americas.

Last year Canadians dared to hope that their objections to corporate globalization were getting through to the government. The Minister for International Trade once called NAFTA “primarily an exercise in the economic disarmament of federal governments”.

At the international affairs committee in April, just a year ago, the minister declared his opposition to any form of investor state mechanism, such as the one enshrined in NAFTA being included in any future trade agreements. He assured parliament that his officials were working with Washington to have NAFTA chapter 11 reconsidered. “Take the good news and run with it”, he told the foreign affairs and international trade committee.

• (1020)

In December the trade minister reiterated his concerns. He stated starkly that he would not sign any deal that contained the offensive clauses, period.

Following the Quebec summit the Prime Minister was calling chapter 11 of NAFTA a good clause. “It is one that works reasonably well”, said the Prime Minister. His trade minister has been faithfully parroting the line ever since.

[Translation]

To concerned people throughout America, however, chapter 11 is not a good thing. It is the Trojan horse of so-called free trade in the style of big business. Chapter 11 is the clause that ends the debate over whether globalization threatens the sovereignty of countries.

[English]

Under NAFTA, chapter 11 established a new system which enables foreign investors to bring injury claims against democratically elected governments. It allows multinational corporations to usurp the sovereign powers of government and the democratic rights of citizens and communities. Foreign capital investing in Canada, Mexico and the U.S. may demand compensation if profit making potential of their ventures is injured by government decisions.

Foreign based companies are given rights greater than domestic businesses operating in their home country. Canada’s baptism of fire began with the Ethyl Corporation’s challenge to Canada’s right to control the use of MMT in this country.

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MMT is a gasoline additive, a neurotoxin which interferes with automobile exhaust systems banned in several U.S. states, but under NAFTA's investor state provisions Ethyl took the Canadian government to court and sued for lost profits. To avoid an arbitration panel the Canadian government settled out of court, withdrew its legislation and paid \$19.6 million in damages to Ethyl. To satisfy Ethyl's commercial interests, Canadian parents today have less control over the quality of air their children breathe.

To date at least 15 chapter 11 suits have been launched. No one really knows for sure. Apparently it is not really the public's business. There is no requirement to inform the public, even though public laws are under attack and taxpayer money will pay the fines.

Unlike other trade agreements, chapter 11 gives global corporations freedom to litigate on their own without having to ask national governments to act on their behalf. With status to challenge other governments as legal equals, this clause allows NAFTA to end run governments and even constitutions.

Chapter 11 of NAFTA has become the defining issue for FTAA negotiations. In Mexico a U.S. waste disposal company, Metalclad, was awarded \$16.7 million in damages when a state government took steps to protect its water supply. Metalclad's victory established that NAFTA's dispute mechanism reaches to subnational governments, including municipalities.

Then there is Sun Belt Water of California. Who knows what is next? Who would have guessed that UPS would launch a lawsuit to challenge the operation of Canada Post? Who would have believed that the Canadian government would have left us so vulnerable or that, even in the face of this challenge to Canada's right to deliver its own mail and the right to keep public services in the public domain, the Canadian government would decide chapter 11 is a good clause that is working reasonably well?

As chapter 11 damage awards accumulate, more and more Canadians are starting to press more serious questions about exactly what is at stake under the new world order. Who voted to destroy national sovereignty? Who gave corporations the right to decide public values?

[*Translation*]

Why elect governments that hand their powers over to big business?

[*English*]

In conclusion, I implore the government once again to find the courage to oppose chapter 11 and refuse to sign any international agreement that contains this pernicious provision. The very foundations of our democracy are at stake.

• (1025)

Mr. Pat Martin (Winnipeg Centre, NDP): Madam Speaker, I am very proud today that the leader of our party has chosen this topic to use for our opposition day. At least this party is standing up for the rights of Canadians as we seek to defend our interests in the face of these global trade agreements.

She made reference to some of the brokers that are negotiating these deals and their attitude about the preservation of public services. Would she comment on the opinions of one such key figure, the former head of the WTO, when he said that there was a surplus of democracy in the world today that was interfering with the free movement of investment and capital?

Would she comment on what kind of a mindset could lead someone to say that kind of thing in an era where we value democracy above all else? In an era where our parents went to war to fight for democracy there are actually people out there negotiating deals on our behalf who believe there is a surplus of democracy.

Ms. Alexa McDonough: Madam Speaker, I think all Canadians and in fact many people around the world know that democracy was the galvanizing force behind some 50,000 to 60,000 Canadians and others throughout the Americas gathering in Quebec City.

We heard a lot of talk from the government in the run up to the FTAA negotiations at Quebec City about how this was to strengthen democracy, but before the Quebec City summit took place people had begun to familiarize themselves with what exactly the FTAA was, with how it fit into the new world order as visualized by the World Trade Organization, and with the fact that governments were willing to weaken democracy.

My colleague has raised a question about an astounding ominous quote from a former WTO official who said there was a surplus of democracy in the world and that democracy was interfering with the free flow of capital and investment.

When we ask Canadians what they care about, when we ask free people around the world what they care about, what they care about more than anything else is governments that can act in the public interest, governments that will respond to their needs and concerns about health care, basic public services, education and a safe, clean environment. The health of their children is the future of the planet.

Some 50,000 to 60,000 peaceful demonstrators in Quebec marched with the slogan "This is what democracy looks like". People were speaking to and through their governments to insist that they retain the right to act in the public interest and not forfeit the right to do that to multinational corporations.

Mr. Pat O'Brien (London—Fanshawe, Lib.): Madam Speaker, I heard the estimate of the number of people in attendance. It seems to grow every time I hear the number quoted by the NDP.

Supply

The leader of the NDP said that there was nothing for peaceful demonstrators. I should like to ask her a couple of questions.

Is she unaware of government funding to help the parallel summit take place? Is she totally and completely unaware of the extensive consultations that took place for several months by the government or of the hearings that took place by the standing committee before the election and after?

She talks about ordinary citizens having tear gas. Are they the ordinary citizens who were throwing chunks of cement and cans, which I stepped over, at the police? Are they the same ordinary citizens that she is speaking about? Does she fail to acknowledge that there was a minority of irresponsible violent people there and the police showed tremendous restraint?

Quite frankly we have had a lot of rhetoric from the leader. I should just ask her another question, very pointedly. I challenge her to tell me one trade negotiation that Canada has ever been involved in that has been more open and transparent than this one.

• (1030)

Her trade critic and repeated witnesses have failed to ever answer that question. Maybe the leader could tell us just one trade negotiation that has been as transparent, let alone more transparent, than this one.

Ms. Alexa McDonough: Madam Speaker, the member opposite asked a lot of questions. I doubt I will be given the opportunity to answer them all. However let me say this right up front.

Yes, I am absolutely aware. I will quote directly what the member when he said that there was a minority of violent protesters in Quebec City. Indeed there was. We have been absolutely unequivocal in saying that violence was not acceptable.

Let me ask the member this. Does he think it is responsible to keep painting a picture of some 50,000 to 60,000 peaceful protesters as being somehow in favour of the violence of that tiny minority?

It is grotesquely irresponsible for the government to keep characterizing democracy seeking Canadians in such a vile way.

Second, I am absolutely aware of the people—

The Acting Speaker (Ms. Bakopanos): I am sorry but the hon. member's time is up. I did allow some flexibility over the time limit. The hon. members have ample time during questions and comments to put the questions to the other hon. members. I would like some order please in the House.

Mr. Svend Robinson (Burnaby—Douglas, NDP): Madam Speaker, it is an honour to participate in this debate and to follow the leader of my party on this very fundamental question about

democracy itself, about corporate power and the power of people in the country and in the Americas.

I will respond briefly, because unfortunately the time is limited, to the comments made by the Parliamentary Secretary to the Minister for International Trade when he trumpeted the great transparency and democracy surrounding the FTAA process.

Surely the hon. member recognizes that this is completely ludicrous. Instead what the government has clearly demonstrated is total contempt for democracy in this process. I can give many examples of that. The fact is that today on May 1 we still, as parliamentarians and as peoples of the Americas, are not entitled to view the text that is being negotiated.

The minister said we would see the text and that it was tough to translate. Frankly there is something absurd about a debate taking place on a document that still has not been made public. The government has refused to make public its own negotiating position on some very fundamental issues such as investment, intellectual property, services and dispute settlement.

Even worse we see a continual erosion of the minister's original position with respect to the most undemocratic provision of the existing NAFTA agreement, and that is the investor state provision in chapter 11. This is the thrust of our motion today because it illustrates so clearly and transparently how profoundly undemocratic the process is, as well as how undemocratic the substance is of the FTAA.

It was a little over a year ago, in response to my colleague from Winnipeg—Transcona in the Standing Committee on Foreign Affairs and International Trade, that the Minister for International Trade was clear and unequivocal. He said "I can assure you that we are not seeking an investor state provision in the WTO or anywhere else in other agreements". My colleague pursued. He asked "Not at the FTAA?" The minister responded "No, no, no. Not on FTAA either".

That was in April of last year. Seen since then we have seen backtracking, reversal and betrayal of the government's fundamental commitment that it would not allow this destructive and undemocratic provision to be a part of any broader trade deal throughout the hemisphere.

• (1035)

Just a little over a month ago, in response to my question in the same committee, the minister said:

—we would of course not sign another agreement that would have the kind of clauses that we are seeking to clarify right now. . . we will not go to the sort of thing that we are seeking to clarify in chapter 11. . .

Yet, in the wake of the summit of the Americas, the Prime Minister said to forget all that and that chapter 11 was working reasonably well. The minister himself said after the summit of the

Americas that things were fine, that there was no problem and that everything was working just fine.

What is the position of the Government of Canada? According to the minister's spokesperson, its position on chapter 11, investment provisions, is set out in the government's website. If we go to the government's website, here is what it says:

To date, Canada has made no submissions to the Negotiating Group on Services. Any submission made by Canada will be made available on the website.

When we asked the minister's spokesperson what was Canada's position on this fundamental issue of investor state, the minister's chief assistant said "We have not made our position known yet because we do not have one".

The government may shamefully not have a position on investor state on chapter 11, but more and more the people of this hemisphere do because they have witnessed already the destructive impact of chapter 11 on the environment and on the fundamental rights of workers.

It is no coincidence that today is May Day, a day when we pay tribute to and honour the contribution of working men and women throughout the hemisphere and throughout the world. It is just a couple of days after the Day of Mourning for workers who were killed and injured on the job. More and more we have witnessed under NAFTA, under this regulation of growing corporate power, deregulation and privatization, an erosion in the rights of workers.

I attended, along with my colleagues, the people's summit. One of the most powerful and moving forums was the forum of women. It talked about the impact of the existing trade deals on women. I will never forget hearing a speech by a Mexican woman who worked in the maquiladoras. She spoke of the dramatically increased level of violence directed against women and yes, also violence at the workplace. That is what is being entrenched in this new FTAA.

We still do not know if there was a leak on the proposed investment provisions in the FTAA with respect to chapter 11. However we already know all too clearly what this means for us under NAFTA. On a number of occasions my leader has referred to a study which was just published by Professor Howard Mann, a respected director of the International Institute for Sustainable Development, who documented clearly and eloquently the problems with chapter 11 of NAFTA.

The study points out that the current interpretations of NAFTA's chapter 11 can have a significant and determinative negative impact on government decision making in relation to public interest. In fact they already have. The list goes on too long. A small community in Mexico, Guadalcázar, was told that it had no right to protect its citizens from the impact of a toxic waste dump.

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The company, which wanted to exercise its corporate rights under NAFTA, was awarded some \$20 million because the citizens of that community said no.

More and more we see that local governments in Canada are recognizing the potential impact of chapter 11. Cities like Vancouver, Halifax and others adopted unanimously a motion condemning the investor state provisions and called on the Government of Canada not to sign any trade deal that would prevent them from making these decisions. As New Democrats, we stand in solidarity with those citizens and with citizens throughout the hemisphere.

We saw the MMT case as well in which the Canadian government was forced to abjectly apologize to Ethyl Corporation for having made a decision to ban this destructive gasoline additive. Even the Liberal member of parliament for Lac-Saint-Louis said in the wake of that decision "I can't believe that a foreign corporation can almost dictate its terms and we as a sovereign nation are completely powerless to do anything about it".

● (1040)

It is astounding that the onus is on us as a country to prove MMT is not harmful. We saw it with Metalclad and Ethyl Corporation MMT decisions. We are certainly witnessing it now with the challenge by UPS to the Canada Post Corporation. This is a shocking challenge to the power of government to ensure that the public sector can operate in an effective way on behalf of the citizens in that country.

I am very pleased to note that the Council of Canadians and the Canadian Union of Postal Workers have launched a constitutional challenge to these sweeping and unprecedented powers given to secret tribunals to take away the right of government to make decisions in the best interests of its citizens.

I know that my time is limited and I hope I will have an opportunity in the question and comment period to talk a little bit about some of our positive alternatives to these proposals because the Hemispheric Social Alliance and the people's summit of the Americas came out with a strong, positive and eloquent statement of alternatives.

The fundamental issue before the House is the issue of democracy as opposed to corporate power. I appeal to all members of the House to support the motion because it simply reaffirms the principles the government indicated it was committed to, which was that the investor state provision had no place in this agreement.

In closing, I move:

That the motion be amended by inserting after the words "Committee" the words on "April 5, 2000".

The Acting Speaker (Ms. Bakopanos): The amendment is in order.

Business of the House

Hon. David Kilgour (Secretary of State (Latin America and Africa), Lib.): Madam Speaker, the member who just spoke and I are both from the class of '79. There are only three of us left in the House, so we have to treat each other well.

Virtually all the nations of the Caribbean have asked for a free trade agreement with Canada, and we are negotiating one with them. All the nations of Central America have asked for a free trade agreement with Canada, and we are negotiating one with them. We signed one last week with Costa Rica.

One or two per cent of our trade is with countries outside of the United States and Mexico. Why is the New Democratic Party so excited about possibly having a free trade agreement of the Americas with these other countries, which are all virtually asking for this trade agreement?

Why does the New Democratic Party not talk about the plan of action which deals with all of the issues which I thought were important to it such as: transparency and good governance; electoral processes; fight against corruption; strengthening human rights; human rights of children and adolescents; freedom of opinion and expression; rule of law; the drug problem; preventing violence; communications; and education?

Why does it only want to talk about chapter 11? Could it be that the NDP knows that the people of Canada and the 800 million people who live in this hemisphere are also concerned about all these other things? Could it be that it does not want to talk about the fact that the World Bank and the Inter-American Development Bank are agreeing to finance this plan of action?

• (1045)

Could it be that members of the NDP have picked out one thing, chapter 11, that they think Canadians might support them on and have ignored all the other good things about the summit, which was probably the most important event ever to take place on Canadian soil?

Mr. Svend Robinson: Madam Speaker, it could be but it clearly is not. The reality is that one of the reasons we are focusing on the investor state provision, which gives sweeping powers to corporations at the expense of elected governments and citizens, is the fact that there is no protection whatsoever.

The hon. member talked about a declaration that referred to human rights, sustainability and the environment. He referred in glowing terms to the provisions of the summit and a final agreement on workers' rights. If the government and the member are serious about the importance of respect for fundamental human rights, workers' rights, as set out in ILO conventions, and the environment, why is it that there are no tough, enforceable provisions on those particular sections in the trade deal that the

government is pushing? Why only corporate rights? Why is that the Holy Grail?

If the government were serious about these things, it would recognize those provisions, as the peoples' summit recognized them in its closing statement.

We are not opposed to globalization that puts the environment and human needs front and centre. However, the corporate driven globalization which is exemplified and has as its heart the investor state provision, is what we reject. That is why we are focusing on it.

I will close by quoting from one of the largest industrial groups in the world. Percy Barnevik, the president of the ABB Industrial Group, said:

I would define globalization as the freedom for my group of companies to invest where it wants when it wants, to produce what it wants, to buy and sell where it wants, and support the fewest restrictions possible coming from labour laws and social conventions.

That is the corporate and Liberal model of globalization. That is the heart of an investor state and that is why the New Democrats say no to that model.

Mr. Peter Stoffer (Sackville—Musquodoboit Valley—Eastern Shore, NDP): Madam Speaker, the toxic Texan of the United States is talking about opening up energy expropriation at the expense of the environment. A great alternative was put forth by many people at the summit. Could the member for Burnaby—Douglas elaborate on the alternatives that were offered at the summit?

Mr. Svend Robinson: Madam Speaker, there was a declaration at the peoples' summit that talked about another possibility. It set out a clear alternative that would focus on an assurance that human rights, the rights of the environment and the rights of indigenous peoples would be put front and centre, ahead of corporate rights. I would be pleased to share it with members of the House.

* * *

BUSINESS OF THE HOUSE

BILL C-16

Mr. Derek Lee (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, I rise on a point of order. There have been consultations with respect to an order passed earlier today. I believe you would find unanimous consent for the following amendment. I move:

That the order with regard to Bill C-16, made earlier this day, be amended to read as follows:

That the motion to refer Bill C-16 to the Standing Committee on Justice and Human Rights be amended to refer the bill to the Standing Committee on Finance.

The Acting Speaker (Ms. Bakopanos): The House has heard the terms of the amendment. Is there unanimous consent?

Some hon. members: Agreed.

(Amendment agreed to)

* * *

SUPPLY

ALLOTTED DAY—TRADE AGREEMENTS

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

Mr. Pat O'Brien (Parliamentary Secretary to Minister for International Trade, Lib.): Madam Speaker, I am pleased to rise in the House today to debate the motion. I note that NDP members have taken some latitude in their comments. I would like to take the same latitude, address some of their comments and then debate more directly the motion that is before us today.

I challenge the leader of the NDP to give me one example of a more open and transparent trade negotiation than the one Canada has been involved in. She ducked the question.

• (1050)

The very same question was put to the trade critic for the NDP by the Minister for International Trade not long ago in committee. The member for Burnaby—Douglas also ducked the question. Members of the NDP are very good at ducking questions that they do not have answers for when they relate to trade or anything else.

The trade critic for the NDP who spoke before me made the point that we have not yet made our position known on investment because we do not have a position. The reality is that the Liberal Party and the government believe in consulting with Canadians on important issues before we announce our position. Unlike the NDP we are not tied to a rigid straitjacket of left wing ideology, which is the reason we see so few of them in the House of Commons following the last election.

I welcome during questions and comments somebody in the NDP telling us when there has been a more open and transparent trade negotiation. I rather doubt anyone could. The trade critic and the leader could not do it. I would like their whole caucus to reflect on it. Maybe those members could come up with something other than utter silence.

I would now like to speak about a subject which is often overlooked in the debate that refers directly to the motion. It is the vital role investment plays in the Canadian economy. There is no doubt that foreign direct investment in Canada and Canadian direct investment abroad have joined international trade in goods and services to become our principal engines of growth and job creation.

Supply

Foreign direct investment helps ensure that Canadian firms have the capital they need to succeed and grow in the highly competitive global economy. We know that investment creates jobs, spurs innovation and provides Canadians with access to the capital and expertise that make our country stronger. Canadian direct investment abroad is equally important. It helps Canadian firms establish a presence in key foreign markets, to share Canadian expertise and values, and to export goods and services to key markets.

I should like to share some recent statistics that help to paint a clear picture of the situation. In 2000 the stock of foreign direct investment in Canada reached a record \$291 billion. At the same time Canadian direct investment abroad increased to an all time high of \$301 billion in 2000 and exceeded foreign direct investment in Canada for the fifth year in a row.

Traditionally Canada has been viewed as a net recipient of foreign direct investment. Many people do not realize that Canada is a strong and vital net exporter of foreign direct investment.

Foreign investment in Canada has over the years been an important source for jobs, especially high skilled and high value added jobs. Foreign investment in Canada has brought with it advantages in research and development, technology and talented people, which have all made real and lasting contributions to our economic and social well-being.

An economic forecast prepared by Industry Canada and the Department of Foreign Affairs and International Trade estimates that each \$1 billion increase in new inward investment to Canada could generate up to 45,000 jobs and \$4.5 billion in GDP over a five year period. The study also postulates that one job in ten and approximately 50% of Canada's total exports are derived from foreign direct investment.

It should be noted further that a large proportion of profits from new investments is reinvested in Canada, contributing to a higher growth rate and a rise in Canadian living standards.

Canada has an affluent domestic market, a highly skilled and well educated labour force, efficient transportation systems and a telecommunications infrastructure which is the envy of the world. The Canadian private sector is competitive and knowledge intensive, whether in telecommunications, biotechnology or computer software. In encryption capabilities, medical devices, pharmaceuticals and ocean technologies Canadian firms lead the way.

Our excellent health care and education systems are cornerstones to our high quality of life. Canada remains an attractive location for foreign investment.

• (1055)

These Canadian advantages have not been gained by compromising our overriding economic and social values. Foreign investors in Canada are subject to the same laws and regulations as our

Supply

Canadian investors, including those aimed at protecting the environment and those ensuring the highest labour, health, building and safety standards. We should not forget that creating prosperity and wealth in Canada is a necessary first step.

We have progressive social policies to utilize that wealth to create a healthy and educated society. This is an element that the NDP leaves out. It wants to redistribute wealth but does not want to focus on wealth creation as a precondition. Hence the ideological straitjacket that I mentioned at the start of my remarks which is shared by few Canadians.

Investment is not a one way street. One of the most significant features of Canada's recent economic history has been the rapid growth of Canadian investment abroad. The value of this investment has increased by fivefold between 1985 and 2000 from \$57.2 billion to \$301 billion. In 2000 and for the fifth consecutive year direct investment abroad by Canadians overtook foreign investment in Canada. That is an outstanding performance.

Direct investment abroad by Canadian industry is part of its strategic effort to increase market share and stay competitive in foreign markets. Firms are increasingly using outward investment to strengthen their operations, penetrate new markets and acquire new technologies, resources and skills. Evidence suggests that this type of investment does not precipitate an export of jobs but rather results in increased sales and production from home facilities.

A recent study by the OECD found that on average every \$1 of investment is followed by \$2 of exports. It all adds up to jobs and opportunities for Canadians. The growth of Canadian foreign direct investment abroad has led to an increase in exports. This has directly affected Canada's economic health.

These investments create opportunities for Canadians by giving Canadian firms new markets to extend their businesses through exports and through local sales. Canadian direct investment abroad often secures new customers and creates sales in new markets. In addition, it provides much needed capital infusion in growing economies.

When Canadians invest abroad we also bring our values together with the products we export. Additional research has shown that the growth of productivity and profits of Canadian firms involved in global markets has been superior to the performance of domestically oriented firms. We have also seen that income from Canada's outward foreign direct investments increase during recent years helping to improve our standard of living.

The motion is not founded on fact. The Minister for International Trade has been repeatedly very clear in the House of Commons, in committee and in the media that the Government of Canada does not seek to scrap or reopen chapter 11 of NAFTA but seeks to clarify it.

It seeks to have adjudicating bodies more accurately respect the intentions of the NAFTA partners when they signed this clause. Points of clarification are very important. The minister has made that clear. However he has repeatedly said that there is no need or interest in scrapping or reopening such a clause because there has to be balance and sensible protection for investment in Canada and for Canadian investment abroad.

The motion is devious in that it seeks to contrast the NDP's interpretation of what the minister said with what the Prime Minister said. That will not hold water or bear scrutiny.

The reality is that chapter 11 of NAFTA is working reasonably well when put in the context of the enormous volume of trade that we do with our NAFTA partners, especially the United States with whom we have a two way trade daily of \$1.3 billion.

• (1100)

In that context the clause is working relatively well. However we would like to see further clarification and tightening up of the clause in how it has been interpreted by adjudicating panels.

It is interesting to listen to the rhetoric of NDP members. They love to use the word rhetoric but do not like it applied to themselves. I eagerly await an answer to the question they have continually ducked about a more transparent trade negotiation.

It was fascinating to sit in the House a few short weeks ago and watch NDP members grind their teeth as the labour prime minister of the United Kingdom, Tony Blair, said very bluntly that no matter how well intentioned critics of freer trade may be they cannot be allowed to stand in the way of logic. He said the best thing we could do for our own nations and for poorer nations was to globalize and liberalize trade.

NDP members dismiss Tony Blair as a labour leader who is out of touch.

An hon. member: A neo-Liberal.

Mr. Pat O'Brien: Yes, a neo-Liberal labour leader who is out of touch. I wonder which labour party is out of touch. It might just be the NDP, and that might be reflected in the size of its caucus and the incredible soul searching it is very rightly going through.

The NDP dismissed Tony Blair very blithely. However we can refer to statements like those of UN Secretary-General Kofi Annan who said the best thing we could do for less developed and poorer nations was to globalize and liberalize trade. He even quantified that. He said liberalized trade would result in a direct infusion of capital to poorer nations of somewhere between \$100 billion to \$150 billion. That is much more than the combined foreign aid or overseas development assistance given by all the nations of the world.

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When I raised the issue with a labour leader in my city of London, Ontario, I got a pathetic response. I was told Kofi Annan was a handpicked puppet of the Americans. What ideological garbage coming from the NDP and its spokespeople across the country. They are so ideologically tied down to their own little interpretation of reality that they dismiss one of the best prime ministers the U.K. has had in recent times and an outstanding leader of the United Nations because they do not agree with NDP ideology.

The leader of the NDP spoke about public opinion. I do not know what public opinion poll she has been reading but I do know one thing. The reality, and I mean reality and not the NDP version of it, is that a cross section of public opinion polls shows that Canadians overwhelmingly endorse the pursuit of globalized trade.

Between two-thirds and 70% of Canadians have repeatedly expressed support for it. One labour council poll came up with different numbers. We were not surprised at that. However a cross section of the polls shows that Canadians overwhelmingly support the globalization of trade. They understand its value and know that it has created 2.1 million new jobs in Canada since 1993. Close to 90% of those jobs are directly related to our exports of goods and services.

I do not know where these interpretations of public opinion come from, but they certainly do not reflect the public opinion I read and hear about all the time in my city of London, Ontario, and in my riding of London—Fanshawe.

Canadian investors benefit from a rules based system at the World Trade Organization, regional arrangements such as the NAFTA, and bilateral agreements such as the Canada-Israel and Canada-Chile free trade agreements to which my colleague, the secretary of state, referred earlier.

Investment rules provide for transparent, predictable and fair rules for Canadian investors, large and small. The NAFTA investment rules play an important role in protecting and facilitating foreign investment activities of Canadian firms in the United States and Mexico. Trade and investment rules give a relatively small economy like ours more leverage against the political pressure sometimes exerted by larger economies.

• (1105)

If there is a trading nation in the world that needs these rules it is Canada. Only the NDP fails to understand that. Its members do not understand that Canadian jobs are dependent on freer trade. They champion themselves as spokespeople for the labour movement, but they are now questioning that and rightly so. The labour movement does not reciprocate when it goes to the polls, and with

very good reason. It knows who is in touch with reality and who is not.

Investment rules also attract foreign investment into Canada because they strengthen Canada's reputation as a secure base for establishing global enterprises.

We come to the matter of disputes. There have always been disputes between governments and companies and there always will be. NAFTA did not create such disputes. Chapter 11 did not create such disputes. Companies have always been unhappy with governments for various things and have taken a variety of actions.

Disputes stand out for the simple reason that they are rare, although some are admittedly dramatic. In the context of our full trading relationship we have not had many trade disputes, and Canada has done very well in some of them.

Disputes affect a small portion of the billions of dollars in investment that Canada attracts, with over \$93 billion last year alone. Disputes affect a very small portion of the billions that Canadian firms invest abroad, with some \$62 billion in 2000. Moreover we have means to address such disputes.

It boggles my mind that people suggest we do not need to protect either investment in Canada or Canadian investment overseas. It is incredible. I do not know if the motion is serious. It is not accurately worded. It does not reflect the repeated statements of the Minister for International Trade that we must clarify, not scrap or reopen, chapter 11 of NAFTA. He has said that repeatedly and it has been published in *Hansard* on many occasions. In answering questions in the House in the minister's absence I have made the same point because it is consistent with what he has said.

In conclusion, foreign direct investment in Canada and Canadian investment abroad are both vital to Canada's growth and prosperity. Investment brings knowledge, technology and new opportunities for Canadians. It enriches the range of possibilities to which Canadians can aspire while helping build the knowledge economy and prepare Canada to compete confidently on the global stage.

For these reasons the government believes policies which protect Canadian investment abroad and promote Canada as a location of choice for investment are critical to our economic and social well-being. We will therefore not support measures that limit the government's ability to protect Canadian investments abroad. We will not support measures that blatantly threaten jobs, jobs which are badly needed and which have been created in significant numbers since 1993 because of our success in trade.

Earlier today I had the honour to table the latest story on overseas trade for Canada in the year 2000. It was a tremendous success story and it was an honour to table it. Most Canadians and all political parties in the House seem to understand that, with the sole exception of the NDP. That is its problem.

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Mr. Dick Proctor (Palliser, NDP): Madam Speaker, I listened with interest to the remarks of the parliamentary secretary. Implicit in his remarks was the assumption that we are a small political party representing a few people on the outside of the fence looking in.

However one of the most unreported stories of Quebec City last week was that the mikes were left on inside the room when the 34 heads of state thought they were in closed session.

• (1110)

It is not nearly as much beer and skittles as the member for London—Fanshawe would have us believe. Speakers such as the presidents of Paraguay, Guatemala, and Venezuela all spoke about concerns they have as small, poor countries in Latin America and the Caribbean that are trying to compete with the giant to the south of us and to the north of them.

A great deal has been said today, both by the member who just spoke and the hon. member from Edmonton, on the matter of democracy. Venezuelan president Hugo Chavez, in the closed door meeting where the microphone was inadvertently left on, said that if people were denied land and power was concentrated in the hands of two per cent of the population, one could not speak of democracy. Would the member for London—Fanshawe care to comment?

Mr. Pat O'Brien: Madam Speaker, the reality is that the leaders of the Americas overwhelmingly support the FTAA, as my colleague the secretary of state noted earlier. Why? It is because they understand the truth of the comments of Kofi Annan. They understand that globalized and liberalized trade is the best thing that could happen for their countries, their economies and their people.

Mr. Dick Proctor: Not Hugo Chavez.

Mr. Pat O'Brien: Madam Speaker, the member asked me a question and now he wants to holler. That is the NDP way.

The Acting Speaker (Ms. Bakopanos): I did say earlier that we have plenty of time for questions and comments and I think we should show respect to each other in the Chamber.

Mr. Pat O'Brien: Madam Speaker, it is the NDP way to holler down things it does not want to hear. However the reality is, and I was coming to the member's question—

The Acting Speaker (Ms. Bakopanos): Respect will go both ways.

Mr. Pat O'Brien: Madam Speaker, I am coming to the member's question. I think that is showing respect. However hollering will not get an answer. The member wanted to holler and I ask your indulgence to allow me to answer the question.

Mr. Annan's point is very clear. If we are to tackle the problems the hon. member addressed in his question, real problems of poverty and inequity in many countries of the Americas, the government must have the economic wherewithal to do so. That is achieved through globalized, liberalized trade.

The member can shake his head. However I will listen more carefully to the views of Mr. Blair and Mr. Annan because frankly, and with all due respect, they are more in touch with reality than the hon. member.

Ms. Alexa McDonough (Halifax, NDP): Madam Speaker, I want to pursue two things. The member suggested that Tony Blair, the prime minister of Great Britain, is an uncritical embracer of free trade no matter what it looks like. That is simply dead wrong. Tony Blair knows that the European model for freer trade is different in substance and process from the FTAA and is based on exactly the opposite set of principles.

It is absolutely true that Tony Blair is in favour of liberalizing trade. It is also true that the New Democratic Party is in favour of opening up trade opportunities for the Americas. The countries of the Americas want and deserve freer trade. However the hon. member conveniently ignores that the European form of liberalized trade is based on a democratic and parliamentary process.

There is no parliament of the Americas. There is, however, a European parliament which sets out explicit standards for working conditions, human rights, environmental protection and cultural diversity. It enforces its standards and makes conformity to them a condition of membership in the European Union.

• (1115)

The FTAA model is based on exactly the opposite. There is no democratic process at an international, hemispheric wide level. Behind closed doors we have those kinds of discussions going on and we have the preferential access of the big corporations, with 500 of the major CEOs of those mega corporations having access to the text, which the people of Canada and the people of the other Americas still do not have access to. In process it is fundamentally different. As my colleague from Burnaby—Douglas has pointed out again today, in substance it is absolutely the case that there is nothing enforceable about the side agreements on labour and the environment. The record absolutely shows that.

The second thing I would like to say is that if the hon. member had been in attendance at some of the forums that made up the people's summit, he would have understood that people from countries such as Ecuador, Peru and Colombia are absolutely terrified of any agreement that would give even more power to the multinational corporations than they already have over those people's lives.

Supply

If the hon. member could have heard about the working conditions they are suffering, he would surely think twice before he would support NAFTA chapter 11, which will give those developing countries even fewer democratic instruments with which to raise their standard of living and protect their environment, their cultures and their working rights.

Mr. Pat O'Brien: Madam Speaker, here we go again. There is other consultation possible than just that in Quebec City, whether it was inside the summit or at the people's summit. The leader does not need to lecture me on that. I very recently met with a group of aboriginal people from Colombia in my office on Parliament Hill. They expressed some of their concerns. We are consulting very widely. Unlike the NDP, we do not just consult with those who agree with us.

The leader said that I had mentioned that Mr. Blair was in favour of free trade no matter what it looks like. That is exactly what the leader attributed to me. That is absolutely and completely inaccurate. I said no such thing. I challenge her to find that in *Hansard*.

I simply said that Mr. Blair indicated that the critics of free trade, including the leader of the NDP, however well intentioned, cannot be allowed to stand in the way of the economic reality that globalized, liberalized free trade is very important. Small countries such as those of the Americas need investments. Their leaders get that if the NDP leader does not. Firms need rules in order to invest. Everybody understands that but the NDP.

The former Ontario premier, NDP premier Bob Rae, said it comes to this: the critics of globalized trade want to abolish capitalism. They have lost that argument. Those are arguments on the scrap heap of history.

Ms. Alexa McDonough: Madam Speaker, I would ask the hon. member this point blank. Does it concern him at all that the model of free trade that is being pursued is being pursued under the banner of the notion that there is a surplus of democracy in the world, of democracy interfering with capital investment? Does that concern the hon. member?

Mr. Pat O'Brien: Madam Speaker, yes it does, because I do not agree that there is a surplus of democracy. This whole process has been about democratizing the situation.

Does the leader of the NDP not remember that prior to liberalized, globalized free trade there was a dictator in Mexico and that about 20 of those countries had dictators? Does she not get it that this is a move toward democracy?

Mr. Deepak Obhrai (Calgary East, Canadian Alliance): Madam Speaker, before I start I would like to commend you for trying to bring decorum into the House during the debate. Thank you very much.

• (1120)

It is a pleasure for me to rise on behalf of the constituents of Calgary East to speak on the supply day motion put forward by the NDP. At this time I have to make up my mind which way I should go after what the government and the NDP have said.

Let me start by telling the House why the Alliance will not be supporting the motion put forward by the NDP. The NDP's criticism of chapter 11 or globalization, as it has embraced the anti-globalization protest movement, is on only one theme. The theme is that it is multinationals against the others. All the NDP keeps saying is that it is multinationals against the others, but I can tell them that the issue is not multinationals. The issue is small and medium sized businesses.

Under the globalization regime that has taken place opportunity has now been given for the first time to small businesses and medium sized businesses to take advantage of and participate in trade. This means for both sides, not only for Canadians. It means that other countries can also take advantage of globalization. Their business people can take advantage of it and bring prosperity to their countries.

We all know that prosperity comes through a good economic plan. If a country does not have a good economic plan and the businesses are not there, no matter what we say at the end of the day people cannot take advantage of it. People will not have jobs. Where will prosperity come from? I can tell members that the government cannot supply the needs of the people. The government is only supposed to regulate. The government does not have the resources to invest in and try to uplift the standard of living.

It is very strange to listen to the NDP. Any time the NDP is in a position of power, it quickly changes its views. The parliamentary secretary spoke about the former premier of Ontario changing his view and saying globalization and free trade are good.

I would also remind the NDP that only three days ago its former member of parliament, who has suddenly changed and is now in the government, is saying that the NDP is on the wrong track in regard to this issue of anti-globalization. I am talking about the hon. Chris Axworthy, who is now a minister in the government of Saskatchewan.

Members can see what happens. Every time an NDP member gets into the government his or her views suddenly change because the importance of free trade is realized. NDP members go around saying they are anti-globalization, saying free trade is bad, and they focus all the blame on multinationals. Multinationals are not the issue. The issue is small business, medium sized businesses, farmers and everyone whose livelihoods depend on trade.

Supply

Our farmers' livelihoods depend on trade. We can all see what a devastating impact not having a rules based system in agriculture has had on the farming communities in Saskatchewan, Manitoba, Alberta and all over Canada. It is extremely important that we have a rules based system so everyone can play a fair game and bigger economies cannot muscle in on smaller economies.

It surprises me, in that the NDP has so many members coming from Saskatchewan. Perhaps I should not say so many, but there is a little sprinkle here and a little sprinkle there of members who come from Saskatchewan and Manitoba and who stand up for their farmers. They should know how not having a rules based system can hurt ordinary farmers. These are not multinationals we are talking about. We are talking about ordinary Canadians, with medium sized farms, whose livelihoods are being threatened. This is when the NDP should get up.

To go back to the motion, and to the government on chapter 11, the NDP motion talks about what the Minister for International Trade said before the foreign affairs committee. He said "I can assure you that we are not seeking an investor state provision in WTO or anywhere else". That is what the minister of trade stated.

• (1125)

This is really surprising coming as it does from Canada's trade minister, a trade minister who time after time preaches the benefits of a rules based system of trade for Canada. As the former critic for international trade, I have travelled with him many times and I know that his commitment to free trade is there. Therefore it came as a complete surprise to me when he made this statement, because he knows about the importance of a rules based system. Chapter 11 is a rules based system that has been put in NAFTA to address the issue of protection of investments. If there is no protection for investments they are not going to flow. We have seen this happen time after time.

On the one hand the minister wants rules to encourage fairness and predictability for investors. That is fair ball. On the other hand the minister seeks to change these rules in a secret backroom agreement. He has said that he would like to try to reopen this chapter 11 issue again with both the U.S.A. and Mexico. Both those governments have stated quite clearly that they are happy with chapter 11. They do not see it as a threat.

What baffles everyone is the fact that when the NDP went up against free trade and globalization, especially at the protest in Quebec City, it forgot that there were 33 heads of state there who were elected to represent the views of their people. There was the fifth party, which is not even in government, saying that these people were wrong. What else is a democracy if in a democratic system a government elected by the people cannot speak?

However, here we have people coming from a democratic system like ours saying that these people are wrong. Here is an example of the type of comments that were heard. The so-called anti-globalization protester, Jaggi Singh, said that the violence was inside when he started blaming the heads of state. This makes us wonder what a democracy is. There were people there who were elected to be democratic leaders and their views were being challenged.

I agree with one point, that is, we need a transparent system for these agreements so that Canadians know what it is they are signing. The simplest system for that is to bring this agreement into parliament. Let there be an open and honest debate in parliament. Let it be ratified by parliament. After all, parliamentarians are the voice of the people. We have committees that go out and listen to the people. Let the provinces have their say on this as well.

This is the appropriate way for a democratic institution to work. If the government is committed to an open, honest, transparent system, then it would do that by bringing this into parliament and having it ratified. I do not mean the FTAA evening debate the government gave us, saying it was an open, democratic system and we could debate. We had until midnight to debate it, and the government said it also had a parliamentary committee going out to listen to the people.

Hold on a minute. If this is transparency, then we have a serious democratic problem, because we stand up and make these points but no one is listening to us. We huff and puff here in parliament but no one is listening to us. We make speeches. The NDP might have a point or two that we should listen to. That is fine, but no one is listening.

We went to the committee. I have been on that parliamentary committee. I have gone out there with the parliamentary secretary. I have seen people come out to the committee and I have seen what happens. What happens? Nothing happens. The way the parliamentary committee is set up, the way the system is set up, we can huff and puff but at the end of the day it is the way the government wants it.

• (1130)

Violent protests regarding anti-globalization mean nothing. People are a little concerned about globalization. They are concerned with the fact that under globalization they do not know which way to turn. This uneasiness is translated into protests because of the failure of the government to engage people in debate and to promote the benefits of free trade.

We know why the MAI collapsed and went down the tubes. It was because the government thought that it would sign the MAI and then sit back silently, not talking to Canadians and not letting them know what was happening.

Supply

The issue which concerns us the most is the transparency of the system and the unopenness of the government to talk about the international agreements that it has signed. It was only after the pressure was put on the Minister for International Trade, when he went to Buenos Aires, that he said he would make it open. I commend him for doing that and for pressuring the other governments to do it as well. That is one credit that I will give him. However it came after the fact and only when there was pressure put on him.

After daily questions in the House the minister decided that he had better do something because things were not looking good in Quebec City. The minister could have done it before. The problem is that the government reacts after the pressure. It does not have the vision to say what it will do or how it will do it. Hopefully now it will get the message.

The Alliance agrees with the government that the principle of free trade is very important for Canada. Free trade is also important for the prosperity of poorer countries as it would raise their standard of living.

In the motion there is one point dealing with chapter 11 that worries us. I do not know what the government's position is on chapter 11. Maybe it could tell us because we are hearing contradictory statements. The Prime Minister says chapter 11 is working well. That caught the Minister for International Trade off guard. The minister is running around and trying to patch it up by saying that he is just thinking of improving it. Then we have the president of Mexico and the president of the U.S.A. saying that everything is fine.

There are a number of cases that challenge chapter 11. There may be one or two cases where the rules were not followed. There are more facts to the NDP story about companies that have won damages using chapter 11. The fact is that the government has failed to follow the rules which it should have followed. That is why it ended up paying. If it had followed the rules right from the beginning this issue would not have arisen. The parliamentary secretary knows what I am talking about.

Basically chapter 11 has been working well. If it has been working well and giving guarantees to investors, I do not see why it cannot be transferred into the FTAA and the WTO. It should be transferred because it would create a rules based system. It would give investors who invest money for the prosperity of everyone the kind of rules they need to know where to put their money and how their money would be protected. Business and trade rely on investment.

I grew up in African countries and these countries are looking for investment to increase their prosperity.

• (1135)

The figures regarding direct aid have changed. From the 1970s to today direct aid was given from government to government to many countries to improve their living standards. After 20 years we know that the living standards in continental Africa have fallen back. The direct aid program has failed miserably.

Today the figures state that private investment that is flowing into developing countries has tripled. Governments are viewing that as a new form of investment. It would be in the form of indirect aid and it would open up borders. It would raise the living standards of these countries, and every democratic country is thinking of that.

If we look at the figures today, the flow of private investment is faster into these countries and their standards of living are also going up. There is no longer direct aid.

If this happens as a developmental process then it is necessary to have chapter 11 which protects investment so that those who are investing know the rules of the game. We do not want a system where governments can nationalize investments making investors run away. At the end of the day money would not be given as direct aid. If we wish to raise the living standards of developing countries, it has to come from private investment, contrary to what members opposite are saying.

Chapter 11 is the route to ensure that this would happen. If there are one or two little bumps, it does not mean that there is something seriously and fundamentally wrong with it. In the overall scheme of things it would help everybody. It would help developing countries, and that is what we are looking for.

I would like to say to the Minister for International Trade that he should be very careful. What he was quoted as saying is now the basis of the motion. He should be extremely careful not to fall under the pressure of the NDP and make these kinds of statements that in the longer term would hurt free trade. In the long term it would create a crack.

If investment slows down, I am sorry to say that we would be facing the same problem, which is a shame as more than three-quarters of the people on earth live in abject poverty.

Hon. David Kilgour (Secretary of State (Latin America and Africa), Lib.): Madam Speaker, I thank my colleague from Calgary. We enjoyed the first half of his speech better than the second half.

The author of "The Lexus and the Olive Tree", Thomas Friedman, wrote after the Quebec summit the following:

That is not surprising, because if you actually look around Africa you see that the countries that are the most democratic, where the people have the most freedom to choose—South Africa, Nigeria, Ghana—are the most pro-trade, the most integrated in the world economy and the most globalized. The countries that are led by dictators, are the least open and where the people have the least freedom to choose—Sudan,

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Zimbabwe, Liberia, Libya, etc.—are those most hostile to globalization, openness and trade in goods and services.

At the end of his article he refers to protesters by saying:

By inhibiting global trade expansion, they are choking the only route out of poverty for the world's poor. Which is why these "protesters" should be called by their real name: The Coalition to Keep Poor People Poor.

I wonder if my hon. colleague would answer on behalf of members of the New Democratic Party what they would say to these comments.

Mr. Deepak Obhrai: Madam Speaker, I have good friends in the NDP. I do respect the view from that side, but I do not share that view. I grew up and worked in Africa and I know the devastation and the impact of unsound economic policies.

• (1140)

In the 1970s when countries became independent people chose two paths. They chose either a free market economy or a closed economy. Tanzania chose the socialist economy. Many countries of the world chose socialist economies while others chose free market economies.

In about 20 years a marked difference took place. Countries with freer markets were the ones that took part in trade. The best example of globalization is Hong Kong. Its prosperity is globalization. It does not produce much because it does not have anything. Yet it has one of the best standards of living.

There were two systems in the world. When the socialist closed system collapsed, countries realized that in order to raise living standards for their populace they had to open up their markets and look for private investment. Government aid was no longer the point. If they wanted to raise the standard of living of their people they had to have private investment and open trade. This was staring them in the face. We are seeing that today.

That is why dictatorships have collapsed. They have collapsed because they could not sustain economic growth. Economic growth can only come through trade, sound economic policies and good investment policies. That is what the governments of various countries are trying.

There are programs available in CIDA. I agree with CIDA when it tries to create sound policies for economic management in foreign countries, particularly business rules and investment rules which foreign countries lack. It may be a long process, but if it is done I am positive like everyone else that the economic standard of these countries would increase.

It is important that Canada have free trade access because we have a small market. Canada has only 30 million people. We need foreign trade for our own prosperity. It is a win-win situation for everyone.

Mr. Dick Proctor (Palliser, NDP): Madam Speaker, early in the member's speech he said that he was surprised New Democrats from the prairie provinces would be in opposition to the motion because of how beneficial trade is for agriculture. As has been pointed out by previous speakers in our party, we do support fair trade.

I would ask the member to tell us how agricultural trade over the last seven or eight years with the United States has benefited farmers from western Canada. As Canada slashed subsidies by 60% and the Americans jacked up its subsidies, could he tell us how it has helped Canadian grain and oilseed producers in Manitoba, Saskatchewan and Alberta?

Has it helped anybody other than the multinationals, the Monsanto and the implement dealers? We do not produce any manufacturing equipment except short line equipment. The large stuff is produced outside our borders. Could the member tell us about the blessings of fair trade with the United States as it has affected agriculture over the last eight years?

Mr. Deepak Obhrai: Madam Speaker, I will never understand it. At one time members of the NDP talked about fair trade and how they did not oppose free trade. They said they liked fair trade.

Fair trade can only be done if it is a rules based system. If it is not a rules based system where will we get our free trade from? Where will we get our fair trade from? I do not understand.

• (1145)

The member has just given the exact example of the prairie farmers he is talking about in the U.S.A. Do we know why? Because agriculture is not on the table. Agriculture fell off. If agriculture were under WTO fair trade rules, what the member is talking about would have never happened. The member should just wake up to the fact that if we want to talk about fair trade then it is going to be a fair, rules based system. That would solve the problem.

Mr. Werner Schmidt (Kelowna, Canadian Alliance): Madam Speaker, I want to commend my colleague for his comments and the hon. member opposite for the comment about the countries that have adopted open and transparent free trade and how it has created wealth in those countries.

I think it is really significant that we recognize the differences in philosophy between the two approaches to the creation of wealth. I would like to ask my hon. colleague if he could somehow explain more about why that works. It seems to me that if businesses want to invest millions of dollars into another country or anywhere, they want stability. They want to be able to predict what the rules will be as they invest their money and they want a return on that money.

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That applies to governments too. They do not want to simply spend money and then not get anything for it, although I sometimes wonder whether the Liberal government really cares about that part of it, as it just seems to throw money away.

However, the real question for my colleague is this: would he expand the stabilization aspect of a rules based trading system?

Mr. Deepak Obhrai: Madam Speaker, I would like to thank my colleague for asking this question.

He is absolutely right. In the long term when an investor is pouring his money into a situation, he needs investment stability. He needs to know that an investment is made and a return is expected.

The problem is that in the past when there was an investment, the nationalization, the taking away of properties, the seizing of properties, resulted in situations where there was no stability. Individual investors could not predict what was happening to their investments. Nobody, even the NDP, I am sure, will agree to throw money down the tubes when there is nothing there. No one will agree to that.

Chapter 11 and these rules we are trying to create are there to ensure that investors know what to expect and to bring stability to that system. At the end of the day, some questions about environmental and labour standards are issues that we have international bodies to deal with.

Under the United Nations we have the ILO and UNEP. These are international bodies that can bring pressure on the governments of countries where an investment is made to ensure that they have rules and laws that will protect their environment and their labour standards according to their needs. It is wrong to take other labour standards and dump them on other governments. Let them decide what their labour standards are. I must say it bothers me that the NGOs who sit here are in the best environment in the world and are trying to put their views on different countries while not understanding what other countries want.

[*Translation*]

Mr. Pierre Paquette (Joliette, BQ): Madam Speaker, since May 1 is International Workers Day, I want to begin by saluting workers from Quebec and the whole world.

I also want to congratulate the New Democratic Party for its initiative, which is entirely in keeping with the work that the Bloc Quebecois has been doing for the past number of weeks in this House to ensure a true public debate on the ongoing negotiations on the free trade area of the Americas.

Chapter 11, and particularly the issue of dispute settlement, is at the very core of the lessons that we should learn from the North

American Free Trade Agreement and the Free Trade Agreement with the United States.

I remind the House that the Bloc Quebecois supports free trade. This being said, we are, based on the experience gained with the two agreements that we signed with the United States, and with the United States and Mexico, in a position to draw some conclusions as to what has worked well and what has not worked so well.

● (1150)

The motion proposed by the New Democratic Party allows us to debate an aspect of the North American Free Trade Agreement that is very problematic, even in the eyes of the government. Indeed, both the Minister for International Trade and the Prime Minister have alluded to a number of issues concerning, among others, chapter 11.

The forum of parliamentarians we helped organize during the people's summit in Quebec City was attended by representatives from every country in the Americas, particularly Latin America. These parliamentarians told us "In Canada, in Quebec, in the United States and in Mexico you know what a free trade agreement is all about. We would like to share that experience with you". But for us to do that, we ourselves must take the time to digest the positive and sometimes less positive results of the North American Free Trade Agreement.

From this angle, it appears that today's debate is extremely useful, not just for the House, but also for all parliamentarians in the Americas. I undertake to share the results of today's debate with the parliamentarians present at the people's summit forum of parliamentarians.

When the North American Free Trade Agreement was signed, no one had assessed the full impact of chapter 11, particularly as regards the dispute settlement mechanism. I have here a quotation from the June 23, 1999 *La Presse*. Howard Mann, who was a member of Canada's negotiating team and who drafted the environmental portion of the trade agreement, said, and his comments were reported in *La Presse*, as I mentioned:

This is a situation that nobody anticipated. It was only in 1996, with Ethyl Corp.'s lawsuit, that we realized how far companies wanted to take certain provisions of the agreement.

So, it was not the intention of those who negotiated this chapter for Canada, for the United States and for Mexico, that it would be used as it has been for the past few years.

Between 1996 and 1999, seven lawsuits, for a total of \$1.5 billion, were filed under chapter 11. All seven of these lawsuits, which represented half of all those filed, had to do with environmental legislation. All of them challenged environmental standards which these companies felt were discriminatory or amounted to the introduction of protectionist measures.

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Last week, in the House, the Prime Minister seemed to feel that Canada's chapter 11 record was good. I wonder how he, of all people, can think such a thing, with his recent boasting about his political longevity; if his concern for a good record in the case of chapter 11 matched his concern for his own personal record, I do not think he would still be sitting in the House.

The record shows that we struck out twice. The case involving Ethyl Corporation was settled out of court, but Canada admitted its guilt by paying the company compensation. In the S.D. Myers case, we lost. There was one victory, but it was an obvious one in my opinion, that of Pope & Talbot's challenge of the provisions of the Canada-US agreement on softwood lumber, under chapter 11, on the grounds that they were contrary to NAFTA. There is still one case pending, UPS against the federal government in connection with unfair competition by Canada Post for delivery services. Sun Belt Water is still involved with the Government of British Columbia as well.

I think it is, therefore, very early to be saying that Canada had good results relating to chapter 11. On the contrary, it seems to me that what the Minister for International Trade said—version one, that is, since there seems to have been a rather rapid change in his thinking since then—constituted an appropriate beginning of a position when he stated before the Standing Committee on Foreign Affairs and International Trade as follows:

What I have been seeking, for some time, as we discussed at this committee the last time I was here, is clarification about some elements of chapter 11 that I believe have been given extension beyond the real intention of the drafters. Some are about expropriation, for instance. You use some clauses on expropriation in a way that is, in my view, excessive and not useful.

That was last March, when the Minister for International Trade was before the Standing Committee on Foreign Affairs and International Trade.

• (1155)

He went on to state:

We want more transparency as well. I think chapter 11, in that clarification, which would be binding on the three NAFTA countries, would need to adopt more transparent ways of dealing with the investment, and particularly the investor-state, aspects.

So even the Minister for International Trade was, only a few weeks ago, questioning the dispute settlement mechanism.

It was totally in keeping with his April 5, 2000 statement about chapter 11, reported in the motion by the NDP, when he replied:

On chapter 11—and we had a discussion a few weeks ago, and I understand where you're coming from—I can assure you that we are not seeking an investor-state provision in the WTO or anywhere else in other agreements.

A member of the NDP asked "On the FTAA?" The minister responded "No, not on the FTAA, either".

These are the words of the Minister for International Trade, who said a month ago, and a year ago, that the government did not intend to include a dispute resolution mechanism in the FTAA and the WTO accord equivalent to that found in NAFTA.

If it were the intention of the minister and if it were the intention of the government, there must be a problem with the mechanism. So, let us look at the problem and resolve the causes of the problem.

As I mentioned earlier, this was the position of the Minister for International Trade in the first draft. Then, in the conclusions of the summit of the Americas in Quebec City, the Prime Minister of Canada intervened. He felt reasonably satisfied with chapter 11. Afterward, here in the House the Minister for International Trade changed his position, and on April 24, we heard him say here "Mr. Speaker, the government believes strongly that chapter 11 is working reasonably well".

It was a bit troubling to see such a quick change in the Minister for International Trade's thinking, when, for a year, he considered and stated that there were problems with the application of chapter 11, specifically the dispute regulation mechanism.

In the summary of Canada's position on the matter of investments with respect to the FTAA—because we are still waiting to hear Canada's position on investments—I quote what appears on the government's website, which we have been advised to consult regularly:

Canada is not advocating the replication of NAFTA investor-state rules in the FTAA and has not supported the proposals made so far by other FTAA countries to include such a type of dispute settlement mechanism.

The issue is one of consistency, I think. The other parties in this House may think that anything on international trade that comes from the New Democratic Party or the Bloc Quebecois lacks credibility, but the NDP motion presents the position of the Canadian government itself, as stated on its website. I would find it hard to see how the government party could vote against its own position.

This being said, it is true that this is the summary of the position on investments. We still do not know the government's final position on investments and dispute settlement in the context of the negotiations on the free trade area.

I am asking the government to state that position as soon as possible, because it is one of two elements that generate a great deal of distrust toward the whole process, the other one being the fact that last week the party in office defeated an amendment brought forward by the hon. member for Saint-Hyacinthe—Bagot

to the effect that any final agreement be voted on by this House before being ratified by the government.

It is perfectly legitimate to debate and question the validity of the dispute settlement mechanism, which is found in chapter 11 of the North American Free Trade Agreement and which is, for some countries, perhaps the United States and perhaps Canada, an acceptable basis for negotiation.

It is neither the position of the Bloc Québécois nor that of the institutions committee of the Quebec National Assembly.

• (1200)

The following is a passage from page 68 of the report entitled “Le Québec et la Zone de libre-échange des Amériques: Effets politiques et socioéconomiques”:

—a number of stakeholders are concerned that states no longer seem to be allowed to set their national development policies without having to constantly consult investors. In addition, the dispute settlement mechanism is a worry because it seems to circumvent governments and traditional justice and concentrate this power in the hands of trade tribunals.

As can be seen, not only is our concern shared, but it is shared by parliamentarians.

It must be realized that the mechanism provided for in chapter 11, which allows investors to sue states directly for contravention of this chapter, is almost unique in the world. In other words, Canada, Mexico and the United States have saddled themselves with an obligation that does not exist in any of the international trade agreements, whether they involve the World Trade Organization or are between European countries which, when there are international disputes, resolve them between states.

That is one of the reasons that has screwed up—the right word for it, in my opinion—all the negotiations on the Multilateral Agreement on Investment, because of the belief, by the premier of France in particular, that state sovereignty could be shared between states but could not be handed over to private enterprise. Such is the case, unfortunately, with chapter 11.

That is not, however, the only problem with the dispute resolution mechanisms contained in chapter 11 of NAFTA. I will touch on some of the criticisms that can be made.

First, the interpretation of certain provisions is unclear, because every time a dispute panel is formed by virtue of chapter 11, it is not bound by previous decisions. There is therefore no precedent, each case being judged, I would say, on its merits by adjudicators who are different every time. This creates uncertainty for government administration. Will what was valid for one case also be valid for another? There has been no jurisprudence created for administration of this chapter.

Second, there is a lack of transparency in the whole process. The decisions rendered by the dispute panels are not made public. This

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applies even to the number of court cases under way. I have referred to 15, while others speak of 18. Obviously, these are against the governments of Canada or the provinces, or those of the United States or Mexico.

Third, there is the whole matter of the mandate and the impact of decisions by international adjudicators relating to chapter 11 disputes. These arbitrators are perhaps experts in trade, but they do not see all of the ins and outs leading up to the decision by one or other of the governments. In this regard, public interest may have to take a back seat to a very sectorial private interest, which can be very damaging for certain segments of the population.

A fourth element I want to introduce is the fact that the dispute settlement mechanism benefits foreign investors over local ones. Obviously, we are talking about national treatment, and I think everyone will agree that all investors must be treated the same way. But here, with chapter 11 of NAFTA, as concerns dispute settlement, foreign investors are being given an advantage, which local investors are not. To me this seems to contradict the very spirit of these trade agreements.

More basically, I would say that the question of the dispute settlement mechanism is whether the arbitrators appointed under chapter 11 can legitimately make decisions dictating certain behaviour to governments, be it the federal government, a provincial government or a municipal one, all of which are democratically elected.

For all these reasons, it seems to us that the dispute settlement mechanism in NAFTA causes a problem and cannot serve as the basis for proper negotiations on the protection of investments—which we agree with—in the free trade agreement of the Americas.

As I mentioned, in the NDP initiative, what is interesting is that it is possible to speak as I did on one aspect of chapter 11, the settlement of disputes but I think other problems must be addressed as well. I will name two of them. There are others, but I will run out of time, I guess.

• (1205)

There is the definition of “investment”, which is found in Article 1139. That definition has broadened in a significant way, the definition of “investment” used in the free trade agreement with the United States.

In the free trade agreement with the United States, “investment” was defined as “an American majority interest in Canada” and conversely for Canadian interests in the United States.

In NAFTA, that definition also includes minority interests, including in portfolios. This also includes loans, real estate and majority or controlling interests by investors from signatory states.

This definition creates an extravagant situation whereby, in theory, a bank that would have loaned money to an American

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business in Canada could potentially feel prejudiced by a decision of the Canadian government, even though the American company located in Canada might not itself feel prejudiced. This definition of the term “investment” is much too broad. It should be restricted.

Another problem with chapter 11, and the Minister for International Trade himself alluded to it, is the notion of expropriation. As members know, in international law, the concept of expropriation traditionally included two elements: there must be an act by a state and that act must lead to a transfer of property.

This is how Article 1110 defines “expropriation” and it is extremely important to read it, because it is the root cause of a major problem in that chapter of NAFTA:

No Party may directly or indirectly nationalize or expropriate an investment of an investor of another Party in its territory or take a measure tantamount to nationalization or expropriation of such an investment.

As can be seen, this definition of indirect expropriation of a measure tantamount to nationalization or expropriation opens up a whole series of possibilities, with the result that some companies have extended the notion of expropriation to activities that they might have engaged in and to profits that they might have made. In the case of Pope & Talbot, for example, the company’s reason for suing the federal government was that it felt that if it had located in the Atlantic provinces rather than British Columbia, its sales would have been higher, its net worth would have been greater and its profits would have been higher.

The damages sought by this company had to do with this notion of indirect expropriation. In a case such as Pope & Talbot, I would say that a Canadian company would not have had recourse against the federal government. Fortunately, in this case, as with the lottery, we won. Unfortunately, we do not know what the arbitration tribunal will decide the next time around.

As I mentioned, the Bloc Quebecois is for genuine protection of foreign investments. This requires regulation. The state must assume its responsibility of protecting national and international investors but, in so doing, it must balance public and private interests. Investors must have both rights and obligations.

In the case of NAFTA’s chapter 11, which we do not want to see form the basis of negotiations for a free trade zone of the Americas, investors have rights, but governments have obligations. This seems completely unbalanced to us. The Bloc Quebecois will therefore be voting in favour of the New Democratic Party motion and the amendment.

[*English*]

Mr. Pat O’Brien (Parliamentary Secretary to Minister for International Trade, Lib.): Madam Speaker, I listened very carefully to my colleague’s comments.

In the debate, and in the time I have been parliamentary secretary and he has been critic, I found his comments for the most part to be quite constructive. However he cited an inconsistency in the government’s position. I will cite what I think the inconsistency was and ask him to comment.

First, the hon. member made the point that the Prime Minister said the chapter 11 clause was good. Then a little later in his comments he was more accurate when he quoted the Prime Minister as saying he was reasonably satisfied with how the chapter 11 clause was working, given the totality of our trade relationship in NAFTA and the \$1.3 billion of trade done daily back and forth across the border with the United States.

The second part was a more accurate reflection of what I recall the Prime Minister saying.

● (1210)

The hon. member talked about the comments of the Minister for International Trade and that he was not interested in any kind of an investor clause. That is what the motion says. Surely the hon. member recalls the minister repeatedly saying inside and outside the House that what was needed was not to scrap the clause or reopen it but to clarify it, that yes, the scope of the original signers of the deal needed to be clarified and that should be a priority.

What is the hon. member’s position and that of his party on the protection of investment? Does he feel there needs to be some rules to protect foreign investment in Canada and also Canadian investment overseas? Does he not see that is required or does he subscribe to the silly notion that we should somehow scrap this altogether? I would appreciate his views on those points.

[*Translation*]

Mr. Pierre Paquette: Madam Speaker, that gives me another chance to speak. In the NDP motion, there is reference to a chapter 11-style investor-state clause as in NAFTA.

I was very clear on this. We do not want to see any possibility under the FTAA of companies being able to take direct proceedings against governments.

That said, as with the WTO and the European Union, I have no problem with the states having the responsibility to protect foreign investments and being answerable to other states within a multilateral treaty.

When the Standing Committee on Foreign Affairs and International Trade examined it, when the MAI was studied—and we in the House were extremely critical of that—it must be realized that the MAI was a more general application of dispute resolution mechanisms already contained in NAFTA’s chapter 11, along with certain additional provisions of course.

In this context, I would say that not all of NAFTA and Chapter 11 needs to be rejected. I will not say “scrapped” because that is not a proper French word.

For me, and for the Bloc Québécois, one thing is certain. The dispute resolution mechanism needs to be corrected so that states can deal with it.

Second, the concept of expropriation must be tightened up so as to ensure that what is protected is direct and not indirect expropriation.

That said, these are things that are accessible for the three governments, in my opinion. Moreover, the Minister for International Trade has told us that he was working along these lines with the U.S. and Mexican governments in order to tighten up these definitions.

As far as negotiation of the FTAA is concerned, therefore, it seems to me that this is not the basis on which negotiation ought to begin.

Mr. Svend Robinson (Burnaby—Douglas, NDP): Mr. Speaker, I would like to thank the member for Joliette, his party’s critic on international trade, for supporting our motion today.

I would like to ask him about the role of parliamentarians, elected officials, in this process of negotiating the FTAA and about chapter 11 of NAFTA.

I was very pleased to work with the hon. member for Joliette on the parliamentary forum of the people’s summit recently. I would like to congratulate the member on his work in the forum and his work within COPA as well.

I would like to ask the member to speak a little about the lack of a significant role for parliamentarians within these negotiations, within the summits and within the process of dialogue on the free trade agreements.

Mr. Pierre Paquette: Mr. Speaker, as I mentioned at the start of my remarks, one of the problems we have with the whole process is growing public distrust, not only due to the lack of transparency but to the lack of a role for parliamentarians.

One of the things I deplore about the final statement of the summit of the Americas, by the 34 heads of state, is that at no point in the final statement is mention made of the role of parliamentarians, when one of the objectives set was the strengthening of parliamentary democracy.

• (1215)

How is it possible to strengthen representative democracy while denying parliament a decisive role in the negotiations? I think one might expect—as is done in most parliaments based on the British tradition, be it in Great Britain or Australia—that a vote would be

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held in this House on the entire final agreement on the free trade area of the Americas, before the government ratified it.

As I say, our British tradition is no obstacle to this method, since even the parliament of Great Britain uses this method.

Obviously, we must not find ourselves at the end of the process faced with a *fait accompli*. This is why the mechanisms must be tightened to allow parliamentarians to be involved on an ongoing basis, and not only through the Standing Committee on Foreign Affairs and International Trade.

The issues relating to continental trade agreements have an impact on agriculture, work, health and many aspects of our daily lives. In that sense, the proposal unanimously adopted in this House last week to put in place a transparent and ongoing process involving parliamentarians should make them contribute in a much more continuous and articulated basis because, as I mentioned, it is not just an issue of trade or relations with other countries.

As Canadian and Quebec parliamentarians—and considering that the North American Free Trade Agreement has now been in effect for seven years—we have a responsibility to take stock and to share our findings with all the parliaments and people of the Americas, so that they can make a judgment on the positive effects, but also on the dangers of a free trade agreement.

As I indicated at the beginning of my speech, this was requested by Latin American parliamentarians. They want us to inform them of our conclusions on this agreement.

In that sense, I hope that we will continue this type of work and debates on the provisions found in NAFTA, to avoid making the same mistakes in the negotiations on the free trade of the Americas.

Mr. Robert Lanctôt (Châteauguay, BQ): Mr. Speaker, I must say that we have learned more about this in the space of 15 minutes than from all the explanations given us by the government. My colleague, the member for Joliette, was very clear in his remarks about chapter 11 on investment, which includes several aspects. He was not able to cover them all, but he mentioned several of the most important.

Given that the government’s position is unknown—and a position must be known when a debate as important as this is involved—I hope that people really took in the remarks of the Bloc Québécois critic, which were very clear. I hope that the government will also take note of these remarks, which are truly well thought out.

I would like the member for Joliette to explain succinctly why this chapter 11 must not exist or whether it is really possible to improve on it. I personally see no possibility that it can be improved, as the government claims. Should this chapter exist or not?

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Mr. Pierre Paquette: In one sentence, Mr. Speaker, I would say that chapter 11 and all of NAFTA take a negative approach rather than a positive approach, because everything that is not excluded is included, while at the WTO, everything that is not included is excluded. I far prefer the WTO approach.

• (1220)

[*English*]

Mr. Bill Casey (Cumberland—Colchester, PC): Mr. Speaker, I am pleased to speak to this controversial issue. We will not be supporting the motion simply because we believe in rules based agreements.

We need rules on issues, such as investors, and the obligations by investors and governments in cases like this. It is a very big part of international agreements. We believe in rules based agreements and in the original intent of chapter 11.

We realize there have been some contortions, distortions and aberrations that were never intended, but it does not mean that we throw out the baby with the bath water. We believe that chapter 11 needs to be reworded and the problems addressed in future agreements but we also support rules based trade agreements.

We recently got into a great debate with the U.S. over softwood lumber. Some people said that since we were in a good position on energy that we should trade off our energy for a softwood lumber agreement. I and my party do not agree with that. We have to deal on the basis of rules. We cannot deal on the basis of having a little strength now on water or on energy. We cannot bargain those off against softwood lumber. We need a set of rules to follow, a dispute mechanism to settle differences of opinion and an investor clause in any future agreements.

I also take the opportunity to compliment the minister. We in the PC Party think he did a good job with the summit of the Americas. I know it was very trying circumstances but we think the 34 participants made significant headway and made a precedent setting direction by including the democracy clause. Some people think it is not as much as it should be but to me it is a tremendous step forward.

I look at it as a ratchet mechanism. I believe every country involved will go into the agreement at a certain level of democracy. There are many levels of democracy but I believe the other participants will not let any country go backwards in democracy. They will only be allowed to increase democracy through their practices.

I personally applaud the minister and even the parliamentary secretary for their participation in this because I think they made

significant progress. They should be proud of their efforts. I know the wily parliamentary secretary will pass that on to the minister.

The NDP members have been very consistent. One has to admire them for that. They have been against free trade, whether it was the free trade agreement with the United States, the NAFTA, or the free trade area of the Americas agreement we are dealing with now.

The Liberal Party, however, has not always been consistent. I remember standing in the House, I think, in 1988, having a great debate on free trade. As I recall, it was the Liberal Party that was totally against free trade. It was the Conservative Party that was totally in favour of free trade. Now we have this little flip flop where the Liberals are in favour of it. They have seen the light, the error of their ways and the benefit of following the Conservative role model and have now adopted a free trade position.

Although the Liberals do flip flop from time to time, when they land on our side of the argument we totally support and agree with them.

Our party supports free trade with the Americas, as we did with NAFTA and free trade with the United States. In fact, we propelled Canada into the free trade debate and we are proud of that. We remember very clearly fighting the Liberals tooth and nail during that debate. I look at the Deputy Speaker and I seem to remember his face somewhere on that side of the House at the time, but we will not get into that. We believe totally in expanding the global economy and trading partnerships with other nations.

• (1225)

Many people oppose trade agreements because they feel they will not help the people in the poorest countries who need help. From my point of view, if a country wants to improve its social status or social conditions it has to improve its economy. In the world we live in today, if we want to improve our economy we need to be part of the global economy. That means being part of trade agreements, which is what we are talking about with the FTAA.

The importance of trade for all countries, but especially Canada, cannot be lost. We trade \$2.2 billion worth of business every day. It is hard to believe. Our exports of goods and services in 1999 reached \$410 billion, or a whopping 43% of our GDP, the highest in the world. Canada and the U.S. are each other's largest trading partners. We are very much a part of this whole issue, which is why it is very important for us to have investor clauses to protect our investors and our businesses.

Although we support the free trade agreement and free trade in general, we always have to analyze these. We will make mistakes as these unfold. I think we all know that certain aspects of chapter 11 are wrong and have been used in a way that was never intended, but that does not mean we should throw the whole thing out and never sign an agreement.

Supply

The motion today outlines that we should never sign an agreement with a "Chapter 11-style investor-state clause". It is too ambiguous. It would cover any kind of investor clause. We cannot agree with that at all.

We do support the intent and spirit of chapter 11 in NAFTA. It is important for everyone to know the details of how NAFTA countries must treat investors and the dispute settlement mechanism. Unfortunately those rules have been interpreted in ways that we and the government never envisaged and should now be addressed.

We support several features in chapter 11, one being national treatment. Signatories are to treat NAFTA investors the same way as they would treat their own domestic investors. We agree with that in principle. If we want to invest in other countries and we want protection there, it would only make sense that we would need to provide the same protection here.

Another feature was the most favoured nation treatment. This obligated governments to provide NAFTA investors with the best type of treatment they could provide any investor, whether domestic or foreign. We would want the same treatment in other countries and we must offer that as well.

Another feature dealt with senior management. Signatories of the agreement must not impede NAFTA investment. Signatories must intervene as little as possible. We all know, especially in the business we are in here, how bureaucracies and officials can interfere with any project, event or circumstance with which we deal. This says that they should intervene as little as possible.

There is also a performance requirement. This restricts the imposition of performance requirements on investment by signatories. These provisions are to reduce the ability of government to require that businesses conform to these measures when investing in a party.

The intent of chapter 11 was to protect investors from excessive nationalization and protectionism. We think that is appropriate. We think investors should be able to invest in other countries and not be subject to nationalization and protectionism. We have seen examples of that lately in some of our trade agreements where protectionism has raised its ugly head. They use a set of rules in a way that was never intended, such as to stop our potatoes, our airplanes and even our softwood lumber.

This is an ongoing situation. It is not only investor clauses. It is many other clauses. We need to be ever vigilant, be on our toes and be a part of this great debate to ensure that these things do not interfere with our trade.

We support, in principle, the measures in chapter 11. In order for trade to work effectively, investors must be allowed to operate in a

given country. These obligations are not new. They have existed before.

To enforce these rights, NAFTA provided for an arbitration process. This is something that was not available prior to the original free trade agreement but it has helped resolve many issues in Canada's favour, even though we are dealing with a much larger partner. It has helped us much more than our other partner, the United States, when it comes down to disputes over free trade.

However, we acknowledge that chapter 11 has been tarnished. It has been tarnished because it has been abused, distorted and used in a way that was never intended.

- (1230)

One example is the Metalclad v Mexico case. It did not affect us so much but a U.S. waste management firm sued the Mexican government and won. Metalclad argued that the government's environmental laws hurt its ability to operate a plant. The plant was allegedly a hazardous waste treatment plant.

Canada banned the export of PCB contaminated waste in 1995 but was forced to revoke that ban after U.S. companies said they would challenge the law under NAFTA.

Another example is Ethyl's \$250 million lawsuit against the new Canadian environmental law. A short while ago parliament banned the import and interprovincial transport of toxic gasoline additive MMT. The Ethyl Corporation sued the Canadian government under NAFTA, chapter 11. Nobody envisioned that would ever happen. That is the reason we have to address it in future agreements. We have to make sure we are not vulnerable in these things.

Another area of interest is UPS threatening to sue Canada Post for unfair competition. We have had Canada Post for 150 years and all of a sudden UPS says that it cannot compete in an open market so it is suing under chapter 11. We think this is another example where we need to fine tune this clause in the agreement and make sure it does not happen again.

Of the 15 known lawsuits under chapter 11, 6 involve challenging the health and environmental measures we in Canada hold dear. It is clear that chapter 11 has not gone too far, but the interpretations have been in such a fashion that we never envisaged. We never foresaw that governments and companies in other lands would take advantage of them in the way they have.

Having said all that, we still do not support the motion to say we will never have a chapter 11 style clause again. That rules out any rules or regulations with regard to investment. It is far too broadly worded. It does not hone in on the problems. It hones in on the chapter, but it does not hone in on the problems within the chapter. Therefore we cannot support it.

Supply

We support the intent of the chapter 11. Chapter 11 needs to be clarified. We are determined to help restore chapter 11 to the original intent. That will be our focus as this unfolds and as it goes through committee.

Another issue was raised by an hon. member. I agree with him wholeheartedly that the government should bring proposed wording for the investor clause to parliament to ensure that everyone has a chance to pass an opinion on it and vote on the wording so that we all make sure we do not make the same mistake we made the last time.

We need to work on chapter 11. We need to be careful when drafting and signing all new agreements. We have to avoid mistakes and in this case the potential for other parties to interpret these clauses in ways we never intended.

I want to wind up by saying we will not be supporting the motion. We do think that chapter 11 needs to be fine tuned and adjusted to address the problems that have risen since the last trade agreement, but we do not think it should be thrown out and we believe in rules based trade agreements.

Mr. Pat O'Brien (Parliamentary Secretary to Minister for International Trade, Lib.): Mr. Speaker, I thank my colleague for his kind remarks to me and to the minister. As he knows I certainly will share those comments with the minister. I think a lot of good and important work was done in achieving a democracy clause at Quebec City. I am pleased to see he is very supportive of that.

The member talks about, and rightly so, the Liberal Party changing its view after the 1988 election won by his party. We certainly did change our view as a party. The facts speak for themselves in terms of the enormous benefits of free trade. There is no denying it, other than it seems the NDP is determined to deny those facts. The reality is the facts speak for themselves on just how positive it has been for Canada.

As a student and teacher of history I want to help the member out a little on the respective positions of our two parties. He will recall that Sir John A. Macdonald was the champion of protectionism. At that time the continentalist party was traditionally the Liberal Party. It was only in the latter part of the 20th century with the Mulroney government that the Conservatives started to move more toward a free trade party.

• (1235)

With all due respect to my colleague, a reading of Canadian history will show the traditional economic position of our two parties. The Liberal Party has been far more the continentalist party traditionally while his party, starting with our first prime minister, was a party of national policy built on protectionism. High tariffs was one of the fundamental tenets of that protectionist national policy. That sets the record straight for the many viewers out there.

I will ask my colleague a question on investment. We very much intend to table our position on investment, but it simply is not ready for that now. Does the member not agree that it is important we consult widely with Canadians?

I spoke about this point recently with the chamber of commerce in my riding of London—Fanshawe. Those business people and other Canadians very much want to be consulted on what our policy would be. Those consultations are under way now. Does the member not think it is important to finish that consultation extensively rather than rush into the House and into a premature release of our position on investment?

Mr. Bill Casey: Mr. Speaker, the hon. member suggested in his opening remarks that I might recall Sir John A. Macdonald was a protectionist. Maybe he was there, but I was not at the time so I do not recall his position on that and I do not recall the debate.

The question was whether I think the government should consult. I do think it should consult, but the key word is I think it should listen as well as consult. It should ensure that the views of all Canadians are brought together and included in the chapter 11 clause. Then I think the government has to be very firm and vigilant to ensure that the clause is changed.

Mr. Joe Comartin (Windsor—St. Clair, NDP): Mr. Speaker, I have a question for my friend in the Progressive Conservative Party. Several times he made reference in his address to the House that chapter 11 of NAFTA is wanting in a number of respects and needs tinkering or altering in some form.

Could he share with us what ways he sees that chapter 11, while maintaining it, could be improved to avoid the abuses that have occurred under it?

Mr. Bill Casey: Mr. Speaker, the whole point is that chapter 11 is wanting. When something new is done or a new position or new policy is developed, often there will be unforeseen interpretations. That is what happened in this case.

Chapter 11 has to be more than just tinkered with. It needs substantial changes to protect the Canadian government against actions from business with respect to health concerns and environmental issues. Although I still believe we need an investor clause included in our rules based trade agreements, there should be a rules based clause for investors in the same way there are other clauses.

Mr. Dick Proctor (Palliser, NDP): Mr. Speaker, I am glad to be participating today and I will be sharing my time with my colleague from Windsor—St. Clair.

[*Translation*]

I will begin by reading the opposition motion:

That this House calls upon the government to respect the spirit of the evidence given by the Minister of International Trade before the Foreign Affairs Committee, who stated "I can assure you that we are not seeking an investor-state provision in the WTO or anywhere else", by refusing to sign any trade agreement, such as the FTAA or the GATS, that includes a NAFTA Chapter 11-style investor-state clause.

[English]

I was very proud of the federal New Democratic Party for being in Quebec City at the peoples summit, particularly our opposition to chapter 11 of NAFTA and our concern that chapter 11 would essentially find its way into the free trade area of the Americas. Our underlying concern is the loss of democratic leverage in favour of a purely commercial agenda.

• (1240)

We allege the free trade agreement, NAFTA, and now the FTAA have been written by and for multinational corporations and not for people. The FTAA has been referred to by doubters as NAFTA on steroids. A Saskatchewan farmer some 80 years old refers to the FTAA as standing for fleeced and trampled all over again.

We heard most recently from the Conservative member who preceded me about our concerns with *Metalclad v Mexico*. It had tried to ban a toxic waste dump site but under chapter 11 *Metalclad* won. The parliamentary secretary challenges us to talk about democracy and point to any other trade agreement that is more democratic. With the investor state provision decisions are made behind closed doors by a tribunal. No arguments come outside those doors. I cannot think of anything less democratic than chapter 11 of the North American Free Trade Agreement.

There are other examples. The member for Cumberland—Colchester talked about UPS suing Canada Post because Canada Post owns 96% of Purolator. United Parcel Service is arguing that is an unfair trade advantage and is seeking many hundreds of millions of dollars in retribution from Canada Post. We have many concerns with chapter 11 of NAFTA being extended into the free trade area of the Americas.

Chapter 11 allows investors rights to challenge environmental laws and regulations, as in the *Metalclad* case, before international tribunals and to sue governments for compensation for profits lost due to government action to protect the environment.

Another example which springs to mind is Ethyl Corporation and the MMT decision that affected Canada. We paid out more than \$10 million in damages to Ethyl. Never mind pristine water or a green environment, in our view this is mostly about greenbacks, especially American greenbacks.

It was examples like *Metalclad*, UPS and Ethyl that have caused us concern with chapter 11. As was stated earlier, we got a commitment from the Minister for International Trade that there would be no chapter 11 in the free trade area of the Americas. That was before Quebec City. The Prime Minister had lunch with

Supply

Vicente Fox and George W. Bush and now says that chapter 11 is not so bad, and away we go. We appear to be not only stuck with it in terms of NAFTA, but I believe we will find at the end of the day that it is embedded in the free trade area of the Americas.

As Dalton Camp noted in a recent column in *The Hill Times*, chapter 11 was never designed for people. It was designed for corporate folk who own the media, some politicians and a few economists. Tens of thousands of protesters who were in Quebec City certainly know that chapter 11 was not designed for them.

Our critics and the Minister for International Trade say that anybody who is opposed to it is living in the last century. As I indicated earlier, one of the most underreported stories from the behind closed doors heads of state meeting in Quebec City was when an audio feed was inadvertently left on for part of what was supposed to have been a closed session. There were several leaders from smaller, poorer countries who spoke in that closed session and challenged the idea that unbridled capitalism was the best way to nurture democracy.

• (1245)

Just listen to the words of Alfonso Portillo, the president of Guatemala, who said in that closed meeting: The small economies are not the same as the big economies. Just to become the equals of big brothers, we will need to be treated accordingly.

The democracy clause was a big deal, probably the big deal, of the summit leaders. It was certainly flaunted by the Prime Minister. Hugo Chavez, president of Venezuela, said behind those closed doors that if democracy did not provide land, if it was concentrated in the hands of 2% of the population, they could not speak of democracy.

How can it be democratic when ordinary people in the streets are out there protesting, the vast majority of them very peacefully, but the corporations are buying their way inside the summit gates to curry favour with heads of state by paying a mere \$500,000 or so?

Some of those elected leaders were saying what people outside were saying, that is, more than half of the population of the Americas, of which there are 800 million, live in poverty, and it is our contention that the free trade agreements have tended to widen, not narrow, the inequalities.

In fact, I just saw some documentation this morning. The essence of it was that over five years after NAFTA in Mexico the average wage has fallen some 20 cents or 30 cents an hour. Believe me, having lived in Mexico, I know what the hourly wages are in that country.

We do have a great deal of concern with regard to chapter 11. The New Democratic Party wants fair trade. We in the NDP say that there is a world of difference between fair trade and free trade.

Supply

We want rules that reflect the common concerns for the welfare of all and the sustainability of our environment. It is our belief that when more people become more hungry or more impoverished, we are indeed all impoverished.

I also want to absolve the people who were arrested in Quebec City. There is the idea that those arrested were all the bad actors. We acknowledge, as I said earlier, that there were a few, but certainly not all who were arrested. Many innocent people were picked up, arrested and detained. I encourage people to look at the comments of Daniel Turp, a former esteemed member of the House in the last parliament, who was there watching over human and civil rights. He was quoted by the public press.

Let me just attempt to close by identifying with a statement by Paul Wellstone, the senator from Minnesota, that is, we are not against global trade but we are against greedy corporations that dominate that global trade. That is the essence of our concern with chapter 11 of NAFTA.

Mr. Pat O'Brien (Parliamentary Secretary to Minister for International Trade, Lib.): Mr. Speaker, first of all I would like to address the member's comments about the police. I had the privilege of being in Quebec City and of meeting some of the delegations from the other countries as well as talking to some of the peaceful protesters, which I agree made up the vast majority of people. However, my view of it is that the police showed tremendous restraint in the face of incredible provocation and violence by a small but determined minority. That seems to be the view of most objective observers of that particular weekend.

I would like to ask the member two specific questions about investment. We know that teachers' pension funds, labour pension funds and nurses' funds are some of the very largest funds in Canada. In fact, in my former life I was a teacher in Ontario, and the Ontario teachers' pension fund is one of the very largest in North America. As well, 50% of Canadians own mutual funds as a portion of their retirement savings.

• (1250)

Would the member share with us his view and the view of his party? Should we or should we not have rules to protect Canadian investments abroad? Would the NDP as a party be willing to rescind the rules that protect the savings of those Canadians such as those I just mentioned whose lifetime savings are tied up in these funds?

Mr. Dick Proctor: Yes, Mr. Speaker, we should have rules, but I would echo the comments made by the member for Cumberland—Colchester who indicated that some of the decisions or challenges made to the way we have chosen to do business in Canada were not

foreseen at the time chapter 11 was put into place and they need to be changed dramatically.

The point of the member's question goes to the heart of the debate. Is maximizing profits what it is all about? Is it all about maximizing the return on the pension funds for the teachers or the profits of Metalclad Corporation or UPS? Is that the kind of world we want to build? The New Democratic Party thinks not.

Mr. Pat O'Brien: Mr. Speaker, I guess we are making a little progress. We found out that the NDP does believe in rules for investment. Of course the member, in answering the question, went on to Metalclad and so on. That was not the point of my question at all.

I was speaking not about maximizing profits but about protecting the life savings of people through a proper series of investment rules that are very important here in Canada and abroad.

The hon. member asked earlier how we can call the summit democratic. Very simply, we had 34 democratically elected leaders who were there of their own volition to participate in it. We had a parallel summit of citizens funded in large part by the federal government. There were extensive consultations and hearings at the standing committee and by the minister. There were a number of opportunities for Canadians to be involved.

My question for the hon. member is simply this. How can he and his party ignore comments like those of UN secretary general Kofi Annan who has said that the best thing we can do, including the NDP, for the very people we all seek to help, the less fortunate peoples, is to globalize and liberalize trade. How can NDP members ignore the comments of such an outstanding world leader?

Mr. Dick Proctor: Mr. Speaker, on the democratic front, one of the most untransparent things that has happened in parliament was the breathtaking news that the Minister for International Trade said he had great results and would make all of the position papers available. Then there was a pause and he said that of course he would not be able to do that before the Quebec summit because the translation was not complete, but he would be doing it eventually. Such hypocrisy.

In terms of trade, we continue to say that we believe in fair trade. To listen to the member for London—Fanshawe, one would think that there had been no trade prior to the North American Free Trade Agreement or the free trade agreement. Somehow we have been developing trade throughout the world for many hundreds of years. Some rules have been better than other rules, but the notion that suddenly we live in a global economy and we have trade is a very thin reed on which to base an argument.

Mr. Joe Comartin (Windsor—St. Clair, NDP): Mr. Speaker, I want to start my comments today by welcoming this opportunity. It

is a continuation of the speech I was giving yesterday on the water bill and the exposure that these types of trade agreements have meant to Canada.

• (1255)

The first comment I want to make is with regard to the report published in the last year and a half on the negotiations that went on around the MAI. The report I want to make specific reference to, because it seems to be very appropriate given the motion before the House today, was prepared by Madam Catherine Lalumière, who is a European member of parliament.

In her report she goes through some analysis of what happened leading up to the dismantling of the negotiations on the MAI. She credits a number of the non-governmental organizations that raised opposition to it. Of course as we all know that ultimately culminated in France withdrawing from those negotiations and the negotiations collapsing.

She has prepared a report out of that and has made a number of recommendations that I believe are very appropriate and timely for the discussion today. One of those is a blanket recommendation that says there should be no investor state claims. She analyzed what happened with NAFTA, looked at the cases that have been repeatedly mentioned today and said no to investor state claims.

The report goes on to say there should be no general treatment clause given to foreign companies so that they have an integral and constant protection. There is to be none of that. It says to impose limits on expropriation claims—so those are some of the rules the parliamentary secretary seems to be referring to—in order to prevent their use against all regulation or public legislation that reduces the economic value of economic foreign investment. The report says that effectively that is what NAFTA did. The report recommends just the opposite.

There are many more than the four recommendations I will mention, but one final one is a recommendation for continued governmental rights to establish performance requirements. By that they mean public benefits from foreign investment.

Because of my own ethnic heritage I want to talk about the European Union model and its impact on the state of Ireland. Again, that model is fundamentally and philosophically different from the free trade agreement, from NAFTA and from the FTAA, should we ever, God forbid, get to that.

I was in Ireland in the mid-nineties just as the effect of the capital transferred from the European Union was beginning to allow the economy in that country to develop. I watched as it progressed over the last half dozen years to where it has become a much more vibrant economy. However, that is an entirely different model. It allowed that country to move forward. It allowed it to in

Supply

effect move from somewhere back in the twenties or thirties as far as the development of their economy was concerned into this millennium in a very short period of time. If we had applied the NAFTA rules there, none of that would have happened in Ireland, nor would it have happened in Portugal, which has had a very similar experience.

As my colleague has already mentioned, there was perhaps from the perspective of the government the unfortunate experience of someone leaving a button turned on. The international trade minister was quoted, as we have heard in some of the comments from our colleagues in the Alliance, as to how the trade agreements are the miracle solution to poverty. The trade minister was quoted as saying “It is not the market or trade per se that can eliminate inequality”.

Even the international trade minister recognizes that these treaties and agreements are not the be-all and the end-all. Again as my friend has already indicated, all we have to do is look at the Mexican experience. He was struggling at one point for the dollar figure. Let me quote it because I do have it available. Remember that NAFTA came into effect in 1993. Between 1994 and 1999 wages dropped in Mexico. The average hourly wage dropped from \$2.10 an hour to \$1.90 an hour. That was the experience Mexico had.

• (1300)

There are a number of other indicators, the maquiladoras probably being the best example, of the type of consequences of those agreements where there are no protections for labour standards, human rights or the environment, all of which are protected and guaranteed in the European Union model.

I will spend a moment on the Auto Pact. I have long time personal experience with that particular trade agreement which was done away with as a result of one of those rulings by those faceless bureaucrats who make these decisions.

If we look at that as a model, we are constantly being accused as a party and as a movement of opposing trade. Nothing is further from the truth. That agreement had the support of our party since its inception. What did it do? It allowed cities such as Windsor, London, Oshawa and a number of others to develop very vibrant economies and well-paying jobs for the labourers who worked in those plants. We did not have that as a result of the FTA or NAFTA. That was all there before.

We also constantly hear the government talk about the \$1.2 billion a day of trade that goes on. A great deal of that preceded the FTA and NAFTA and was related to managed trade in the form of the Auto Pact.

I will move to some comments that have come out in the last couple of days and which cause us great concern around the issue of the use of chapter 11.

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Specifically, in the Edmonton *Journal* this morning Mr. Bill Turner, a businessman and interestingly the natural resource advisor to the governor of New Mexico, said:

Canadians will some day consider water a prized commodity rather than a natural, protected resource. And all it will take, all it will take is court action to loosen Canada's grip on its envied supply.

If we read between the lines, he is talking about a chapter 11 application.

We will see that come unless we do something as a government and as a society to stop that. However that is what we will be faced with unless we do away with the chapter 11 type of protection for multinational corporations in the private sector.

It is very clear that the motion before the House is not a motion that opposes the liberalization of trade. It is about a policy that will require this government and future governments to protect Canadians' rights to have an economy that is not based just on profit for multinational corporations, but a society that will allow people to develop their environmental concerns, their labour standards and their human rights in a safe and protected manner.

Mr. Stephen Owen (Vancouver Quadra, Lib.): Mr. Speaker, I would be interested in knowing the hon. member's views on articles 14 and 15 of the North American agreement on environmental co-operation which provides the ability for organizations of civil society and NGOs to challenge the states in the North American Free Trade Agreement for failing to effectively enforce their environmental standards.

Is the hon. member aware of that opportunity and does he agree that in that situation it is appropriate for non-state actors to challenge states and foreign countries?

• (1305)

Mr. Joe Comartin: Mr. Speaker, I am aware of the provisions in the side agreements for both the environment and labour standards. Let me make comments on both.

With regard to the environmental standards, it is obvious, given the full eight years that NAFTA has been in place now, that they are grossly ineffective, particularly because there are no resources of a meaningful nature for an NGO or a private citizen to take that on. It is just not possible. It is not a practical way of dealing with it.

It is obvious, from the results on the labour standards side, especially the Mexican experience, that even when large unions have attempted to use those side deals nothing has happened. In that case their government would not enforce the number of rulings

that came down. They have been few and far between because they do not have the resources to effectively push the rights forward.

Mr. Pat O'Brien (Parliamentary Secretary to Minister for International Trade, Lib.): Mr. Speaker, first, I listened carefully to my colleague's comments. He noted that much of the trade that exists between Canada and the United States, and our number is \$1.3 billion two-way trade a day across the border, existed before the FTA.

I remind my colleague that over the past 10 years export sales in goods and services, as a percentage of our GDP, has gone from 25% to 45%. That is a tremendous growth. There is no other way to put it than much of that is attributable to the FTA and to NAFTA. Some 90% of the 2.1 million jobs created in this country since we came to power in 1993 were directly related to our exports in goods and services.

The hon. member raised the subject of Ireland, which is pretty close to my heart, its subsidies and the good work they have done. I saw them firsthand and there is no question that is true. Canada has been a player in that, contributing significant money through the international fund of Ireland.

However does the member not understand that we cannot fairly compare and draw an analogy between the FTAA, which is in its infancy and really has not even been struck yet as we are only talking about it, and the EU which has been 40 years in its evolutionary stage.

Canada has a fund for development in the Americas that has been recently created by the Minister for International Cooperation. Is the member not aware of that fund? Is the member not aware of the concerns raised by President Fox and other leaders, and the steps that were taken in Quebec to create a fund for development in the Americas, exactly the same kind of ideas that he spoke about vis-à-vis Ireland? They have to have time to mature.

Mr. Joe Comartin: Mr. Speaker, I am aware of absolutely everything that the member for London—Fanshawe raised.

Let us talk about that fund for a minute. Ireland was provided with approximately \$8 billion from the European Union for a population that I believe at that point was about 2.5 million people.

There is a proposal I believe to top up the fund, which my colleague from the government side talked about, to \$25 billion for what would be 500 million people?

Mr. Pat O'Brien: It is just starting.

Mr. Joe Comartin: Mr. Speaker, that is the point. It is just starting. Why is that? Why did we follow this model? Why did we not follow the European model? That is what this government needs to answer.

Mr. Stephen Owen (Vancouver Quadra, Lib.): Mr. Speaker, I will be splitting my time.

I will address the issue of the value of foreign investment for Canada.

First, we know that there is almost \$300 billion of foreign investment directly into Canada each year. This is immensely important.

When companies from other countries invest in our country, they bring ideas as well as support jobs. One in ten jobs in Canada is supported by that nearly \$300 billion investment per year. They also bring ideas and technology to our country. Also, in an increasingly cyclical way, they support 50% of our exports by investing in this country. Investment into Canada is immensely important for jobs, the GNP and bringing in ideas and technology.

• (1310)

Investment outside of Canada by Canadians is even larger. It is more than \$300 billion a year. This provides great opportunities for us to deal with other countries but it must be protected. Canadian companies and individuals investing abroad deserve protection. However investors in Canada also need the protection of rules.

Trade and investment inside and outside of Canada is immensely important to our country. We also have important domestic responsibilities. Those are to protect very strategic parts of our public services and our governance models. Our health care, education, social services and water absolutely need to be protected.

Canada has not put out its negotiating position yet in terms of the investment provisions in the FTAA because they are being developed. There is a great deal of consultation going on and more will continue. Those will be made public when they have been properly consulted on and prepared. The government has consistently said that it will protect and will not sign any agreement that does not protect those important strategic policy issues in Canada.

However our interests are not just domestic. Our interests and our social responsibilities are global. The democracy clause in the FTAA framework is a major first step toward this. We must ensure that other global issues of social importance, whether they be environmental, human rights, the rule of law or the promotion of democracy, are protected and linked in some effective way to our trade agreements. The advance that we have made in the FTAA discussions in Quebec City demonstrates that well.

The hon. member mentioned that he was aware of the North American agreement both on environmental co-operation and labour co-operation. He felt that they had not been perhaps as effective in allowing NGOs to challenge governments. However he did not answer the question whether those could be improved, just as chapter 11 rules, interpretation and processes need to be and will be in future agreements.

Supply

If those could be improved should NGOs be able to effectively challenge governments? I challenge hon. members to consider carefully the reality of new governance in a modern society where the market and civil society have a powerful and important role to play with governments. If NGOs should be able to challenge governments and other non-state actors, why not corporations as long as those rules are fair, transparent and they meet other social responsibilities?

I will talk about this concept of new governance a little further. NGOs will come up to the governance table as they are invited to do more and more effectively. We saw that opportunity in the FTAA lead-up consultations across the country and the people's summit and the civil society committee taking part in the negotiations of the free trade of the Americas. However, if civil society is going to step up to the governance table, it has to demonstrate its democratic nature and its representative nature, just as corporations must prove their social responsibility.

One of the most powerful forces to exact social responsibility from corporations trading abroad is the democracy of the market. If a company such as Levi thinks it is going to get 10 year old kids in India or Bangladesh to stitch its jeans, then the North American, European and increasingly other markets are simply not going to buy its product. We had a striking example of market democracy in my province of British Columbia where not only were civil society and the market involved in looking at land use planning and forestry practices on the mid coast, but they were making decisions without government.

We have powerful forces that need to be brought to bear. We not only need linkages between free and fair trade but also social responsibilities, environmental, democratic, rule of law and labour practices.

• (1315)

Finally, chapter 11 of NAFTA needs to be clarified. There are problems which have been properly pointed out. However that does not mean corporations should not have the opportunity, under a proper set of rules and processes, to challenge governments in courts as they do domestically.

Foreign investment helps developing countries. Globally, however, there is not sufficient public money or public interest to provide the investment necessary for countries to pull themselves out of poverty. Direct or indirect foreign investment through private companies is an effective way of supplementing the public money available for that purpose.

[*Translation*]

Mr. Denis Paradis (Parliamentary Secretary to Minister of Foreign Affairs, Lib.): Mr. Speaker, first allow me to talk a bit about NAFTA.

Supply

Whereas the success of NAFTA is usually linked to the opening up of markets to goods and services, its capacity to attract foreign investment in the regions could end up being the most powerful and durable impact of the agreement. As the Prime Minister said, NAFTA works quite well.

I will quote some figures. The total direct foreign investment in NAFTA countries was \$1.97 billion in 1999, more than double the figure of 1995.

American investments in Canada has doubled since 1993 and reached \$186 billion in 2000, whereas Mexican investments in Canada reached \$132 billion in 2000.

Canadian investments in NAFTA countries have also been quite sizeable. In 1999, direct foreign investments of Canada in the United States and Mexico were \$134.3 billion and \$2.8 billion respectively.

I will now say a few words about the World Trade Organization. The WTO is not the multilateral agreement on investment, commonly called the MAI. These are two different things. The WTO has more than 130 member states, most of which are developing countries. The multilateral agreement on investment was meant for an elite group of developed countries, the OECD countries. Each member of the WTO has its own approach to investment, and, for the time being, there is no consensus to proceed with an agreement on investment.

Proposals on investment brought forward during the period leading to the ministerial meeting in Seattle were quite different from those in the MAI. Nobody has suggested we should include dispute settlement mechanisms for investor-state conflicts. We can expect that any new WTO agreement on investment will include developing countries.

During the ministerial meeting in Seattle, many countries, the United States included, wanted our international trade minister, who is doing an excellent job, to chair the implementation task force of the Seattle meeting. He has accepted, and he has shown that Canada is perceived as a country that helps build bridges between developed and developing countries.

The task force was supposed to highlight the enormous challenge of including these countries in the round and determining the means to implement the agreement. The idea of a new round at the WTO is not dead. A ministerial meeting will take place in Doha, Qatar, in November this year.

Whatever its position on investment, the government is determined to protect the rights of Canada to make regulations in strategic sectors such as health, education, culture, and the environment. That is what Canadians have always wanted, and that is what their government will stand for.

I would like to add a few words on the free trade area of the Americas and the FTAA mechanisms.

● (1320)

In the free trade area of the Americas, every country will have to submit a proposal to the nine negotiating groups, one of which will deal with investment.

To date, Canada has not yet submitted its proposal to the group dealing with investment. We prefer to pursue our negotiations and wait for the other countries to submit their proposals. We expect to submit our position after we have held all our consultations with the provinces and with the stakeholders.

However, the Canadian proposal will look at the rules applicable to investment in the light of its experience with trade negotiations and with the implementation of its rules concerning investment with other countries such as, obviously, NAFTA member countries, as well as Latin American and Caribbean countries. We will rely on our past experiences.

The main objective of Canada is to ensure a clear delineation of the obligations with respect to investment that will serve Canadian interests.

Countries of the Americas need and want capital as well as the opportunities associated with investment, of course. It is in their interest to guarantee that investment flows in a predictable manner in the whole area.

Mexican President Vicente Fox recently stated in Montreal that Mexico benefited from increased investment, which creates jobs, improves health care and raises standards of living. He also recognized that the middle class has made major progress since NAFTA. More than 10 million people are now said to be part of the middle class.

As for the FTAA, Canada is not advocating a reproduction of the rules applying to investors and states under NAFTA, and we did not support any proposal made up until now by other member states of the FTAA to include a dispute settlement mechanism.

In the FTAA, Canada is taking into account the work already started with its NAFTA partners on the issue of investment in this agreement, including the clarification of the provisions concerning investors and states, as the case may be.

I would now like to say a few words on the General Agreement on Trade in Services.

Coming back briefly to what I was saying on NAFTA, I would like to say that this agreement is extremely profitable for Canada.

My riding of Brome—Missisquoi, which is located along the Vermont border, is an extraordinary one in the sense that it has a

large, qualified workforce. It is a riding, of course, that wants to attract American investors on our side, so that we can re-export goods to the United States and elsewhere.

In this respect, NAFTA gives us that flexibility. In Brome—Missisquoi, I am in the process of building a Team Brome—Missisquoi, so that we can export more goods to the United States and that investments can be made on both sides of the border.

I now want to come back to the General Agreement on Trade in Services. The 1994 Marrakesh agreements provided for new discussions on agriculture and services at the World Trade Organization. The agreement on services is better known as the General Agreement on Trade in Services, the GATS.

Services are not only important to the Canadian economy, they are the cornerstone of employment in many areas and regions, whether for a plant with 500 employees or a business starting up with only three employees.

We have made our position known to the WTO: Canada's objective in the GATS negotiations is to reach the best agreement possible, to improve Canadian service suppliers' access to foreign markets and to provide Canadian consumers with a larger choice of services at a lower cost.

This agreement deals mainly with the issues of market access and non discriminatory treatment of service suppliers. However, the agreement also deals with major issues concerning service suppliers' right to a commercial presence, that is, where to invest to establish a presence in other countries.

However, the GATS lets us choose. All members are free to make commitments on this commercial presence or to choose not to do so. Let us be very clear. This agreement is not an agreement on investment under chapter 11 of NAFTA.

• (1325)

The GATS does not include any safeguards for investors, such as the right to compensation in case of expropriation, or any provision concerning a dispute settlement between an investor and a state.

If the hon. member would withdraw her motion, I would move to replace the motion we are debating now by the following motion:

That this House calls upon the government to respect the words of the Minister for International Trade, who stated in the House on April 30, 2001 "Our view is that we want to clarify certain aspects of chapter 11 within the present mechanism of NAFTA".

Words intended to ensure a more open and transparent dispute settlement process, and to safeguard the interests of all Canadians in this and all future trade agreements signed by Canada.

Thus, I am proposing that the previous motion be withdrawn and replaced with the one I just read.

Supply

The Deputy Speaker: Does the hon. parliamentary secretary have unanimous consent to move his motion?

Some hon. members: Agreed.

Some hon. members: No.

Mr. Yvon Godin (Acadie—Bathurst, NDP): Mr. Speaker, first, I was the one who yelled "no" to oppose withdrawal of the NDP motion. I was pleased to do so.

There is a simple reason for that: we cannot trust the government on free trade negotiations, especially since this government, which prides itself on being democratic, even refused to provide us with the texts. We, who have been elected by the people, cannot even have a look at the content of the agreement which will be negotiated.

I was in Quebec City during the people's summit. I attended several meetings. I met workers from several countries who told us bluntly that the free trade agreement and all the resulting changes have definitely not improved their living conditions. We were told this by people who came to give evidence, people who have to live with these changes.

Can the parliamentary secretary assert that the opposite is happening in Canada? Free trade was supposed to improve the standard of living in Mexico and other countries. The reverse is happening. Canada's standard of living is dropping.

For instance, there is a shortage of beds in hospitals. There are not enough physicians. Health care is being privatized. Experts and everyone else are saying that this is because of free trade. And then we are told that this is the best thing that ever happened.

Can the parliamentary secretary tell us about what the free trade agreement provides in terms of worker protection? In terms of unionization for their protection we need laws to protect workers in all these countries. Where is the balance between the two, apart from the fact that big corporations, which as far as I am concerned represent the liberals, will be the winners with free trade, not Canadians, not workers of the Americas?

Mr. Denis Paradis: Mr. Speaker, my colleague from Acadie—Bathurst most certainly wants to speak about job creation. So, let us talk about job creation, but in a positive way.

With the free trade area of the Americas, we have a powerful neighbour, namely the United States, with whom we are used to trade. It is the country just south of ours. Since the FTAA also includes every South American country, we would have a market of 800 million people. If we take away the 300 million people living in the U.S., we have 500 million more people with whom everyone in Canada can do business in a free trade context.

Supply

The benefits are clearly there. In Canada's justice system, common law exists alongside the civil code. Latin American countries usually have civil law. Common law applies in Canada and the U.S. We also have a culture similar to that of Latin American nations.

We should stop looking at the negative side and view in a positive light all the jobs that can be created and the improvement to the quality of life that can be made throughout the Americas. That is what the free trade area of the Americas is all about.

• (1330)

[English]

Mr. Loyola Hearn (St. John's West, PC): Mr. Speaker, the hon. member talked about civil rights. Coincidentally I was just reading a copy of a letter sent to the Prime Minister expressing concern about why the disturbances occurred.

We saw what happened in British Columbia some time ago with the pepper spray incident. We saw what happened in Quebec City. Forgetting about trade and what the police did, because they did what they needed to do, the question is: Why did it happen? Why must our leaders fence themselves away from the people? What is wrong? Where is the leadership that the Prime Minister has not shown?

[Translation]

Mr. Denis Paradis: Mr. Speaker, first, I want to congratulate the Prime Minister for the tremendous work he has done and for a wonderful summit that brought everyone closer together.

The member mentioned the protests. Yes, there was a huge protest with 25,000 to 30,000 people walking peacefully from one end of Quebec City to the other in order to peacefully get their point across. We are open to such peaceful suggestions.

But we draw the line at violence. Everyone agrees with that. Canadians do not tolerate violence.

[English]

Mr. James Moore (Port Moody—Coquitlam—Port Coquitlam, Canadian Alliance): Mr. Speaker, we routinely hear calls from the left in Canada denouncing NAFTA's chapter 11, the World Trade Organization and free trade in general. Unfortunately their pedestrian understanding of trade matters undermines the rights of union workers whose interests they claim to represent.

Had the NDP view prevailed during the FTA debate in 1988, auto workers would have been in deep trouble when the WTO struck down the longstanding Canada-U.S. auto pact. That decision alone could have wiped out union jobs in towns like Windsor, Oakville, Oshawa and Sainte-Therese.

However the FTA agreement, an agreement the left so strongly denounces, protected those jobs and established free market rules that allowed auto exports to the U.S. to grow by 15%. That has increased the opportunities, wealth and living standards of thousands of Canadian auto workers.

If members of the radical left in Canada want to be taken seriously and not labelled hypocrites, they should adopt the same standards of openness, democracy and transparency they demand from others. If they want open door free-for-alls when Canada negotiates bilateral or multilateral trade deals they should be willing to live by the same standards.

In fact they should lead by example. They should demonstrate to Canadians how their nirvana of openness would work in practice. They should open up all future union-management contract negotiations to public scrutiny. They should answer questions from citizens who are concerned about the impact of proposed labour deals on the environment, culture, the economy and society at large. They should discuss the impact of such deals on the cost of labour, on post-secondary education and on the way we all feel about one another. The media would of course be invited to these free-for-alls.

Fortunately no serious economist, social scientist, commentator or politician believes such a system could work. More important, no serious unionists or business leaders would impose such a regime of unreasonable checks on their own behaviour. They understand that there is a place for consultation and closed door negotiations and then a place for the rank and file to vote on a final agreement. That is the approach that the Canadian Alliance and I support, and that is exactly what needs to happen.

When I hear that the fourth party is opposed to the investor state provisions in NAFTA's chapter 11, I cannot help but wonder what they stand for and, more important, where they have been for the past few years. Consider the following paragraph:

The investor affected shall have a right, under the law of the Contracting Party making the expropriation, to prompt review, by a judicial or other independent authority of that Party, of its case and of the valuation of its investment or returns in accordance with the principles set out in this Article.

The text I just read is not from NAFTA's chapter 11. It is article 8, paragraph 2 of the Canada-Egypt foreign investment protection agreement. It is also article 8, paragraph 2 of the Canada-Philippines foreign investment protection agreement and article 8, paragraph 2 of the Canada-Venezuela foreign investment protection Agreement.

• (1335)

It could also have been taken from similar foreign investment protection agreements, or FIPAs, that Canada is negotiating with a growing list of countries from Armenia to Uruguay. It could just as easily have been taken from article 8, paragraph 2 of the Canada-

Croatia foreign investment protection agreement. That agreement went into effect on January 30 of this year and the NDP does not even appear to have noticed. It is still fighting battles from 1988.

The NDP seems unconcerned that all these agreements have clauses allowing investors to submit disputes with signatory states to arbitration by the International Centre for the Settlement of Investment Disputes, an international ad hoc arbitration tribunal established under the United Nations Commission on International Trade Law.

Let me say that again. A foreign investment protection agreement with Croatia, which features investor state provisions virtually identical to NAFTA's chapter 11, went into effect on January 30 of this year and the far left has said nothing. It seems the radical left follows trade issues about as carefully as New Zealanders follow hockey.

I used to play hockey. If I am in a bar and people with a New Zealand accent tell me it is great that the Canadian team scored three touchdowns against Italy at the world hockey championships, I will thank them for their support but will likely not take their advice on next year's hockey pool. So it is with the fourth party in the House when it comes to trade policy. Its members seem to know as much about world trade as I do about yodelling.

The NDP's principal argument against chapter 11 is that it limits the government's ability to protect our environment and sovereignty in the same way that the charter of rights initially compelled Canadian police forces to adapt to the country's newly enshrined citizens rights.

Canada's international trade agreements will require governments to think smarter and more consistently in making public policy decisions. Chapter 11 of NAFTA is based on five basic principles. The first is transparency. Investors have a right to know what the law is and governments cannot capriciously change rules midstream.

The second is national treatment. We must treat investors from other countries the same way we treat Canadian investors, provided they do the same for us. In other words, we cannot stop Wal-Mart from building a big box store unless we are prepared to apply the same rules to Zellers, Canadian Tire or Rona.

The third is protection of investors. We cannot take property without offering compensation, and a property owner has the right to ask an independent body to determine if the compensation is fair.

The fourth is quick and fair settlement of disputes. Parties should get a quick and impartial decision.

The fifth is reciprocity. Canadian companies doing business abroad should be treated the same way we treat foreign companies here.

Supply

People may why ask they did not hear about investor state rights until recently. It is likely because the five principles I just listed are so basic to Canada and to our major trading partners that there was never any need to write them down.

It should come as no surprise that we are not negotiating foreign investment protection agreements with the United Kingdom, Switzerland, Taiwan or Australia. Those countries have long respected the five principles and thus there is no need for a formal agreement.

Every case in which we have included NAFTA chapter 11 type language has extended Canada's notion of an independent judiciary to less progressive states in regions like eastern Europe and Latin America.

Most lawyers will say that for foreign companies doing business in Canada NAFTA chapter 11 changes almost nothing. The left jumps up and down hysterically about the Ethyl Corporation case yet fails to point out that Canada's supreme court would probably have reached the same decision regardless of chapter 11.

Let us consider point 13 from the Ethyl Corporation's statement of claim. The MMT act does not prohibit the manufacture or use of MMT in Canada. It merely requires that all MMT sold in Canadian unleaded gasoline is 100% Canadian. A domestic manufacturer of MMT can manufacture and distribute MMT for use in unleaded gasoline entirely within a province and not violate the MMT act.

If the Ethyl Corporation wanted to maintain its presence in the Canadian octane enhancement market it would be required to build an MMT manufacturing, blending and storage facility in each province.

The left would have us believe that the Ethyl case proves that chapter 11 prevents us from protecting the environment. That is not so. If the federal government had banned outright the use of MMT in Canada, regardless of where it was made, the Ethyl Corporation would not have been able to use the discrimination clause which was so central to its case.

• (1340)

Let us think about this. Let us suppose the city of Ottawa decided that pizza contained a cancer causing ingredient and then used those health concerns to support a law prohibiting anyone from bringing pizza to Ottawa from Hull. If the city of Ottawa did not force its own pizza restaurants and vendors to close, the supreme court would probably find discrimination and force it to back down, repeal the law, award compensation and find another mechanism for banning the dangerous food. However it would not deny it the capacity to ban what is dangerous. It is the same with MMT.

NAFTA chapter 11 is nothing more or less than what has been the status quo in Canada since we adopted the British legal system before Confederation. By putting such language into NAFTA and into foreign investment protection agreements, we are simply

Supply

asking other countries to give our companies and investors the same respect we have long given companies and investors, both Canadian and foreign, here in Canada.

Mr. Pat O'Brien (Parliamentary Secretary to Minister for International Trade, Lib.): Mr. Speaker, I commend my colleague opposite from the Alliance Party for his very cogent comments. It is pleasing to hear some rational discussion, having had quite a bit of hyperbole and rhetoric from the far left earlier in the day.

Mr. Yvon Godin: What is your business? What is your corporation?

Mr. Pat O'Brien: I have two questions for my colleague. As he and I recall, and as the NDP member who is hollering will recall, the FTAA was not an election issue at all. It had been negotiated for many months. When the election campaign was underway it was well known that Canada was involved in the discussions.

Why did the hon. member's leader and party fail to realize it at the time? Why are they only now jumping up and down and getting excited? Were they asleep at the switch? Did they not realize at that time that it was an important matter?

Mr. James Moore: Mr. Speaker, I am reluctant to judge people's motives but they do seem suspect. If one feels passionately about an issue then one has a responsibility to bring it to the fore.

Perhaps the members of the fourth party we have heard here today have talked about the issue at the constituency level. The leader of the NDP did not bring it up in the leaders' debate. It was not raised in my constituency because the NDP in British Columbia are free traders. If federal NDP candidates in British Columbia stood and said that they were opposed to free trade, they would be contradicting 85% of their base supporters who put up lawn signs, raise money and so on. Perhaps that answers part of the member's question.

However, it is suspect that they feel passionately about the issue but did not raise it. They say the issue is central to the essence of what it is to be Canadian and will have a profound impact on our sovereignty. They knew the issue was coming down the pike and yet they said nothing. The member opposite has a point. Why did they not raise the issue? That is a good question. Perhaps we will hear an answer from members of the fourth party.

Mr. Dick Proctor (Palliser, NDP): Mr. Speaker, I listened to the member from the Alliance and I will put to him the comment made by Clayton Yeutter who was the U.S. trade representative when the Canada-U.S. Free Trade Agreement was signed. A few days after it was signed he was quoted as saying that the U.S. had signed an amazing agreement with Canada and that Canada did not understand what it had signed. He also said that in 20 years Canada

would be sucked entirely into the U.S. economy. That was 13 years ago. We have seven to go. Would the hon. member care to comment on Mr. Yeutter's statement?

Mr. James Moore: Mr. Speaker, we have heard those predictions for centuries. Mr. Yeutter is probably not laughing today, 13 years later. Canada has an enormous trade surplus with the United States. I do not think he would be laughing about that now.

I suggest, frankly, that when members of the fourth party want credibility on the subject they regurgitate quotes that are a little younger than 13 years old.

An hon. member: Soon you will not even be a party.

Mr. James Moore: The member for Burnaby—Douglas is heckling and that is fine. I will never forget the hon. member for Burnaby—Douglas at the battle in Seattle. Some of the protestors there had about as much credibility as a 13 year old quote.

• (1345)

My favourite scene from the riots is a protester, vehemently opposed to globalization and integration of nations, who picked up a rock, smashed the front window of a Radio Shack store and stole a satellite dish. Typical.

Mr. Svend Robinson (Burnaby—Douglas, NDP): Mr. Speaker, I will resist the temptation to respond to that learned diatribe from the hon. member. However I would ask for clarification and for the edification of the House, if the hon. member could indicate who the official spokesperson is on international trade for the Alliance today? On Friday it was the member for Saanich—Gulf Islands. Who is it today?

Mr. James Moore: Mr. Speaker, this speaks precisely to the comment I made earlier. If this is an issue of national sovereignty, if the member wants to debate the issue, and if the member wants to talk about the impact of NAFTA's chapter 11, why is he asking us who our trade critic is?

We have had a whole list of speakers. The member for Lethbridge has spoken. The member for Kootenay—Columbia, with whom I am sharing my time, will be speaking in a minute as well. We have consistently spoken up on this issue and consistently spoken for free trade.

I suggest to the member for Burnaby—Douglas that he ought to have his platform thoroughly ironed out with his provincial party and spend a little more time analyzing free trade agreements such as the Canada foreign investment protection agreement with Croatia. Members of his party have said nothing about it in the House. They are totally negligent of their responsibilities to bash capitalism. If he spent more time studying free trade rather than—

Supply

The Deputy Speaker: Resuming debate, the hon. member for Kootenay—Columbia.

Mr. Jim Abbott (Kootenay—Columbia, Canadian Alliance): Mr. Speaker, I would like to take a couple of minutes to talk about a related issue. I will be speaking specifically to the NDP motion in just a second.

I wish to clarify something, because I have had this question asked of myself having been the chief critic for the Reform Party and now the Canadian Alliance. It is the issue of the truthfulness of the Prime Minister's Office with respect to his involvement at APEC and the APEC pepper spray events.

I wish to clarify and to be very precise. The protection provided by the police forces for international persons who were in Quebec City, as they did at APEC and as they did at every other event in Canada, was excellent. There have been some events where they have gone over the top, but when one is in a riot situation there will be situations where people will go over the top.

My position and the position of our party with respect to APEC is that the riot and the pepper spraying that went on there had nothing to do with the actions of the police. That will be something that the public complaints commission will decide under the leadership of the public complaints commissioner. It had everything to do with whether the Prime Minister's Office was forthcoming about whether the Prime Minister was actually involved in the event. That is an important distinction to make.

I would like to use two examples to speak specifically to the NDP motion. I would like to use two examples of how chapter 11 is supposed to work and why it is there. They are pure fabrications.

In British Columbia we have a very large multinational corporation from New Zealand that has a stake in our forest industry. We also have, as a result of the low exchange rate the government constantly gives us, a major B.C. corporation which has been taken over by a U.S. concern.

These companies enter Canada with funding operations and capital. Do they have the right as foreign owners to anticipate, given the rules with respect to logging and forestry practices and all of the other things that surround the rules and regulations, they would be treated in exactly the same way as a Canadian based corporation would be treated?

We have Canadian workers working for Weyerhaeuser Canada Ltd. and Fletcher Challenge. Should those workers and corporations be treated any differently than the workers working for West Fraser, Interfor or Canfor?

• (1350)

The names I am bandying around are to show that within the forest industry in British Columbia there is a potpourri of ownership. I submit that any domestic or foreign corporation investing in

the forest industry in British Columbia should anticipate that the rules and regulations of the B.C. forest practices code will be applied equally.

It makes no difference which corporation by virtue of its ownership is doing it. It makes a big difference to the workers within the forest industry, which is so important to British Columbia. It is equally important to the workers in every other industry in Canada.

I will go to the other extreme. We should expect in return what we give. I assume that under the FTAA there is an article 11 type of mechanism included. What difference would that make for the people who are in the mining industry in my constituency?

My constituency happens to produce the majority of the metallurgical coal for export from Canada. There are about 12,000 people directly impacted by coal production in my constituency. There is also at the tag end of its life what was the largest lead-zinc deposit in the entire Commonwealth in Kimberley and under Cominco.

Why would we want to see a chapter 11 on behalf of people working in the mining industry in my constituency? If Teck, Cominco, Canadian Pacific or any of the Canadian based corporations were to go with their mining expertise to Chile, Ecuador, Peru or Argentina, I would assume that having explored and having found an ore deposit the corporation would go into production. It would then end up putting a quarter of a billion, a half a billion or perhaps a billion dollars into the infrastructure required to actually work the ore deposit.

Let us assume that we do not have an article 11 in the FTAA and one of these nations very flippantly decides to bring in some special regulations against the Canadian based company. Suddenly this quarter billion, half billion or billion dollar investment by the Canadian corporation is standing in a very cold draft because one of these countries decided to pay special attention to the Canadian company.

Corporations must have the ability to protect themselves against capricious acts on the part of foreign governments. This is not to impute any ill will. It is simply to give some feeling of security when corporations invest funds.

I will extend that further. What does it mean to the workers at the mines in my constituency? In this fabricated case I will assume that the full billion dollars invested in Chile, Ecuador, Peru or Argentina was suddenly at risk. By putting the billion dollars invested in that ore deposit at risk, suddenly the cash flow of the multinational Canadian company is in jeopardy. It is in peril.

What would the company do? The company may very well have to pull back on its operations in Sparwood, Fernie, Elkford or any other place in Canada.

S. O. 31

● (1355)

This is true of any corporation where we are talking about the free flow of capital around the world, of Canadian corporations having the opportunity to be able to invest as they see fit and of growing their businesses as they see fit. Corporations want to know that their money will not be in jeopardy.

Members of the NDP are always talking about the worker. I agree that the working people in Canada are exceptionally important. These people would be protected by virtue of the fact that their employers, by virtue of chapter 11, would have more surety knowing what would be happening within their domain of commerce.

It is only logical and reasonable that when money is to be invested, whether it is people coming into Canada with money or Canadian money going out of Canada to invest for the betterment of the Canadian company, those corporations would know what are the rules and that the foreign governments would not be able to act in a capricious way against them. That is all chapter 11 is about.

I am surprised that my friends in the New Democratic Party are not more prepared to work for some surety for the working people of Canada.

Ms. Sarmite Bulte (Parliamentary Secretary to Minister of Canadian Heritage, Lib.): Mr. Speaker, I am delighted to rise today to speak to the NDP motion concerning chapter 11. I do so as the former chair of the subcommittee on international trade, trade disputes and investment in the last session of parliament.

The general purpose of chapter 11 of NAFTA is to protect foreign investors and foreign investment from trade distorting discriminatory treatment. This general purpose would protect Canadian investors and Canadian investment in the United States and Mexico and would help to create jobs, prosperity and wealth for Canadians.

Protection for the ability of Canadians to trade is very important to Canada's prosperity. Exports of Canadian goods and services account for more than 45% of Canada's gross domestic product. Canada's economic success depends on open markets, a stable trading environment and a rules based system.

Investment is also very important to Canada. Since 1993 direct investment in Canada has more than doubled. This inward investment helps build a knowledge economy to prepare Canada to compete confidently on a global stage.

Last year we attracted a record \$93.2 billion in new foreign direct investment. In 2000 our inward investment reached \$291 billion. At the same time Canadian investment abroad grew from \$98 billion in 1990 to \$301 billion in 2000.

When Canadian companies look abroad for new opportunities they often invest to gain a foothold in foreign markets. In the year 2000 Canadians invested nearly \$62 billion to expand our global presence abroad—

The Speaker: I am sorry to interrupt the hon. member but it being two o'clock it is now time to proceed with statements by members. The hon. member will have eight and a half minutes or so remaining in the time for her remarks when we resume the debate.

STATEMENTS BY MEMBERS

● (1400)

*[Translation]***GOLD MINING**

Mr. Guy St-Julien (Abitibi—Baie-James—Nunavik, Lib.): Mr. Speaker, the Government of Canada, through the Minister of Natural Resources, should introduce emergency legislation on providing assistance in the operation of gold mines in Canada in order to help the operators of these mines deal with significant increases in the costs of production, while assuring them of a set price for the gold they produce.

I repeat. The Government of Canada, through the Minister of Natural Resources, should introduce emergency legislation on providing assistance in the operation of gold mines in Canada in order to help the operators of these mines deal with significant increases in the costs of production, while assuring them of a set price for the gold they produce.

* * *

*[English]***ABORIGINAL AFFAIRS**

Mr. Philip Mayfield (Cariboo—Chilcotin, Canadian Alliance): Mr. Speaker, I remind the government that former students of Indian residential schools are still looking to it for leadership.

There have been 3,700 lawsuits launched by former students against the government. We are still waiting to see how it plans to respond and help these people. There is a strong possibility that more lawsuits will be launched, so there is a need to know how the government will deal with this problem.

As well, churches named in the lawsuits are still waiting for a signal from the government on how it plans to deal with these legal charges. Some churches have gone broke paying lawyers while waiting for answers and are preparing for bankruptcy because of the government's inaction. This is unfair not only to the churches but to those former students who need to move forward to rebuild their damaged lives.

Most important, we must ensure that whatever is decided, healing and reconciliation of the victims is the first priority. *[Translation]*

Billions of dollars are at stake in this issue. I call on the government to provide that leadership and tell all Canadians how it plans to bring closure to this tragic chapter of our history.

* * *

[Translation]

FRESH WATER RESOURCES

Ms. Raymonde Folco (Laval West, Lib.): Mr. Speaker, Canada enjoys one of the largest supply of fresh water in the world. Lakes account for 7.6% of our country's area. That is over 755,000 square kilometres.

Our scientists have an extraordinary record in the knowledge and protection of our fresh water resources. New problems, such as climate changes and toxic pollutants, threaten our lakes and waterways. This is why the Liberal government has taken steps to protect them.

The Government of Canada is ensuring that all stakeholders in this matter have the means and the knowledge to enable us to protect our precious natural resources for future generations.

This is one way the Liberal government is achieving its objective of improving quality of life in Canada.

* * *

[English]

CHILDREN'S PARK

Mr. Murray Calder (Dufferin—Peel—Wellington—Grey, Lib.): Mr. Speaker, I would like to take a moment today to talk about childhood dreams and a special playground in my riding.

EVERYkidspark in Orangeville, Ontario, is Canada's first boundless playground. What I mean by boundless is that it is accessible to children of various ability levels. A child who is bound to a wheelchair can at this park feel the thrill of going down a slide in total comfort. She or he can explore new challenges and play alongside his or her able-bodied siblings and friends.

This is a wonderful childhood pleasure and a dream come true for children with special needs, but it was not arrived at easily. EVERYkidspark committee has worked hard to garner tremendous support from the community to make this park a reality.

I extend to those devoted parents and professionals, especially Wendy Cook, the project's originator, best wishes for every success in expanding upon the limitless possibilities of this playground, which is every child's dream come true.

S. O. 31

JEUNES EN TÊTE

Mr. Robert Bertrand (Pontiac—Gatineau—Labelle, Lib.): Mr. Speaker, last Friday, I was a most enthusiastic participant in the opening of the second Congrès pour AJIRR, Avenir des jeunes innovateurs regroupés en région, which took place in Mont-Laurier.

This activity was sponsored by a non-profit organization called Jeunes en tête, which was established in 1999 and is a financial partner with other federal and provincial organizations.

The mission of Jeunes en tête is to defend the interests of young people in the regional municipality of Antoine-Labelle and to promote their participation in the political, economic and social life of their community.

This year's congress addressed a topic of concern to me: the exodus of our young people to urban centres.

This problem puts the very future of our rural communities at risk. These young people, who possess the necessary skills and qualities to meet the demands of a difficult labour market, have worked together to develop action plans aimed at helping get other young people back to our regions.

In closing, I wish to extend my congratulations to all those involved in this laudable initiative.

* * *

[English]

VETERANS AFFAIRS

Mr. Roy Bailey (Souris—Moose Mountain, Canadian Alliance): Mr. Speaker, veterans' organizations across Canada are about to receive another slap in the face from the Minister of Canadian Heritage.

• (1405)

The heritage department controls all national museums but has for years ignored the Canadian War Museum.

After the battle with the department over the Holocaust display, a war museum advisory committee made up of veterans' groups was set up to make sure that veterans' wishes would never again be ignored.

However, once again the veterans were not consulted and the minister in charge has decided that the new war museum will not be built on the preferred location at Rockcliffe. Instead, she has unilaterally chosen a much smaller site at LeBreton Flats.

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Why has the government shown such disdain in moving the site without consultation and with an increase in expenditures of tens of millions of dollars?

* * *

MULTIPLE SCLEROSIS AWARENESS MONTH

Ms. Paddy Torsney (Burlington, Lib.): Mr. Speaker, May is Multiple Sclerosis Awareness Month. The MS Society of Canada continues to lead the way as our country's foremost voluntary agency, providing services to people with MS and their families and supporting an extensive research network.

This past year, with the help of generous Canadians, the MS Society raised more than \$21 million for research and services. It funded an additional \$3.2 million to 14 potentially ground breaking MS research projects and 36 research scholarships.

The MS Society is bringing research from the test tube to people living with MS and there are now treatments for some forms of MS.

I wish to tell colleagues that tomorrow carnations will be handed out and I ask hon. members to wear them as a symbol of their support for all these amazing volunteers right across the country and to support MS research and services.

I wish to congratulate all MS Society volunteers. They make an incredible difference in the real lives of Canadians.

* * *

[*Translation*]

QUEBEC CARTIER MINING COMPANY

Mr. Ghislain Fournier (Manicouagan, BQ): Mr. Speaker, on March 19, the Quebec Cartier Mining Company took its workers by surprise by announcing a lockout.

Yesterday morning, I was pleased to learn that production was gradually resuming, after more than 70% of the 1,700 employees voted in favour of the company's offer.

The new collective agreement introduces new ways of organizing the work, as well as financial improvements to earnings, pensions and employee benefits.

I know from experience that attaining such an agreement requires both parties to sit down at the same table and negotiate in good faith.

As the member for Manicouagan, I wish to congratulate all the employees, and the representatives of their union and of management. There are a number of other companies in Port-Cartier and Fermont who can take this agreement as their model.

[*English*]

FORUM FOR YOUNG CANADIANS

Mr. Wayne Easter (Malpeque, Lib.): Mr. Speaker, it is with great pleasure that I rise today to recognize the outstanding program known as Forum for Young Canadians and the youth who participate.

The Forum for Young Canadians is a valuable educational program that brings young people from all parts of this great nation together to learn about our political process.

The forum provides a learning experience through participation, workshops, presentations and a mock parliament. It gives students real hands-on experience.

During the week's activities, friendships are developed among participants from all provinces of Canada, friendships that last a lifetime.

The forum is continuing its legacy of encouraging young people to get involved in their communities, to become leaders and, in turn, to become great citizens.

The benefits are enormous. These youths are the leaders of tomorrow and their individual and collective experience will lead to the development of an even greater nation.

* * *

HEPATITIS C MONTH

Mr. James Lunney (Nanaimo—Alberni, Canadian Alliance): Mr. Speaker, May is Hepatitis C Month in Canada. It is a time when we pause to reflect on the great human tragedy caused by tainted blood. We think of the families who have lost loved ones and we are reminded of those who struggle each day of their lives fighting this deadly disease.

Tragically, the government has victimized many for a second time by refusing compensation. I remind the health minister of his own words, “. . . I don't think that those claimants should have to spend their lifetime in litigation”. Yet that is exactly what is happening.

Not only are those who were infected before 1986 being mistreated by the minister, many who were promised compensation have yet to be paid. They have been waiting for over three years. The minister's record on hep C is shameful.

● (1410)

I would like to commend the Mid-Island Hepatitis C Society, led by Sue White of Ladysmith, and my colleague, the member for Nanaimo—Cowichan, for organizing last year's first ever hepatitis C candlelight vigil in Nanaimo.

Again today vigils will take place across Canada remembering the victims and raising awareness of hepatitis C.

* * *

INTERNATIONAL WORKERS DAY

Mrs. Judi Longfield (Whitby—Ajax, Lib.): Mr. Speaker, today is International Workers Day. On behalf of all Canadians I would like to acknowledge and salute the efforts of the 15 million workers across the country. Today is a day to reflect upon the tremendous contribution of labour to the economic strength of Canada.

The Liberal government has always committed itself to policies such as employment insurance, job creation and training programs, which ensure prosperity for workers and all Canadians. Since this government has come to power, over 2 million new jobs have been created in Canada.

We believe that a strong workforce leads to a strong Canada. Today we would like to reinforce our support for all Canadians who work so hard every day to build this great society.

* * *

INTERNATIONAL WORKERS DAY

Mr. Pat Martin (Winnipeg Centre, NDP): Mr. Speaker, May 1 is the international day to recognize workers' rights to organize and bargain collectively.

On May 1, 1886, workers were gunned down in the Haymarket riots in Chicago while striking for the eight hour day. By 1889, the International Socialist Congress of Paris had designated May 1 as an eight hour holiday out of respect for its fallen comrades in Chicago. The tradition continues today.

Yet in many countries, including many of Canada's trading partners, basic workers' rights are just a dream. In Colombia, 3,000 trade union leaders have been murdered since 1987. Many other developing nations deny the most basic workers' rights, using violence, abuse and harassment.

On this May Day the International Confederation of Free Trade Unions calls upon the world for global support for basic, fundamental labour standards.

For those workers around the world who are still struggling for basic rights, I wish to remind them of the slogan of the 1919 Winnipeg General Strike: "The great only appear great when we are on our knees. Let us rise".

[Translation]

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INTERNATIONAL WORKERS DAY

Ms. Monique Guay (Laurentides, BQ): Mr. Speaker, on this International Workers Day, I wish to stress the generous contribution of workers to the promotion of their rights and working conditions in our society.

Like them, I feel that labour laws must help in the fight against social injustice. However, that view is not shared by the Liberal government which, during the review of Part II of the Canada Labour Code, refused to include measures allowing for the preventative withdrawal of pregnant or nursing female workers.

This is why, this morning, I tabled in the House a bill to allow pregnant or nursing female workers to avail themselves of the Quebec legislation.

This will eliminate the disparities between the Quebec and Canadian legislation in that regard and ensure adequate protection for pregnant or nursing women by using the Quebec preventative withdrawal model.

This is a concrete and convincing way by which the Bloc Québécois contributes to workers' social progress and acknowledges a positive measure in Quebec.

* * *

INTERNATIONAL WORKERS DAY

Mr. Gérard Binet (Frontenac—Mégantic, Lib.): Mr. Speaker, today is an important day since we are celebrating the contribution of workers all over the world.

There are over 15 million workers in Canada, and each one of them makes a very important contribution to our country. We should never underestimate the role played by workers in the building of our society.

Workers are well treated in Canada, but we must be vigilant and continue to improve their working conditions.

Over two million jobs have been created in Canada since our government took office. This means that today we are celebrating the contribution of an even larger number of workers.

Workers have a special place in our society. Today, we celebrate their contribution to our economic and social growth.

* * *

[English]

NURSES

Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC): Mr. Speaker, I rise to recognize the vital importance and

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significant contribution of Canada's nurses, who number in the tens of thousands.

These professionals are on the frontlines of our health care system and are called upon to provide medical assistance, care and comfort to our most vulnerable: children, the elderly and the terminally ill.

The sad reality for nurses in Canada is low wages, a lack of financial assistance and an aging workforce, as well as demanding physical requirements, resulting in an exodus from the profession and out of Canada as they pursue their careers in other countries.

The National Federation of Nurses' Unions and its president, Kathleen Connors, are calling upon the government to address these dire circumstances, specifically the need for whistleblower protection and financial assistance, perhaps through the EI program, to assist nurses nationally. Nova Scotia president Heather Henderson is working on behalf of nurses to address the growing crisis at hospitals and clinics throughout the province, including at St. Martha's, the Aberdeen and Sutherland Harris in my riding of Pictou—Antigonish—Guysborough.

● (1415)

While both St. FX and Dalhousie universities offer impressive programs for those wishing to study, the financial burden is onerous and job prospects and returns are grim. Nurses are the backbone of our health care profession. We have to encourage and assist those entering this rewarding profession.

* * *

EMERGENCY PREPAREDNESS WEEK

Mr. John O'Reilly (Haliburton—Victoria—Brock, Lib.): Mr. Speaker, in our day to day lives disasters may seem a distinct possibility. Yet natural disasters like floods, tornados, technological or environmental accidents such as chemical spills or disruptions to power and telecommunication services can strike anywhere and at any time.

That is why the Government of Canada through the office of critical infrastructure protection and emergency preparedness works in co-operation with other government departments, provincial and territorial governments, the private sector and non-governmental partners to promote the first full week of May as Emergency Preparedness Week in Canada.

The theme for this year's Emergency Preparedness Week is "Reducing the Risk: Toward Safer Communities in the 21st Century". In marking this special week from May 7 to May 13 emergency preparedness partners throughout Canada have organized a wide range of activities.

Being prepared starts with each and every one of us. I therefore urge my colleagues in the House of Commons and all Canadians to explore ways to help their families and their communities to become better prepared.

ORAL QUESTION PERIOD

[English]

HEALTH

Mr. Stockwell Day (Leader of the Opposition, Canadian Alliance): Mr. Speaker, Canadians should be able to rely on the federal government to do a few things well in order to protect them, but apparently that is not even the case in terms of neglecting Canadians.

We have just found out today that Canada's physicians will now be relying on prescription drug warnings from the United States to protect Canadians from certain uses of certain prescription drugs. This is wrong. The government has only itself to blame for this state of affairs.

Will the Prime Minister explain to Canadians why Canadians cannot count on the government to protect them and have to rely on the United States?

Hon. Allan Rock (Minister of Health, Lib.): Mr. Speaker, Canadians are justly proud of the quality of Health Canada's work in protecting their health and safety.

It is also clear that there is always room to improve. Last week a jury came back in an inquest in Toronto involving the tragic death of a 15 year old girl named Vanessa Young. That jury made recommendations on a variety of ways Health Canada can improve its surveillance of pharmaceutical drugs in the marketplace.

We have accepted all those recommendations. We will work in Health Canada and with our partners across the country to make it an even better system.

Mr. Stockwell Day (Leader of the Opposition, Canadian Alliance): Mr. Speaker, the *Canadian Medical Journal* does not share the same confidence that indeed Canadians will be protected.

We want to know what specific steps the minister has shared with physicians, and to which they have agreed, that will protect Canadians. We want the specific steps and the agreement from the Canadian Medical Association.

Hon. Allan Rock (Minister of Health, Lib.): Mr. Speaker, I have asked my officials to explore the possibility of Health Canada putting on its website for all Canadians including physicians any developments in relation to adverse drug reactions reported by the FDA or elsewhere in the world that is relevant to their use in Canada.

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If it is found that is legally feasible, we will do it because we believe it is important to get up to the minute information available to Canadians, physicians and patients in relation to reactions to all medical drugs.

[Translation]

Mr. Stockwell Day (Leader of the Opposition, Canadian Alliance): Mr. Speaker, no action is forthcoming. At least one life was lost because of Health Canada's mismanagement.

Before giving us assurances and telling us about any future action of his, will the minister explain how he could let things get to this point before taking action?

Hon. Allan Rock (Minister of Health, Lib.): Mr. Speaker, Canadians' health and safety is the number one priority of our government.

Over the past three or four years, we have significantly increased available resources at Health Canada to manage this area, and we will continue to strengthen the system. Ensuring the safety of available drugs on the Canadian market is a key priority for us.

• (1420)

[English]

Mrs. Diane Ablonczy (Calgary—Nose Hill, Canadian Alliance): Mr. Speaker, the *Canadian Medical Association Journal* has declared that from now on it will post the much more reliable American drug warnings "because we cannot rely on Health Canada to do it".

In fact, it goes so far as to say that with respect to the drug that caused Vanessa Young's death "Canadians would have been much safer if Health Canada didn't exist" and we just relied on U.S. federal drug administration.

Why do trusted Canadian experts have to take over the job the health minister is supposed to be doing?

Hon. Allan Rock (Minister of Health, Lib.): Mr. Speaker, the jury in the Vanessa Young case heard the long chronology of events. It heard that as long ago as 1995 and 1996 Health Canada was taking out pages in the *Canadian Medical Association Journal* to report on reactions in relation to the drug Prepulsid.

Let us put aside the arguments and get to the bottom line. The bottom line is the health and safety of Canadians. We welcome the CMA approach. We will look at it for our own website.

Let me point something out as a matter of interest. This morning the CMA announced that one of the drugs it will put on its website is a drug in relation to which—

The Speaker: The hon. member for Calgary—Nose Hill.

Mrs. Diane Ablonczy (Calgary—Nose Hill, Canadian Alliance): Mr. Speaker, the government has a troubling record of having to say "Sorry, we were asleep at the switch but we will get on with it now".

Sadly innocent Canadians like 15 year old Vanessa Young too often pay a terrible price for the fact that the government is behind the competence curve. I ask the health minister again to explain how his department could have failed so terribly to protect the safety of Canadians.

Hon. Allan Rock (Minister of Health, Lib.): Mr. Speaker, I was in the process of saying that the *Canadian Medical Association Journal* said that the first drug in relation to which it would put information on its website is a drug that last week the FDA issued a note on in terms of adverse drug reactions. It so happens that last week so did Health Canada. We acted the same week as the FDA in relation to that drug.

The point is that by whatever means it is important to get this information out to physicians and patients. Health Canada has accepted all the recommendations of the jury. We are committed to doing the job well.

* * *

[Translation]

ENERGY

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, the American energy strategy unveiled yesterday by vice-president Dick Cheney is based exclusively on the use of fossil fuels and nuclear technology, but makes no provision for the development of clean energy sources.

This is of concern, particularly as the Prime Minister said that he was prepared to sell more oil and gas to the United States.

When it comes to energy, does the Prime Minister intend to play the dangerous game being played by the Americans to the bitter end, and neglect the development of alternative energies, which are less damaging to the environment?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, as I have said several times, the government's policy is to try to achieve, here in Canada, the objectives that we agreed upon in Kyoto.

We want to achieve these objectives by including in our policy some slightly controversial features such as selling natural gas, which does not pollute, to the United States, and selling more electricity, which also does not pollute, to them. We want Canada to receive the credit for these anti-pollution policies of the Canadian government.

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Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, we know that petroleum and carbon are the principal factors in the development of CO₂. We know that the way the Americans operate also has an impact on Canada.

In order to protect the environment and ensure Canada's long-term economic development, will the Prime Minister undertake not to sign any energy agreement with the United States as long as the United States does not commit to signing the Kyoto accord?

• (1425)

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, there is no question of signing an agreement with the United States.

What we have in the United States right now is an opportunity for Canadian products to find markets, both for the electricity generated by rivers and for the energy from natural gas and oil. We are going to find out what these opportunities are and develop them.

But here in Canada, we intend, as I said earlier, to meet the objectives set in Kyoto.

Mr. Bernard Bigras (Rosemont—Petite-Patrie, BQ): Mr. Speaker, first we had the meeting between President Bush and the Prime Minister of Canada where energy was discussed. Then we had the Prime Minister announcing that he was in favour of increased energy sales to the United States.

Now we have the announcement yesterday by U.S. Vice-President Dick Cheney of his government's intention to give top priority to the use of fossil and nuclear energy and to the production of these energies.

Is this not a worrisome scenario for Canada to be involved in a partnership with the United States to put in place an energy policy that defies all the principles of environmental protection?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, a few minutes ago, the hon. member suggested that we stop energy sales to the United States.

I trust that he did not mean that Hydro-Québec should stop selling its completely non-polluting energy on the U.S. market.

Mr. Bernard Bigras (Rosemont—Petite-Patrie, BQ): Mr. Speaker, on April 22, after a Canada-Mexico-U.S. meeting, the Prime Minister raised the possibility of building new natural gas pipelines and of Alberta oil sands exploration in order to meet the American demand.

Are these recent developments not proof that Canada has decided to subordinate its environmental policy to the U.S. energy policy?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, let us take for example the matter of natural gas in the Northwest Territories.

The ones making the strongest demands on the Canadian government to speed up the sales of natural gas from the Delta are the Inuit and Indians who live along the Mackenzie Valley.

I can see therefore that the Bloc Québécois has no interest in the economic development of the aboriginal populations.

[English]

Ms. Alexa McDonough (Halifax, NDP): Mr. Speaker, the Prime Minister knows that the biggest and cheapest energy source is conservation, and yet the U.S. vice-president clearly signalled yesterday that the Bush administration's choice is open ended fossil fuel consumption. The heck with conservation.

Why is the government going along with the American's decision to thumb their noses at the international Kyoto consensus? Why will Canada not act responsibly, denounce the American's environmental recklessness and restore Canada's international reputation for conservation and environmental stewardship?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I just said a minute ago that the goal of the government is to achieve the objectives that were agreed upon in Kyoto.

The government has already done one-third of what has to be done to meet the level that was established in Kyoto. We intend over the period that has been allocated to meet the objectives of Kyoto. It is the environmental policy of the Canadian government.

Ms. Alexa McDonough (Halifax, NDP): Mr. Speaker, the Prime Minister knows that there are made in Canada solutions, that we could be doing a lot more about environmentally responsible alternatives ourselves, things that Canada could be exporting with a vengeance.

Instead of promoting these alternatives which would be in Canada's interest economically and environmentally, why is the government acting like the drug dealer helping to keep the American's habit going?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the government is well known for its major investments in new technology. Let us look at the money and the success of Ballard in Vancouver.

Is the member for Halifax proposing that the Canadian government stop selling natural gas from Nova Scotia to the American market?

* * *

CANADA MORTGAGE AND HOUSING CORPORATION

Right Hon. Joe Clark (Calgary Centre, PC): Mr. Speaker, as part of its fight against poverty the government is insuring the

construction of million dollar condominiums at One Post Road in Toronto. CMHC is also insuring the construction of Thornwood in Toronto. Those units start at \$400,000 each.

What is the total amount of taxpayer money being used in projects like these to insure condominiums for the rich? What is the total liability of the Government of Canada if these construction projects fail?

• (1430)

Hon. Alfonso Gagliano (Minister of Public Works and Government Services, Lib.): Mr. Speaker, the Canada Mortgage and Housing Corporation has established a mortgage insurance program with financial institutions. It does provide mortgage insurance. The program has helped many people who needed affordable housing. For example, 95% of a mortgage can now be insured so that people can have access to housing. We cannot have it both ways.

Let me assure the member that CMHC's insurance program is profitable and costs the taxpayers nothing.

[Translation]

Right Hon. Joe Clark (Calgary-Centre, PC): Mr. Speaker, during the election campaign, the government promised to provide housing for the poor and the homeless. But in fact the Liberals are subsidizing condominiums for the rich. In Calgary, in Quebec and elsewhere, some Canadians spend over 50% of their salary on housing, but the Liberals would rather help the rich.

When exactly will the government announce a national housing strategy for low income and homeless Canadians?

Hon. Alfonso Gagliano (Minister of Public Works and Government Services, Lib.): Mr. Speaker, very soon.

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[English]

IMMIGRATION

Mr. Leon Benoit (Lakeland, Canadian Alliance): Mr. Speaker, regarding documents moving in and out of Canada, the immigration minister stated that her officials look at the documents but they do not read them.

How does the minister know and, more important, how can Canadians be sure that her officials only look at the documents and do not read them?

Hon. Elinor Caplan (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, let me be clear. My department does not read the member's grandmother's mail.

We receive and inspect documents that customs believes and suspects are fraudulent. How does the member think that the

Ressams of this world operate? They use phony passports, false birth certificates and forged documents.

We do not read the mail. We use sophisticated, high tech equipment to identify fraudulent documents using the most up to date techniques.

Mr. Leon Benoit (Lakeland, Canadian Alliance): Mr. Speaker, now the minister says that it is okay to read the mail. In a recent immigration standing committee, the minister stated "Canadians love the fact that we are free. Nobody monitors our movements. Nobody checks our whereabouts in a way which makes us feel like big brother is watching us".

That is what she said but it flies in the face of what she actually does. She acts like big brother when she opens our mail. When will the minister end this practice?

Hon. Elinor Caplan (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, the member is wrong. My department does not open mail. Customs has the authority under the law to check documents and packages coming into Canada. It looks for fraudulent documents.

It was that party in 1994 that identified a loophole when a fraudulent document was identified by customs. In 1994 there was nothing the Government of Canada could do about it. That party said that we should fix that law and in 1995 we did.

Today that party has flip flopped. It wants Canada to be the fraudulent document capital of the world.

* * *

[Translation]

FOOD INSPECTION

Mrs. Suzanne Tremblay (Rimouski-Neigette-et-la Mitis, BQ): Mr. Speaker, yesterday, the minister refused to answer our questions on the Starlink corn grown in Canada and currently sold on the Quebec and Ontario markets.

As seeding is about to begin, can the minister guarantee that, since last Friday, his department has tracked down the contaminated seeds?

[English]

Hon. Lyle Vanclief (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, there was some confusion in the question yesterday in which corn was referred to as food. It was seed corn.

The company found some genetically modified seed corn and withheld the sale of it. The rest of the lot of corn that tested negative did go out to some farmers. It is my understanding that it has not been planted. The company will recall it and make sure that it is negative as the original test showed.

Oral Questions

• (1435)

[Translation]

Mrs. Suzanne Tremblay (Rimouski-Neigette-et-la Mitis, BQ): Mr. Speaker, over the past three months, the Starlink gene has been found in feed corn, in corn sold in groceries and, more recently, on the Quebec and Ontario seed markets.

Will the minister admit that not only is his inspection system no longer adequate to control Starlink shipments to Canada, but that it also cannot control the production of genetically modified corn in the country?

[English]

Hon. Lyle Vanclief (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, on the contrary, the system is working. When we find a product we are concerned about, it is recalled and taken off the market.

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BUSINESS DEVELOPMENT BANK OF CANADA

Mr. Charlie Penson (Peace River, Canadian Alliance): Mr. Speaker, after it failed in its unlawful fishing expedition to seize and destroy documents related to the Auberge Grand-Mère, the Business Development Bank is again trying to cover for the Prime Minister by demanding documents that may or may not exist.

Why is the BDC, a crown corporation of the government, helping to conceal the Prime Minister's involvement in the Auberge Grand-Mère?

Hon. Brian Tobin (Minister of Industry, Lib.): Mr. Speaker, that statement is absolutely false.

Mr. Charlie Penson (Peace River, Canadian Alliance): Mr. Speaker, that was a question and I have another one for the minister.

The BDC, the Prime Minister and all his ministers insist that the firing of the BDC president had nothing to do with the Auberge Grand-Mère but then the BDC mounted an unlawful raid on his private home and is now trying again to seize documents. I wonder what is in those documents that they are so afraid of over there.

Instead of using the BDC to protect him, why will the Prime Minister not call for an independent inquiry which might happen to clear him?

Hon. Brian Tobin (Minister of Industry, Lib.): Mr. Speaker, just to be consistent, those additional statements were also false.

* * *

*[Translation]***SPACE SHIELD**

Mr. Claude Bachand (Saint-Jean, BQ): Mr. Speaker, in a telephone conversation yesterday with the Prime Minister, Presi-

dent Bush indicated that the States wanted to involve their allies, including Canada, in a proposed space shield. In addition, at the Quebec City summit, the Prime Minister discussed this matter with President Bush.

Can the Prime Minister inform this House on the content of his discussions with the American president yesterday?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I think the President is speaking on the subject at the moment.

He told me simply that he would be giving a speech and intended to fulfill a promise he had made to us and to other political leaders, in Europe, Russia and China, that there would be dialogue with these countries before the Americans decided on the matter.

Mr. Claude Bachand (Saint-Jean, BQ): Mr. Speaker, could the Prime Minister make a commitment that at no time will his government take a stand on this proposal without holding a debate and a vote on it in the House?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, there could be a vote very quickly if the members of his party take an opposition day to debate the issue.

I think it is entirely premature, because the American proposal has not yet been made public. They intend to make a proposal and to try to convince others to accept it.

So, we will wait and see what they have to propose. We will have a dialogue with them. I imagine it could take not only weeks, but probably months, if not years, before a conclusion is reached.

* * *

*[English]***TAXATION**

Mr. Joe Peschisolido (Richmond, Canadian Alliance): Mr. Speaker, in February the Minister of Transport said that a dedicated fuel tax with regard to the highway system was a good idea. However, over the weekend he said that it was a bad idea.

The minister has admitted that his own highway program is a mere drop in the bucket. Why then has the Minister of Transport rejected out of hand one of the possible solutions to our impending highway crisis?

Hon. David Collenette (Minister of Transport, Lib.): Mr. Speaker, the Minister of Finance has answered the question on a number of occasions and certainly the government speaks with one voice on the issue.

The fact is that we do not believe in the concept of dedicated taxes. We believe that all moneys raised from all manner of sources go into the consolidated revenue fund and can be used for all kinds of government programs, such as health care, highways and the like.

[Translation]

Mr. Joe Peschisolido (Richmond, Canadian Alliance): Mr. Speaker, the Minister of Transport admitted that \$17 billion was needed to repair our highway system, but all the government promised was \$600 million over six years. At this rate, it is going to take 170 years. This is not very credible.

Why does the minister not use part of the \$4.5 billion in gasoline taxes to repair our highway system?

• (1440)

Hon. David M. Collette (Minister of Transport, Lib.): Mr. Speaker, this is a budget issue. We received \$600 million in the last budget. I hope that there will be more money in the next budget.

* * *

[English]

HUMAN RIGHTS

Mr. Sarkis Assadourian (Brampton Centre, Lib.): Mr. Speaker, my question is for the Minister of Foreign Affairs.

April 24 marked the 86th anniversary of the Armenian genocide of 1915. What is the minister doing to promote understanding of this tragic event and its important message to mankind that crimes against humanity are society's worst scourge and must not be allowed and tolerated in a civilized world?

Hon. John Manley (Minister of Foreign Affairs, Lib.): Mr. Speaker, in 1999 the Government of Canada articulated its concern over the terrible calamity that befell the Armenian people in 1915, and today we restate that concern.

Canada is actively pursuing the development of positive and extensive bilateral relations with all the countries of that region. In particular, we are working very closely to encourage the Armenian and Turkish governments to reconcile and establish a more open dialogue between them.

CIDA is providing practical support to Armenia and annual assistance to a variety of Turkish non-governmental organizations. The events of the past must not be an obstacle to peace and prosperity in the future.

Mr. Svend Robinson (Burnaby—Douglas, NDP): Mr. Speaker, I would say to the hon. minister, it was not just a calamity, it was genocide, and the minister should have the courage to call it what it was.

Yesterday the Inter-Church Coalition on Africa revealed that the Sudanese government is using the Talisman Energy Inc. airfields as part of their bloody scorched earth campaign in southern Sudan. In

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fact, helicopters owned by the Sudanese government are being used on Talisman airfields.

Last year Lloyd Axworthy condemned the Sudanese government and condemned Talisman. What is this minister prepared to do to stop the use of Talisman airfields by the—

The Speaker: The hon. the Minister of Foreign Affairs.

Hon. John Manley (Minister of Foreign Affairs, Lib.): Mr. Speaker, I will be glad to forward a copy of my predecessor's press release over to the hon. member. I can tell him that I entirely and heartily agree with what was said by my predecessor.

I share the member's concern if these airfields are being used for offensive purposes by the government of Sudan. We do not have information to that effect. I will certainly examine any evidence that NGOs bring to us to that effect. We will continue to take a strong position in order to encourage a peaceful resolution in the Sudan. We need to encourage Talisman, among others, to work to improve the quality of life for the people living in—

The Speaker: The hon. member for Burnaby—Douglas.

Mr. Svend Robinson (Burnaby—Douglas, NDP): Mr. Speaker, the evidence is overwhelming that in fact these helicopters are being used from Talisman's airfields.

I want to ask the minister a supplementary question. The minister knows that Canadian corporations in places like Burma, Colombia and, of course, Sudan are contributing to massive human rights violations and collaborating directly in violence and repression.

Will the minister bring in strong amendments to the Special Economic Measures Act to ensure that the government can take tough action against corporations like Talisman and others that flout international human rights standards?

Hon. John Manley (Minister of Foreign Affairs, Lib.): Mr. Speaker, the hon. member has never failed to call a spade a shovel. I do not have evidence that all these abuses are occurring. However, I will say that we are strongly and actively engaged with Canada's private sector to adopt standards of corporate behaviour that meet international standards.

Canada and Canadian firms ought to be world leaders in living according to the standards that we believe as Canadians ought to be pursued in international relations and international behaviour. Those codes of conduct must be adopted and followed, and we will continue to encourage that to occur.

* * *

GUN REGISTRY

Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC): Mr. Speaker, my question is to the Minister of Justice.

Oral Questions

The ludicrous, unenforceable long gun registry has taken a new twist. Omnibus Bill C-15 will designate paint ball players and operators as criminals. Because of the definition of firearms and the velocity at which these projectiles are fired, thousands would automatically be charged and I suspect many businesses will go under.

Will the minister agree that the focus should be on combating real firearms violence, not games or sports that are a legitimate form of entertainment? Will she commit to amending this anomaly in Bill C-15?

• (1445)

Hon. Anne McLellan (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, this issue of concern has been brought to our attention. We are working very closely with those who operate businesses that will be affected. We are doing everything we can to ensure that the firearms legislation protects the public safety of Canadians.

* * *

BUSINESS DEVELOPMENT BANK OF CANADA

Mr. Scott Brison (Kings—Hants, PC): Mr. Speaker, my question pertains to an unanswered letter dated April 26 from the leader of my party to the industry minister.

Will the minister make immediate arrangements to ensure that BDC officials appear before the industry committee to answer questions on recent unusual practices and, more specific, on why they sought a court order to seize and destroy the documents allegedly in the possession of François Beaudoin? Why are officials in the BDC taking these extreme and unusual measures?

Hon. Don Boudria (Leader of the Government in the House of Commons, Lib.): Mr. Speaker, the hon. member should know, and his leader certainly should know even more, that Standing Order 108(2) permits a parliamentary committee to examine any issue that it wants to. That is already in the rules of the House of Commons. It does not need to be restated. It is already the case and everyone else around here knows it.

* * *

TREASURY BOARD

Mr. John Williams (St. Albert, Canadian Alliance): Mr. Speaker, it appears the government will raise the maximum for non-competitive bids to purchase goods and services from \$25,000 to \$81,000.

My question is for the President of the Treasury Board. Will this new policy be a means to legitimize all the irregular contracts that have already been awarded by the government?

[Translation]

Hon. Lucienne Robillard (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker,

we have no intention of decreasing the number of competitive contracts.

I would perhaps ask the opposition member to be much more prudent and note what the official said to journalists.

[English]

The director said that the regulatory change still has not gone to cabinet.

[Translation]

The official was talking about working hypotheses with the journalist. I find it regrettable that the opposition member implies that the government has made a decision in this regard, which is simply not the case.

[English]

Mr. John Williams (St. Albert, Canadian Alliance): Mr. Speaker, that long answer sounds like a simple yes to me. For years the auditor general has been lamenting the lack of control on the awarding of contracts.

For example, Transelec and Mr. Gauthier, a good friend of the Prime Minister, failed every rule of qualification, yet received a \$6.3 million contract.

Is this new rule being implemented to open the door for more friends of the Prime Minister to quietly help themselves to taxpayer dollars without going to public tender?

[Translation]

Hon. Lucienne Robillard (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, there is no plan to decrease the number of competitive contracts.

Once again, I will read from the article, which quotes the treasury board secretariat director. He said:

[English]

That's a regulatory change and we still have not gone to ministers or anything like that, so they may say that's not an acceptable thing to do.

Let us be cautious with the conclusions here. This is not the plan of the government.

* * *

[Translation]

EMPLOYMENT INSURANCE

Mr. Gérard Asselin (Charlevoix, BQ): Mr. Speaker, yesterday in Baie-Comeau, during the lightning tour on employment insurance carried out by the Bloc Québécois, the seasonal workers, who are still awaiting the outcome of the parliamentary committee promised by the Liberal Party, called for the minister to assign a special status to seasonal work regardless of the region.

Will the Minister of Human Resources Development comply with this request, or is she going to ask them to adapt to the changes in employment insurance, as she did last year?

[English]

Hon. Jane Stewart (Minister of Human Resources Development, Lib.): Mr. Speaker, we have the Bloc asking for changes to the Employment Insurance Act when it voted against the amendments that were presented in Bill C-2.

If it were up to the opposition, the intensity rule would still be part of the act, medium income Canadians would still be subject to the clawback, and the re-entrance rule would not have been changed. I suggest that party is not standing up at all for workers in the province of Quebec.

[Translation]

Mr. Gérard Asselin (Charlevoix, BQ): Mr. Speaker, during the election campaign, the Prime Minister himself acknowledged that the changes to employment insurance had had negative impacts on seasonal workers in the regions.

• (1450)

Instead of proposing measures that cannot be carried out, like extending the working season, is the minister going to reach the same conclusions and recommend special status for seasonal workers?

Hon. Martin Cauchon (Minister of National Revenue and Secretary of State (Economic Development Agency of Canada for the Regions of Quebec), Lib.): Mr. Speaker, as hon. members are aware, certain measures are before the House at this time, ones that will be of great assistance to all seasonal workers in Quebec and in all of Canada.

I find what the hon. member has just said deplorable. To say that our actions to help diversify the economy, to extend the tourist season so that there will be a decent economy, are unrealistic is irresponsible. This government is going to work to help the people in the regions.

Some hon. members: Hear, hear.

Some hon. members: Oh, oh.

[English]

The Speaker: Order, please. It is very difficult for the Chair to hear the member who has the floor. The hon. member for Edmonton Centre-East.

* * *

NATIONAL DEFENCE

Mr. Peter Goldring (Edmonton Centre-East, Canadian Alliance): Mr. Speaker, the Americans are moving ahead with the development of their missile defence program. Yesterday President Bush was reported to have called the Prime Minister to discuss this important security issue.

Oral Questions

Understandably final details are required for a final decision, but did the Prime Minister give qualified support? Did he give support in principle? Did he give encouragement for this plan?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, as I replied earlier, the president informed me that he would be making a speech, which he is doing at this time. He is proposing a new plan in this field. He said he would consult before putting the plan in place, not only with Canada but with the European countries, the Russians and the Chinese.

As I said, we are not confronted with the decision now because we do not know exactly what the plan will be.

Mr. Peter Goldring (Edmonton Centre-East, Canadian Alliance): Mr. Speaker, the question was: Did we give support to the plan? The government has dithered on this issue for years while the Americans have been looking for a positive Canadian response.

The director general of policy and planning in the Department of National Defence stated:

—the value of our political support will depreciate as we approach decision time. Once the U.S. has made its decision, that value will be reduced to nothing.

When will the government get off the fence and speak out in Canada's national interest?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, first things first. We have to wait for the plan.

* * *

TRADE

Mr. Bryon Wilfert (Oak Ridges, Lib.): Mr. Speaker, this week a delegation of Japanese parliamentarians came to Ottawa for bilateral consultations with the Canada-Japan Interparliamentary Group. Recently the Secretary of State for Asia-Pacific visited Japan.

Given the importance of Canada-Japan relations, what initiatives is the minister undertaking to enhance our relationship?

Hon. Rey Pagtakhan (Secretary of State (Asia-Pacific), Lib.): Mr. Speaker, the Government of Canada has undertaken numerous initiatives to revitalize our economic relations with Japan, Canada's second largest trading partner.

Early last month in Tokyo, I represented the Prime Minister at the Pacific Basin Economic Council forum which looked at how we could revitalize the economy.

Also I launched the Think Canada Festival 2001, a three month long event to reinforce Canada's image as a highly industrialized country with world class technology. I also met with the Canadian chambers of commerce.

*Oral Questions***FOREIGN AFFAIRS**

Mr. Keith Martin (Esquimalt—Juan de Fuca, Canadian Alliance): Mr. Speaker, Zimbabwe's president Robert Mugabe is a vicious dictator who is a threat to the stability of southern Africa. Under his regime, its inflation rate is up 60%. He is throwing opposition people in jail and is even giving amnesty to those who have killed opposition supporters.

My question for the minister is very simple. Will the Minister of Foreign Affairs stop all Canadian government to government aid to Zimbabwe?

Hon. John Manley (Minister of Foreign Affairs, Lib.): Mr. Speaker, as I mentioned to the hon. member yesterday, this relationship is one that must be seen in the context of the Commonwealth.

I expect based on the discussions which occurred, although not part of the agenda at the Commonwealth Ministerial Action Group a few weeks ago, that it will be a subject of discussion at the Commonwealth heads of government meeting in a few months. I think we will take appropriate action in co-operation with other Commonwealth countries.

• (1455)

Mr. Keith Martin (Esquimalt—Juan de Fuca, Canadian Alliance): Mr. Speaker, as a nation we took the lead with South Africa. It is not good enough to wait months while people in Zimbabwe are being killed and the whole structure in southern African is poised to crumble. We have an opportunity to lead.

While President Mugabe is throwing members of the judiciary in prison and is actually threatening them, will the Minister of Foreign Affairs say to our representatives at the International Monetary Fund and the World Bank that they will push for a withholding of all grants and loans to Zimbabwe until the rule of law is once again restored?

Hon. John Manley (Minister of Foreign Affairs, Lib.): Mr. Speaker, that is a bit out of my area of responsibility, but let me say that we are watching very closely the events occurring in Zimbabwe.

The expression of concern that arose at the Commonwealth meeting a few weeks ago was an example of that. We have been calling upon Zimbabwe to respect the norms of democratic principles, to respect the right of dissent, and to maintain the independence of the judiciary, the media and the press. All these issues have been raised in some concern by a variety of NGOs. If action is warranted, we will indeed take it.

[Translation]

VICTIMS OF PYRITE DAMAGE

Ms. Pierrette Venne (Saint-Bruno—Saint-Hubert, BQ): Mr. Speaker, on February 7, I asked the Minister of Public Works if he planned to meet the commitment made by his party during the election campaign to financially participate in the program to help the victims of pyrite damage. The minister replied "yes, and soon". The months have come and gone but, unfortunately, owners are still waiting.

Can the minister tell us what he meant by "soon"?

Hon. Alfonso Gagliano (Minister of Public Works and Government Services, Lib.): Very soon, Mr. Speaker.

* * *

[English]

RURAL DEVELOPMENT

Mr. Rick Laliberte (Churchill River, Lib.): Mr. Speaker, a year ago in April 2000 the Secretary of State for Rural Development hosted the National Rural Conference in Magog, Quebec, to give rural Canadians an opportunity to share their experiences in rural Canada and to discuss means by which the federal government could work with rural communities on the improvement of their social, economic and environmental quality of life.

Could the secretary of state inform the House what steps the federal government has taken to continue this vital and ongoing dialogue with rural and remote Canada?

Hon. Andy Mitchell (Secretary of State (Rural Development)(Federal Economic Development Initiative for Northern Ontario), Lib.): Mr. Speaker, my first priority is to ensure that those issues which were identified at the conference are carried forward. I had an opportunity to work with the participants to prepare an action plan which identified 54 specific actions for the federal government to take on behalf of rural Canadians.

Second, we will hold regional conferences. We had one in Vernon in western Canada last week. We will have a conference this summer in northern Canada and in the fall one in eastern Canada and central Canada. Finally, next year we will have another national conference.

* * *

AGRICULTURE

Mr. Howard Hilstrom (Selkirk—Interlake, Canadian Alliance): Mr. Speaker, the minister responsible for the Canadian Wheat Board is standing in the way of value added processing of organic wheat. He is also standing in the way of malt barley farmers increasing their incomes.

Why will the Canadian Wheat Board minister not understand that it is in the best interest of farmers that the Canadian Wheat Board lose its monopoly on barley and wheat?

Hon. Ralph Goodale (Minister of Natural Resources and Minister responsible for the Canadian Wheat Board, Lib.): Mr. Speaker, a couple of years ago we amended the Canadian Wheat Board Act in a very fundamental way. Those amendments were based upon lengthy consultations with farmers and others. The clear message from those consultations was that farmers wanted a Canadian Wheat Board that was more democratic, more flexible and more accountable to producers.

That has been provided by the fact that for the first time ever there is a board of directors with 15 members, 10 of whom are directly elected by farmers. It is farmers who should make the decisions, not politicians in the House of Commons.

* * *

[Translation]

ARMENIAN PEOPLE

Ms. Francine Lalonde (Mercier, BQ): Mr. Speaker, the Minister of Foreign Affairs just made a declaration of intent regarding the fate of the Armenian people.

What the Armenian people want is for Canada to acknowledge that a genocide took place, as did the Quebec government, among others.

Given what he just said, will the minister finally make sure that his government recognize that the Armenian genocide did indeed take place, so that we can rebuild the future by acknowledging the past?

Hon. John Manley (Minister of Foreign Affairs, Lib.): Mr. Speaker, as I said earlier in English, the government recognizes that the situation in Armenia in 1915 was serious, but we also think that we must build the future.

I urge Bloc Quebecois members to also consider the fact that Canada is working with the governments in Armenia, in Turkey and in the region to build the future.

* * *

• (1500)

[English]

BUSINESS DEVELOPMENT BANK OF CANADA

Right Hon. Joe Clark (Calgary Centre, PC): Mr. Speaker, when the member for Peace River characterized the contents of the papers the Business Development Bank is trying to seize, the

Point of Order

Minister of Industry said very emphatically that the characterization was false. That suggests the Minister of Industry knows what is in the papers being seized.

Does the minister know what is in these documents and, if so, who in the Business Development Bank told him? Is the government orchestrating the seizures?

Hon. Brian Tobin (Minister of Industry, Lib.): Mr. Speaker, no, I do not know what is in the documents. No, no, I have not been briefed.

No, I am not aware of anybody orchestrating anything, but I do know that the preamble to the question that he referred to and indeed many of his own preambles are absolutely false.

* * *

PRESENCE IN GALLERY

The Speaker: I draw the attention of hon. members to the presence in the gallery of a delegation, hosted by the Canada-Japan Parliamentary Association, of members of the Diet of Japan led by Mr. Hosei Norata.

Some hon. members: Hear, hear.

* * *

[Translation]

POINT OF ORDER

TABLING OF DOCUMENTS

Mr. Stéphane Bergeron (Verchères—Les-Patriotes, BQ): Mr. Speaker, the government House leader keeps saying he will not allow documents to be tabled unless prior notice has been given.

This is the third time I have tried to table, at the express request of the Deputy Prime Minister of Canada, the lease between the Auberge Grand-Mère and the Grand-Mère golf club.

I once again seek the unanimous consent of the House to table this document.

The Speaker: Is there unanimous consent of the House?

Some hon. members: Agreed.

Some hon. members: No.

[English]

Mr. Bill Casey: Mr. Speaker, I ask for unanimous consent to present a petition on behalf of the Canadian Grandparents Rights Association of Nova Scotia.

The Speaker: Does the hon. member have unanimous consent to revert to presentation of petitions?

Some hon. members: Agreed.

Supply

ROUTINE PROCEEDINGS

• (1505)

[*English*]

PETITIONS

RIGHTS OF GRANDPARENTS

Mr. Bill Casey (Cumberland—Colchester, PC): Mr. Speaker, it is my pleasure today to present a petition that consists of 4,000 signatures from the Canadian Grandparents Rights Association of Nova Scotia.

These people support the rights of grandparents having access to their grandchildren unless there is concrete evidence to do otherwise. These individuals request that the federal government revise the 30 year old Divorce Act now to give grandparents access to their grandchildren. I want this group and the grandparents here today to know that I support them.

GOVERNMENT ORDERS

[*English*]

SUPPLY

ALLOTTED DAY—TRADE AGREEMENTS

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

Ms. Sarmite Bulte (Parliamentary Secretary to Minister of Canadian Heritage, Lib.): Mr. Speaker, I forgot when I was speaking before question period to say that I would be splitting my time. As I said earlier, I am here to speak to the NDP motion and its concerns regarding chapter 11. I started to talk about how important investments were for Canada and for individual Canadians and corporations that do business abroad.

One of the most significant features of Canada's recent economic history has been the rapid growth of Canadian investment abroad. Since 1996 Canada has become a net exporter of capital. With the free trade of the Americas agreement so prominently in the minds of Canadians, it is important to remember that Canada continues to be a major investor in South America, particularly in the telecommunications and natural resource sectors.

Investments abroad create opportunities for Canadians by giving our firms new markets to expand their businesses through exports and through local sales. Often securing new customers and making sales in new markets requires investments in local services, customer support, assembly and distribution channels.

The most important thing we must remember is that when Canadians invest abroad they bring our values together with increased exports of goods and services. It adds up to jobs and opportunities for all Canadians.

As I said earlier, chapter 11 of NAFTA deals with foreign investment. Section A of chapter 11 deals with the definition and the treatment to be accorded within the North American free trade zone, and section B of chapter 11 deals with the settlement of disputes concerning investments.

The main forms of treatment of foreign investment dealt with in chapter 11 are national treatment and most favoured nations treatment. This is what is applicable to foreign investment. Under national treatment NAFTA countries are generally obligated to accord to investors and investments from another NAFTA country treatment no less favourable than the treatment accorded to domestic investors and investment.

With respect to most favoured nations treatment, NAFTA countries are generally obligated to accord to investors and investments from another NAFTA country treatment no less favourable than the treatment accorded to investors and investments from any other country, be it NAFTA or non-NAFTA countries.

Chapter 11 restricts the ability of NAFTA countries to impose certain performance requirements on the investors and investments from other NAFTA countries such as a requirement to export a certain level or percentage of goods or services.

Generally these so-called performance requirements do not restrict the ability of a NAFTA country to condition what is called an advantage to be conferred upon a foreign investor or investment upon compliance with a requirement to locate production, provide a service, train or employ workers, construct or expand facilities, or carry out research and development in its territory.

At a minimum, NAFTA countries are required to treat foreign investors and investments from other NAFTA countries in a manner consistent with international law. This point is very important and I hope that my NDP colleagues are listening. There are a number of exceptions and reservations to the general non-discrimination obligations I have outlined. Aside from the general exceptions which are contained in NAFTA, reservations are set out in the country schedules to annexes I, II, and III of NAFTA.

These reservations are generally either bound or unbound reservations. A bound reservation means that a NAFTA country may maintain a non-conforming measure identified in the appropriate schedule and may amend that non-conforming measure, provided that the amendment does not make the measure more trade distorting. An unbound reservation allows a NAFTA country to maintain an existing non-conforming use to make the measure even more trade distorting or to create new non-conforming measures in relation to certain broad areas or sectors.

• (1510)

For example, in the case of Canada certain unbound reservations exist in relation to aboriginal affairs, communications, transportation and social services. The latter reservation includes income security, social security, social welfare, public education, public training, health and child care.

Historically under bilateral conventions to promote and protect investment possible disputes about the application of these conventions were settled between the governments concerned. Chapter 11 of NAFTA improves bilateral conventions to promote and protect foreign investment mainly by making it possible for a private party to challenge a disputed measure directly with a foreign government.

Expropriation is the main subject of disputes concerning foreign investment. An expropriated private party claiming that a government may not expropriate or has not respected the applicable rules in expropriating may challenge the measure under the dispute settlement mechanisms contained in part B of chapter 11 of NAFTA.

It is also important to note that the dispute settlement mechanism also proceeds at stages. An investor claiming that a foreign government has breached its obligations may submit its claim to arbitration if it incurs a loss or damage as a result of the breach of obligation.

The parties to the dispute must consult with each other in an effort to settle the dispute. If the dispute cannot be settled an investor wishing to pursue a claim must send a written notice of claim and of intent to submit the claim for arbitration. However the investor may not submit the claim to arbitration until 90 days after the notice of submission of the claim to arbitration has been sent. Nor may a claim be submitted to arbitration until at least six months have elapsed since the events giving rise to the claim.

A limitation period may apply to the submission of a claim if more than three years have elapsed between the date the investor knew or should have known of the breach by the foreign government and the date the claim is being submitted to arbitration.

Arbitration concerning investment is done before a tribunal composed under one of the three conventions listed in article 1120 of NAFTA, the existing international rules. There are also prerequisites for arbitration.

Before a dispute concerning investment may be submitted to arbitration, the investor must consent to arbitration and waive the right to any other proceeding of any party under the law. The parties to the arbitration must agree to the rules and procedures governing the arbitration.

Supply

Perhaps the greatest area of the investment chapter that is of concern to the government is the investment expropriation provisions. In that regard the chapter includes specific commitments of fair treatment in the event of expropriation of an investment by a NAFTA country.

Expropriation of an investment can only occur for a public purpose, on a non-discriminatory basis, in accord with due process of law and on the payment of compensation to the foreign investor. Perhaps the concern with the expropriation provision of most people is that the definition of expropriation act includes the words tantamount to expropriation. This broad language could possibly extend beyond what governments would normally consider to be expropriation to possibly include regulations or measures that significant impair or nullify benefits to NAFTA investors.

In conclusion, it is always possible to improve the dispute settlement process under all our trade agreements. Yes, there have been disputes and yes, there will continue to be disputes. The disputes that actually reach the arbitration process are rare. It should not be forgotten that Canada has greatly benefited from the system to date. Any future negotiations should be conducted with this record firmly in mind.

• (1515)

Mr. Deepak Obhrai (Calgary East, Canadian Alliance): Mr. Speaker, I saw my friend across the way point to our NDP colleagues and ask them to listen, but I can assure her that I was listening to the good points she made. My colleagues on the other side are good friends of mine but they do have selective hearing. They only want to hear what they want to hear on chapter 11.

Perhaps the member would like to comment on what the minister and the Prime Minister said about chapter 11. I know the minister very well and I know his own gut feeling is that the provision is needed and is appropriate to protect investments going out. I am sure the member agrees with that.

Does the member think that perhaps the statement was a slight misunderstanding or misstep by the minister?

Ms. Sarmite Bulte: Mr. Speaker, let me begin by thanking my colleague from the Alliance across the way for listening to what I had to say.

The motion talks about completely throwing out chapter 11. Neither the minister nor the Prime Minister ever said that. Therefore, first and foremost, there is no inconsistency between the two.

What I have tried to do in my presentation is talk about chapter 11. Chapter 11 is composed of many things. It is composed of schedule A, which talks about national treatment and most favoured nations treatment. Schedule B talks about the dispute settlement system. There is a long process.

Routine Proceedings

In addition, what I think is very important for all Canadians to remember, and what we have not been hearing, are the annexes and schedules that talk about restrictions, exceptions, the unbound exemptions and the bound exemptions. Under no circumstances does chapter 11 throw out the ability to ensure public education in our country. Under no circumstances does chapter 11 stop us in any way from legislating on health care.

With respect to the general exceptions under NAFTA, we can look at the exceptions in culture, but we do need to do more, which is what I said about our trade agreements.

The history of trade agreements goes back to 1947 and the GATT when the first dispute settlement process was actually put into place. We have built on that process, starting with the free trade agreement and then with NAFTA. We have Chile and Canada, Israel and Canada and, most recently, and we should be very proud, we also have a Canada and Costa Rica agreement that puts us in the centre of Central America.

We are always looking to build on agreements. If we look at the history, from the GATT to where we are today, there are some concerns. If we need to work with a few words that does not mean we throw out entire sections or chapters. The fact is that NAFTA has been good for Canadians. It brings wealth. We as a government have a role on all sides to ensure that wealth is properly distributed to all of our citizens.

Mr. Svend Robinson (Burnaby—Douglas, NDP): Mr. Speaker, the hon. member paints a glowing picture of the triumph of chapter 11 but she may not be aware of the fact that the International Institute for Sustainable Development just released a very damning report on the impact of chapter 11.

Professor Howard Mann said that the current interpretations of NAFTA's chapter 11 could have a significant and determinative negative impact on government decision making in relation to the public interest.

They already have. The study points out that chapter 11 has been used to challenge the only two major federal environmental laws that have been passed since NAFTA came into force in 1994. One of those laws subsequently was repealed and compensation was paid. That was in the case of the Ethyl Corporation and MMT. In the second case, the S.D. Myers case, the damages award was pending.

I have a question for the hon. member. If chapter 11 investor state provisions are working so well, why is it that the International Institute for Sustainable Development and others are telling us not to duplicate them in the FTAA?

Ms. Sarmite Bulte: Mr. Speaker, let me begin by saying that I value the opinions of Professor Howard Mann. He is an extremely brilliant individual who has worked with our committee.

• (1520)

Having said that, I wish, once and for all, we would tell Canadians the truth about the Ethyl Corporation case and how it arose. It arose as a result of a challenge by the Alberta government that dealt with the interprovincial restriction on trade. It was only when that interprovincial matter was ruled upon in favour of Alberta that we chose to settle before the matter ever reached arbitration. This is not a case where the arbitration panel found against it. It was settled before it ever reached arbitration.

When we look at the number of arbitration cases we see only three cases. Last week we won another case, the Pope & Talbot case, which was the only pending case after the NAFTA five year review was disclosed.

Mr. Maurizio Bevilacqua: Mr. Speaker, I rise on a point of order. I think you would find unanimous consent to revert to routine proceedings for the purpose of presenting a report from the finance committee.

The Speaker: Is there unanimous consent to revert to presentation of reports by committees?

Some hon. members: Agreed.

ROUTINE PROCEEDINGS

[English]

COMMITTEES OF THE HOUSE

FINANCE

Mr. Maurizio Bevilacqua (Vaughan—King—Aurora, Lib.): Mr. Speaker, I have the honour to present the third report of the Standing Committee on Finance regarding its order of reference of Monday, April 2, in relation to Bill C-18, an act to amend the Federal-Provincial Fiscal Arrangements Act.

The committee has considered Bill C-18 and reports the bill without amendments.

* * *

[Translation]

MESSAGE FROM THE SENATE

The Speaker: Order, please. I have the honour to inform the House that a message has been received from the Senate informing this House that the Senate has passed certain bills, to which the concurrence of this House is desired.

GOVERNMENT ORDERS

[Translation]

SUPPLY

ALLOTTED DAY—TRADE AGREEMENTS

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

Hon. Pierre Pettigrew (Minister for International Trade, Lib.): Mr. Speaker, I am very happy to rise today in this House to take part in this third opposition motion on matters of international trade in as many weeks. Obviously, matters of international trade interest our parliamentarians and all Canadians, and that makes me happy.

Free trade and NAFTA have been beneficial for Canadians, that is clear. Since NAFTA came into effect, trade, investment and jobs have grown spectacularly in Canada and in all countries in North America.

Recently, at the Quebec City summit, the 34 countries of the Americas, the representatives of small and large countries, the heads of the most developed and of developing countries and those representing countries whose economies are especially vulnerable expressed their interest in and desire to establish a free trade area of the Americas.

A number of these 34 countries are headed by socialist leaders. Others are headed by centrist leaders and others by conservative leaders. Yet there was unanimity. They all wanted free trade in the Americas.

There must indeed be something good about this project if all countries, large and small, developed and less developed, and all leaders, socialists, conservatives and centrists alike, want free trade.

[English]

All 34 countries want in, whether they come from smaller or bigger countries, whether they come from the most vulnerable economies to the largest and stronger economies of our hemisphere. That says a great deal about the importance of international trade. It says that international free trade leads to development and to democracy. The vast majority of Canadians and the vast majority of citizens across the Americas understand that very well.

It is too bad that the opposition today on this particular motion does not want to understand what even most socialist leaders believe. Even labour leader Tony Blair said not too long ago in this House that free trade was for the poor. Only one party here does not seem to understand that.

Supply

[Translation]

A clear set of rules applicable to the conduct of international affairs constitutes one of the key reasons for NAFTA's success.

• (1525)

The rules applicable to trade and investment form a road map or navigation system, which guides and protects the flow of trade and investment capital.

Being a country more oriented towards investment and international trade than any of its competitors, Canada has an interest in maintaining the vigour of this bilateral flow of trade and foreign investment. Foreign investment helps to guarantee that Canadian businesses will have the capital they need to succeed and grow in the highly competitive world economy.

Investment creates jobs and encourages innovation through the contribution of new ideas and new technologies to our businesses. It gives Canadians access to the capital and skills which will strengthen our country.

[English]

Canadian investment abroad is equally important as this helps Canadian firms establish a presence in foreign markets and share Canadian expertise through exporting goods and services to those markets.

It should be further noted that a large proportion of profits from new investments is reinvested in Canada contributing to a higher growth rate and a rise in Canadian living standards. There is no doubt today that foreign direct investment in Canada and Canadian investment abroad have joined the international trade in goods and services to become our principal engines of growth and job creation.

Direct investment abroad by Canadian business is part of its strategic effort to increase market share and stay competitive in foreign markets. Companies are increasingly using outward investment to strengthen their operations, penetrate new markets and acquire new technologies, resources and skills. The value of Canadian direct investment abroad has increased fivefold between 1985 and 2000, that is from \$57 billion to \$301 billion.

Since 1995 the stock of direct investment abroad by Canadians has exceeded the stock of foreign investment in Canada. This reflects the maturity and wealth of the Canadian economy. This type of investment results in increased sales and production from home facilities.

A recent study by the OECD found that on average every one dollar of investment is followed by two dollars of export. It adds up altogether to jobs and opportunities for Canadians.

We have also seen that income from Canada's outward foreign direct investments increased during recent years helping to improve our standard of living.

*Supply**[Translation]*

More than ever, it is important for Canada to try to seek a fair, open and secure environment for international investment, both in Canada and abroad.

The part of the North American Free Trade Agreement dealing with investment, better known as chapter 11, guarantees investors fair treatment in accordance with international law. This chapter and especially the investor-state provision are a fundamental component of the agreement.

It is important to point out that the benefits Canada has gained from investment have not jeopardized our main economic and social values. Foreign investment in Canada is subject to the same legislation and regulations as Canadian investment, including those protecting the environment and ensuring higher labour, health, construction and safety standards.

When one compares the number of challenges under chapter 11 of NAFTA and the amount of the claims to the two-way trade daily of \$1.9 billion between the United States and Mexico, one quickly realizes that the number of challenges these last few years has been minimal compared to the overall trade and investment activities.

Last year, the overall investments of our NAFTA partners in Canada reached \$186 billion. All in all, we were able to attract, last year, a record high of \$93.2 billion in new foreign direct investments.

• (1530)

Yet, from this important growing source of investment, and despite thousands of new laws and regulations passed by each level of government in Canada since 1993, the Government of Canada is facing only five challenges under chapter 11 of NAFTA that are currently under arbitration.

[English]

The Government of Canada believes that NAFTA, including chapter 11, works well, and we are not seeking to re-open the agreement. As the Prime Minister has noted in the House, there are many thousands of investments among NAFTA partners and thousands of measures are taken by governments that can affect investments: laws, regulations and programs of all sorts and at all levels of government. However, of all these investments and government measures, only five have resulted in complaints against Canada under chapter 11 of NAFTA.

As we have noted in the House, the Government of Canada does want to clarify the provisions in chapter 11, which would give future tribunals clearer and more specific understanding of the obligations of chapter 11 as originally intended by the drafters. There are mechanisms built into NAFTA to allow for this type of clarification.

[Translation]

Even more important is the fact that we want the investor-state dispute settlement mechanism to be more open and more transparent so it is more effective. In fact, Canada has already taken measures to make this process more transparent.

The foreign affairs department's website contains all publicly available documents relating to chapter 11 arbitration cases involving the Government of Canada.

We would like to make all the documents public, within certain limitations, obviously, to protect confidential trade information. We would also like to open hearings to the public.

I will stop here to allow for a brief exchange with opposition members. But that is our government's position, its true position, not based on a short sentence taken here or there, but based on its true intention with regard to NAFTA's great success.

[English]

Mr. Werner Schmidt (Kelowna, Canadian Alliance): Mr. Speaker, I want to congratulate the hon. minister for the depth of his understanding of the problem. The only scary part of it is that I found myself agreeing with almost everything he said.

There is one point I do want to raise. I would like to ask the hon. minister if he would clarify for us whether indeed it is true that perhaps some of the fiscal policy of the government has indeed resulted in a net increase over and above the investment that foreigners direct into Canada. Has foreign direct investment to Canada been exceeded by the direct investment in other countries by Canadian firms? There has been a shift and there is a negative balance there.

It is all very well to speak about how wonderful it is that people have invested in Canada. I think he made the statement that this reflects the maturity of the Canadian economy. I would like to suggest to the minister that he should clarify that, indeed, it is not the maturity of the Canadian economy here that has caused this negative balance. In fact, the reason that people are investing more money outside of Canada than in Canada is due to the fiscal policy of the government.

Hon. Pierre Pettigrew: Mr. Speaker, I had the opportunity to give an address to the National Press Club today at the luncheon, in which I revisited the extraordinary performance of the Canadian economy in the year 2000.

We are presenting a report on the health of the Canadian economy, on the growth in our trade. We now export 45% of what we produce in this country, of our GDP.

Last year we received extraordinary foreign direct investment of \$92.3 billion, so Canada is really a land that attracts a lot of foreign direct capital and it is extremely good for our economy. Indeed, Canadians are now in a position to invest abroad and that is very

good, because if we want to export our goods, if we want to export our technology and if we want to export our services, we have to invest abroad.

• (1535)

There was a time when trade led the global economy, that is, first we traded with a foreign country and after having traded with it for some years we would then invest in it. Instead of exporting to it we would start producing the goods in that country. Trade led the economy and investment followed. It is the other way around now, and it has been the other way around for the past 15 to 20 years.

If we want to maintain our export level and trade development we have to invest abroad because now it is investment that leads the international economy rather than trade.

[Translation]

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ): Mr. Speaker, we just saw a glaring example of the reason why people do not trust governments and of the current government's lack of transparency.

The minister mentioned the website. The website says: "Canada is not advocating the replication of NAFTA investor-state rules in the FTAA".

On December 13, the minister himself said that he would not sign an agreement if it included a chapter 11 equivalent. He said:

[English]

"That is my position. I am very preoccupied with this".

[Translation]

Today, in a way that is absolutely extraordinary but that will fool no one, they have decided to do a complete about-face and to change their position.

Does the minister not realize that, with this attitude, he is justifying the position of those asking that negotiations be done in a more transparent fashion? If the minister is able to change his position like this at a time when negotiations are not yet in full gear, we can imagine how it will be when we are seriously negotiating these issues.

Can the minister explain to us this complete about-face?

Hon. Pierre Pettigrew: Mr. Speaker, I must say that the Minister for International Trade, which I have been for the past year, has fought for transparency throughout the Americas. We were successful in Buenos Aires in gaining the consent of all

Supply

countries to make the draft free trade agreement public. Canada directed an effort of remarkable transparency, a successful effort.

We do not need any sermons from the Bloc Québécois member who always resorts to personal insult, to making accusations of flip flops and of lack of transparency, to laying all the blame on us. This is a deplorable way of focussing on the remarkable efforts being made by our government and our international trade policy.

My position on chapter 11 is unchanged and absolutely clear: Chapter 11 serves the interests of our investors and our policies well.

What I called for, and what our government wants, is to clarify within the mechanisms set out by NAFTA certain interpretations that have been made by the courts so that they may be taken into account in future. Obviously, we will be taking into account the improvements I would like to see in the free trade area of the Americas.

Mr. Paul Crête: Mr. Speaker, on a point of order. The minister says I insulted him personally by saying that he changed his mind.

Hon. Pierre Pettigrew: No. He mentioned the lack of transparency.

Mr. Paul Crête: This government could not be any more arrogant, and this is unacceptable. I ask—

The Acting Speaker (Mr. Bélair): Order, please. This is not really a point of order, it is more a question of debate.

Ms. Francine Lalonde (Mercier, BQ): Mr. Speaker, I will be sharing my time with my colleague from Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques.

I would first like to say that the charge by the Minister for International Trade disappoints me. I was fairly happy with the work he had done on transparency, work we had strongly encouraged him to do, we in the Bloc Québécois, and all the participants in the civil society. I am prepared to acknowledge what he has done, except when he defends, as he has just done, his change in position on chapter 11. That disappoints me.

• (1540)

Let him explain it. Let him say that the United States would not listen, but let him say what he himself has always said. What he has just said today, unfortunately, is not supported by the facts, and by the repeated quotes we can show him. This concerns me, and I think the public too.

I have been told several times by various sources that the negotiators who worked out the NAFTA agreement and the famous chapter 11 never thought it would be interpreted the way it has been by the rather special and secret courts, which evaluate complaints lodged under chapter 11.

Supply

Even the negotiators did not think businesses would be so low minded, as some colleagues would put it, as to complain, with the astronomical figures they put forward, because they negotiated in little closed private clubs. Had they asked certain union people what they thought the businesses were capable of doing, they would have been enlightened. They would have made no mistake as to the possibility of expanding these texts in a direction contrary to public interest.

The problem is that, whatever the intention of those negotiators, now, chapter 11, with a number of cases pending—and we can be sure many cases will arise in the future—is tending to limit the ability of governments, at all levels, to make laws that defend public interest.

There are a number of fairly simple cases. For example, Metalclad Corporation, is a waste treatment company from California. It settled in Mexico and asked for a federal permit. The problem is that while it was building its plants, the public was totally opposed to such activities. The governor of the state had no choice but to order Metalclad to shut down its operations. Metalclad turned around, sued under chapter 11 and won. The whole thing cost \$16 million to Mexico, which decided to appeal the ruling, and the appeal was heard in Vancouver.

This ruling is disturbing in a number of ways. I am mentioning one, but there are several. In that example, the federal government of Mexico had given its authorization, but the municipality had the authority to legislate, just like the state. By using its powers, the company had the right to sue.

If the government cannot see cases that could occur here, it is because it definitely does not want to see the obvious.

They are now defending chapter 11 without any reservations, when the Minister for International Trade himself had the common sense to say that he would not ratify it again, in its present form. The minister heard many people who also displayed common sense, including Pierre-Marc Johnson, the former Premier of Quebec, who is not a hothead and who told the committee that Canada should not use chapter 11 again, at the risk of experiencing very serious environmental problems. And we know how concerned people are about the environment.

What is extremely disturbing is that Canada, which has held various positions, just boasted about signing an agreement with Costa Rica. In an agreement with Costa Rica, Canada is the one calling the shots. This is not the United States, which is a strong country, with Canada trying to manage. With Costa Rica, it is Canada that has the upper hand.

• (1545)

In a agreement with Costa Rica, Canada is not in a weak position. It is not like in a agreement with the almighty United

States, where Canada has to find a way to manage. With Costa Rica, Canada has the upper hand. Yet, the provision of chapter 11 can be found in the agreement with Costa Rica. Canada's position boils down to what is stipulated in chapter 11 of NAFTA.

The House will soon realize that opposition members are against this. Before going any further, we need to reconsider what we are about to do. Because we are about to give more power to companies and foreign corporations. Foreign corporations can file suits for discrimination, something local companies are unable to do. But let us not forget that, abroad, Canadian companies are foreign companies, and that we promote international exports not only for the big corporations, but also for smaller businesses.

At the Standing Committee on Foreign Affairs, important business people for whom exports have no secrets told us "It is not a market for small companies, because you stand to lose your shirt again and again".

This is a very serious issue, and I want to thank the NDP for raising it, as we did previously, so that we could hold this debate. The important thing is for parliamentarians to be able to express their views before the agreement is signed. It is crucial.

I am going to introduce a private member's bill of which I am very proud, which was introduced earlier by the member for Beauharnois—Salaberry. This bill must become law. I am sure that there are government members who share our view, but whose hands are tied right now and who will be able to do nothing but talk among themselves and look sad, hoping that things are not as bad as some are saying.

What is really being decided right now is the future, not just of Quebecers and Canadians, but also, and even more so, of the citizens of Mexico and of Central and South America.

An hon. member: The Americans too.

Ms. Francine Lalonde: Yes, the Americans too, but they have more weapons, including democratic ones, to defend themselves than we do. They have much more clout, as parliamentarians, than do Canadian parliamentarians.

Chapter 11 is not the only issue that concerns us. It is one that, along with others, poses the problem of the need to expand trade. We are all for this, but not unconditionally and not just for the rich and the strong.

It needs to be said that while free trade has produced some good results, it has not been good for everyone. This is true between countries and within countries.

[English]

Mr. Pat O'Brien (Parliamentary Secretary to Minister for International Trade, Lib.): Mr. Speaker, I listened very carefully

to the comments of my colleague from Mercier. It was refreshing to hear a member of her party recognize the outstanding leadership of the Minister for International Trade in trying to bring the greatest possible transparency to the FTAA process. It was largely because of the efforts of the minister in Buenos Aires that we had an agreement to publish the negotiating text.

My colleague from Mercier mentioned that there was a long list of cases that had been arbitrated but she only mentioned one, Metalclad and I know about that case. I would submit that there is not a long list.

Kept in context, I challenge the member on the number of cases. My information is that there are only five cases under arbitration involving Canada. That is not a large number considering we do \$1.9 billion of trade every day with the United States and Mexico. I would like to have her answer.

• (1550)

I would like to ask her one final question. Is it the position of the Bloc Québécois that we do not need to protect investors in Canada and that we do not need to protect Canadians when they invest abroad? Surely that is not the position of her party is it?

[Translation]

Ms. Francine Lalonde: Mr. Speaker, while I did recognize that the Minister for International Trade did good work, I did not talk about outstanding leadership. I said that we, as well as civil society, had to push him a lot. But I want to recognize that he did something.

However, I take this opportunity to say that we still do not have the texts. I was at the Standing Committee on Foreign Affairs and International Trade when the sherpa, Mr. Lortie, came today with Mr. Carrière, the chief negotiator. We asked them where the texts were and how come they had not brought them along. They are still waiting for one of them to be translated. Concerning transparency, they made an effort, but we have yet to see the result. We have seen nothing so far.

As for the number of cases, I will tell my colleague that there are problems with this agreement because everything is secret. If he did any research, he should know that, if he speaks to certain groups, they will tell him that they know there are many cases because everything is secret. It is a horrible part of the process.

The number given to me was 17, but it is just a start. With the decisions that were handed in, there will be more and more of these cases to scare all levels of government. Governments in poor or developing countries are much more vulnerable to these threats. That is what we have to act on.

Supply

[English]

Mrs. Bev Desjarlais (Churchill, NDP): Mr. Speaker, the Minister for International Trade indicated that there had been great transparency. That has not been the case. He flip-flopped over whether or not Canada would go in there with a proposition of an investor state trade rule in chapter 11. Now another story has come out.

There really has been no transparency. Had there been, we would not have objected. We would have known and could have discussed it.

Could the member comment on whether or not there has been transparency with the government?

[Translation]

Ms. Francine Lalonde: Mr. Speaker, I acknowledged that the minister had defended this position. I have seen the Buenos Aires declaration but I am waiting for the texts. It is true that it was decided at Buenos Aires that we would have the texts, and have them regularly. That is a step forward, I find.

I am pleased about that, but I am really anxious to have them, just dying to have them. We do not, and we did not at the time of the summit. So the Buenos Aires declaration is all very well, but it stated “after the Quebec Summit”. That is not what we had been told. We are waiting for those texts and they had better hurry up and get here, or we will be even more disappointed.

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ): Mr. Speaker, I am pleased to speak today to the NDP motion. I will read it again so that our audience will have a proper understanding of what is going on. It reads as follows:

That this House calls upon the government to respect the spirit of the evidence given by the Minister of International Trade before the Foreign Affairs Committee, who stated “I can assure you that we are not seeking an investor-state provision in the WTO or anywhere else”, by refusing to sign any trade agreement, such as the FTAA or the GATS, that includes a NAFTA Chapter 11-style investor-state clause.

In other words, what it says is that there is a problem in the government’s present position in wanting to negotiate a free trade agreement with all of the Americas. We hope there will be a free trade agreement with all of the Americas, and that it will be an agreement with a human face.

• (1555)

The attitude we are seeing at the moment on the part of the government could lead, in a pinch, to a situation in which the people would have to speak out against the free trade agreement if things that are unacceptable, such as chapter 11 of NAFTA, persist. Chapter 11 leaves room for things that are unacceptable and strangely reminiscent of the multilateral agreement on investment.

Supply

So the people watching may understand, chapter 11 concerns the whole issue of dispute settlement. When there is a problem between a business and the interpretation of NAFTA, by which governments may intervene, the agreement sets out the mechanisms so we know how it is to work.

Among other problems, there is the fact that precedents are not taken into account. There is a lack of transparency as to whether the decisions that will be taken will be appropriate. The governments themselves have realized that there was a major problem with the application of these articles. It could be seen in a matter involving Mexico, and we can see it in matters involving Canada.

This article also defines just what constitutes an investment. It moves from the closed concept of an investment to a concept open to interpretations that give short shrift to the rights of governments over the rights of businesses. It is a repeat of the debate involving the multilateral agreement on investment.

The agreement also deals with national treatment, providing that a foreign business should be entitled to the same benefits as a business from the country in which the economic activity is taking place. This would eliminate many of the possibilities of support for local and Quebec businesses. These are things we should look at closely before signing such an agreement for all the Americas, in addition to the whole issue of expropriation.

Where things get even worse is when one realizes what is actually going on. This is probably what prompted a reaction from the minister earlier. When we are forced to eat our words, it is not easy. A few months ago, the minister said that he would not sign a free trade agreement of the Americas containing a clause similar to the one in NAFTA. For him, this was unjustifiable and unacceptable.

Now he tells us that maybe chapter 11 is fine after all. On the one hand, there is what he said on December 13, 2000, when he maintained that he would not sign an agreement with anything resembling chapter 11. On the other, there is his statement on April 24 that the government believed strongly that chapter 11 was working reasonably well. Something happened between these two statements. Someone, somewhere, changed the minister's mind.

It is the same with respect to his comments earlier on the issue of his having apparently obtained agreement in Buenos Aires for the texts to be made public.

It must be remembered that these texts were made public once the business council told the heads of state "If we want there to be less pressure so that we can get through the summit, it would perhaps be best to agree to publish the texts because, if we do not, we are going to meet with even more resistance. So, let us agree to make them public, which we will do later on, after the summit."

Now that things have quieted down and the summit is over, they are taking their time to have them translated. In this marvellous

federal Parliament, where translation in both official languages should be a source of pride, we have not found a way to make these documents public because we had a problem.

This is what brings us back to reality. I think today's motion is interesting and acceptable and that we should support it. If we were to sign a free trade agreement with the Americas only to suddenly find out, the day after its implementation, that it contains something similar to chapter 11 and that corporations can tell national governments what to do, I think many of us will not have much to be proud of and will have to answer to their constituents.

Also, we made the commitment to implement the FTAA in 2005. For this to happen, debates need to be held. And there could be a federal election riding on this issue.

● (1600)

We will have to be able to tell our fellow citizens that, yes, the agreement is acceptable to the people of Quebec and Canada, yes, such an agreement is beneficial to us and, yes, we will create wealth and distribute it fairly. But we must ensure that we do not engage in something that we will not be able to get out of and that we do not have to spend public funds to defend ourselves against businesses that want to do unacceptable things.

The free trade agreement must not become some kind of operating code that would put states at the mercy of businesses. It is very important to avoid this type of situation.

That is why today's motion requires the attention as well as the support of the House. I intend to support it.

We are not saying that the agreement should not contain any definition regarding the treatment of investment. That is not what we are saying. But we want to be sure to draw from past experience, from the situations we faced with NAFTA and are still facing now, so that the agreement takes it into account. We want the texts to be amended accordingly to give enough power to the states so that businesses cannot impose their will upon them.

Let us not forget that the great challenge of the free trade area of the Americas is to ensure that the agreement does not only create wealth but also allows for the fair distribution of such wealth, so that it enables the government to continue to represent the people.

Democracy was the key issue at the summit of the Americas. If democracy is to be more than a policy statement, if it is to eventually translate into concrete action, the chapter on investments in the agreement on the free trade area of the Americas will have to include an assurance, a guarantee.

Clear and specific answers are required on the whole issue of the dispute settlement mechanism, and the definition of investments, national treatment and expropriation, to ensure that control over

development remains with the members states and has not been completely handed over to businesses, multinationals and people whose objectives are very specific, but do not necessarily take into account the well-being of the public.

This is why I will support that motion and urge all members of this House, particularly the government majority, to also support it. Surely, there must be some Liberals who were opposed to free trade. We all remember that the Liberal Party was completely opposed to free trade a few years ago. Today, there must still be some watchdogs in that party to stress that, in the end, we must have an agreement that is acceptable.

I will end on that note. This agreement will not be in place for two or three years. This matter, including the whole issue of investments, will have an impact on the lives of our children and grandchildren. I saw it in Quebec City. I saw young people who were very aware of why they were going there, and this was the main reason why they were opposed to the free trade agreement of the Americas.

They probably had an even keener and deeper vision than ours, because they had already anticipated the possibility of a flip-flop by the Minister for International Trade like the one we have witnessed today.

[English]

Mr. Peter Adams (Peterborough, Lib.): Mr. Speaker, I listened with interest to what my colleague from the Bloc was saying. One of the things he said was that democracy was one of the most important things about the summit of the Americas in Quebec.

He is absolutely right in all sorts of ways. It seems to me that we would never have been in the position of holding such a summit had all 33 or 34 countries not moved toward democracy so considerably. We know a great deal of progress still has to be made but at least the development of the trading framework has encouraged those countries to move toward democracy.

My colleague also talked about democratization of the organization itself, which is very important, but he focused most of his remarks on chapter 11. I wonder if he could comment on another thing. I have been struck by the spin off or side benefits of these trade agreements, like the summit of the Americas.

• (1605)

Something that particularly struck me in Quebec City, which I had not realized before, was how much we had in common with the nations of this hemisphere with respect to first nations. Given that our first nations were inside the fence and outside the fence, does the hon. member believe that this summit provided great hope for first nations people in the Americas?

Supply

[Translation]

Mr. Paul Crête: Mr. Speaker, I have been talking about the importance of making democracy stronger. When I say that in a chapter on investment, we should avoid the problems we have met in NAFTA, I mean that this may be the best service we could provide to countries with a fledging democracy.

If, with the excessive powers this agreement would give them, corporations can override the governments and get decisions that will abolish democracy and turn corporations into the governments of these countries, we will go back to the banana republic era.

The gist of the matter is that, if we have a good free trade agreement of the Americas, with a clear framework, it will be better than pure competition, where the big fish always eat the small ones, and the small ones have a hard time getting away.

On the other hand, the rights the people or the states have must be protected. The hon. member gave the example of aboriginal peoples. When we define national treatment in a free trade agreement dealing with investment, we must make sure that the countries that are party to the agreement are allowed to promote the development of aboriginal communities, for example.

Should we not make sure that multinationals cannot sue the government for having given special consideration to aboriginal peoples to improve their condition? We have to make sure that those issues are dealt with in the agreement.

We are not saying today in this motion that there must be no investment clause, but rather that this clause should be acceptable. It should be well structured, take into account past experiences and above all avoid what we felt was coming with the multilateral agreement on investment, that is government by multinationals. That is what the people are telling us. Those who went to Quebec City to protest, the 60,000 who engaged in peaceful protest in Quebec City said: We might find a free trade agreement acceptable, but it must have a human face. That must be obvious in every aspect of the agreement, especially concerning investments.

[English]

Mr. Peter Stoffer (Sackville—Musquodoboit Valley—Eastern Shore, NDP): Mr. Speaker, the Liberals continuously talk about democracy but what about democracy for lower income people throughout the hemispheres to have the right to public health, public education and a clean environment? That is part of our democracy as well. This particular deal, as it stands, threatens those very institutions.

[Translation]

Mr. Paul Crête: Mr. Speaker, in the free trade agreement signed with the United States, there were some very positive aspects, like

Supply

the market growth. But there were also some very negative aspects, like the attempt to standardize the employment insurance plan to align it with the American one, a decision that penalized our workers.

When we sign agreements in the future, not only will we have to benefit from the trade, but we also have to ensure that the wealth is adequately distributed. This is what we must do as parliamentarians and this is where we will hopefully assume our role. We must go beyond simply rubberstamping agreements negotiated elsewhere without anyone knowing what they include.

[*English*]

Mr. Brent St. Denis (Parliamentary Secretary to Minister of Transport, Lib.): Mr. Speaker, I am very pleased to join in the debate today on the NDP motion which, while focusing on the so-called chapter 11 of NAFTA, is really a cover for the NDP's very negative attitude toward free trade. I am very pleased to assist in putting down to some of the ideas that the NDP would put forward.

• (1610)

I come from the riding of Algoma—Manitoulin in northern Ontario where a large number of people—and we hope more in the future—work in the forestry sector, the mining sector and in tourism. If nothing else, these are very important commodities in trade. We should try to imagine what our lives would be like if we did not trade in forest products and minerals, and there was no movement of people across our borders to enjoy our fine country.

We could start with the premise that all trade begins between two people bartering something. In the history of humankind, trade started with two people bartering commodities for each other's mutual benefit. If we take that notion and carry it to the level of trade within a village and among villages, and take it to a higher and more sophisticated level involving trade among nations, the simple premise that trade should be mutually beneficial applies as much at the international level as it does at the local level. What is good between two people in terms of trade must and should be good between two people at opposite sides of the planet. There is no line beyond which trade no longer is a good thing.

What we are really debating is not that there should be free trade but that there should be freer trade. It is hard to imagine a world where there would not be some rules of engagement, but the point is that we want to move forever closer to a notion of free trade in a universe where everyone can play by the same rules.

I had the opportunity to spend two years teaching high school math and physics in Jamaica back in the early 1970s. Jamaica traded mainly bananas and sugar within the commonwealth. At the time it had a sweetheart deal with the United Kingdom. The United Kingdom actually paid a premium for Jamaica's sugar so that it would have a guaranteed supply. Some years ago the United

Kingdom decided it did not want to pay a premium for the sugar and abandoned Jamaica as one of its suppliers.

During the years when Jamaica had a preferred sale for its sugar to Britain, a certain dependency was created. As a result, diversification in the Jamaican economy did not occur. When the British buyers decided to no longer pay that premium and abandon Jamaican producers, there was no diversified economy in which to respond. I had a chance to visit a couple of summers ago, and sadly the economy in Jamaica has gotten worse over the years, not better.

What we really want to be sure about in free trade is that there are as few rules as possible because the best and most effective way to eradicate poverty, not only in our own country but around the world, is to make sure everyone has equal and fair access to the markets of others.

If we really want to make sure that education, health care and other social services are available around the world on an equal basis, we must share the benefits and the markets, which are easy for Canadians to access but very difficult for poor countries to access, through trade.

In terms of our own economy, I have a few simple facts. Others may have mentioned these but they certainly bear repeating. Since 1993, under our watch, the country has produced something like two million new jobs, 80% of which are the result of trade. In fact, exports make up about half of our gross domestic product. There is \$2.5 billion a day in trade. There is no question that Canada is a trading nation.

• (1615)

Again there is the guise of a concern about chapter 11. I want to make it very clear that our Minister for International Trade and, I think, our Prime Minister have said that we need to look at chapter 11. We need to tighten things up and we need some clarification, but let us agree that things are generally working. It is not unusual when we have an agreement to need to fine tune things from time to time.

I submit that if we waited at all times to sign an agreement that we knew was perfect before we began, we would never sign agreements. We would never buy a house. It would have to be perfect before we bought it and there is always something wrong with a house when we buy it, whether it is new or old. This is something we have to face after we get the key and open the front door for the first time.

We have to go into agreements and deals with the idea that we have made the best arrangement possible in the circumstances facing us and that we know ongoing negotiations will be necessary to ensure that as time goes by we can make those adjustments and tweak those rules and regulations so that things get better for all players.

Supply

A deal that impoverishes one partner and enriches another is not a deal. The government believes in trade that is fair, honest and transparent. I submit that the government, through the whole FTAA process, has been totally open to an extent limited only by our obligations to other nations in terms of confidentiality. To the extent that the Canadian government could be open, it has been so.

Before I use up all my time, I want to comment on a question from the member for Peterborough, who asked about the place of our first nations, our aboriginal people, when it comes to free trade or national trade. I think it is a very poignant question.

I have about 25 first nation communities in my large northern Ontario riding. In fact, with the support of trade officials with whom I have had a chance to discuss these matters, we are in the process of planning a one day conference on free trade in my riding to make sure that our aboriginal people as well as aboriginal people right through the Americas have an equal and fair opportunity to participate in the whole free trade process. To the extent that we leave people behind—and nobody on either side of the House would argue that we would leave anybody behind—either for reasons of illiteracy or reasons of access to resources and so on, to that extent we have failed.

Mr. Speaker, did I let you know ahead of time that I am splitting my time with the member for Mississauga South? Pardon me for not reminding you of that at the beginning.

Let me conclude by making a comment about the well televised protests we saw at the recent Quebec summit. I was a university student in the late sixties and early seventies and was involved in protests myself, although I never threw a brick or damaged any property. If one was in university or college in the late sixties and early seventies, one was no doubt involved in some form of protest or another. Those who would damage the reputation of legitimate protesters by damaging property have ill served all parties to the discussion.

Mr. Speaker, I just want to thank you for this opportunity, as I pass this on to my colleague, and say that the government plans to continue its excellent job when it comes to negotiating free trade for all its citizens.

• (1620)

[*Translation*]

Mr. Ghislain Lebel (Chambly, BQ): Mr. Speaker, I listened with great interest to the speech made by the member opposite. I share the opinion of my colleague, the member for Mercier, who was telling the minister a few moments ago that what troubles her—and it is troubling, even if the minister does not like it when we say that he did a complete about-face—is the fact that he changed his position dramatically with regard to chapter 11.

If it makes him happy, let us say that he did not do an about-face, but rather that he failed to give us an explanation and that, like the member who just spoke, he does not seem to be aware of the deadly political implications of chapter 11. Once adopted, chapter 11 could prove disastrous to future generations.

Governments can make mistakes and they have. I saw maybe 35 finance ministers table 35 budgets year after year, and they all said their budget was the best that had ever been prepared and presented to the people. Nevertheless, we ended up with a huge debt.

If the member takes for granted that governments do not make mistakes, would it not be fair, in case they make one some day, to discuss with the opposition in order to find mechanisms that could, should there be a threat, allow parliament to express its opinion on the matter? I am not sure the Liberals have a monopoly on the truth.

[*English*]

Mr. Brent St. Denis: Mr. Speaker, I thank the member for Chambly for his question. As I said in my remarks earlier, it is impossible to go into any kind of agreement with a perfect document.

I recall that in the lead-up to the summit of the Americas it was reported, in the papers at least, that the international trade minister had asked the president of Mexico to work with Canada in terms of finding some adjustments to chapter 11 in order to make things clear, to provide for clarification.

It is my understanding that for the time being the president of Mexico is saying it is well enough as it is, but I think the very fact that our trade minister asked his counterparts in Mexico to look at this shows a very clear intent that as we move forward we would always want to try to improve things. We support making improvements. We are not in support of throwing the baby out with the bathwater, so to speak.

The member suggests that maybe the opposition could have an opportunity to propose mechanisms for a new or revised chapter 11. This is the very opportunity for the member to do so. I would encourage all colleagues who want to see improvements to chapter 11 to take the opportunity here in this debate to bring forward some good ideas.

Mrs. Bev Desjarlais (Churchill, NDP): Mr. Speaker, I want to clarify that my party is not opposed to trade. We recognize there has to be trade. We recognize that trade is a good thing. We always have.

However, trade without regulations, trade without ensuring the environment is looked after and trade that threatens the sovereignty of nations, that kind of trade is not a good thing.

I say to the hon. member on that side of the House that if his government is not ashamed of that agreement then let us see it. Let us see it on the table so people can have honest discussions. That is what democracy is about. Let us see the text. If the hon. member is

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not too ashamed to show it to the people of Canada and people throughout the Americas, let us see the text.

We were in Quebec City. We listened to people from throughout the hemisphere, from those countries that trade is doing so much for. We heard how the wages have been lowered by 10% in Mexico. We heard about the first nations or the aboriginal people who are being wiped off their land; it is no different from what our governments did to the aboriginal people here in Canada. It is exploitation of indigenous people and we want to ensure that their rights are there as well.

Mr. Brent St. Denis: Mr. Speaker, I appreciate the member for Churchill taking the opportunity to comment. Just before I came here I was meeting with some aboriginal leaders from my riding. We were talking about free trade. They are working to find ways for businesses in their communities to become more involved with international trade, not the contrary.

The very fact that there was a huge lack of protest from the poorer nations, who are looking at the store window from the outside, from the sidewalk looking in, shows that they want to be part of the process.

• (1625)

I can agree with her that we do not compromise sovereignty but rather that we advance access to education and health. There is no disagreement there. What I am talking about is the long term. As the resources and access to social programs become more equalized around the world, there will be less need for rules and regulations.

* * *

[Translation]

MESSAGE FROM THE SENATE

The Acting Speaker (Mr. Bélair): Order, please. I have the honour to inform the House that a message has been received from the Senate informing this House that the Senate has passed a bill, to which the concurrence of this House is desired.

* * *

[English]

SUPPLY

ALLOTTED DAY—TRADE AGREEMENTS

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

Mr. Paul Szabo (Parliamentary Secretary to Minister of Public Works and Government Services, Lib.): Mr. Speaker, today's motion basically suggests that Canada not enter into any trade agreements that include a NAFTA chapter 11 style investor

state clause. I am not sure whether most Canadians would know very much about that subject, but certainly chapter 11 does conjure up all kinds of interesting discussion and debate.

My contribution to the debate is simply to look at a little of the history and background of trade liberalization. The main agreements to which Canada is currently or has been a party to are: GATT in 1947; the free trade agreement or FTA; NAFTA; the WTO agreement; the Canada-Israel agreement; the Canada-Chile agreement; and most recently, the Canada-Costa Rica agreement.

Each of these makes provision for dispute settlement mechanisms that apply in specific cases. That is the reason why the member from the NDP would raise issues such as the environment, poverty and sovereignty, et cetera. There are issues that do come up that do touch on those issues and are very relevant.

In order to fully understand how the dispute settlement process works, it is important to review the history of how the process emerged, starting with GATT in 1947. Where the GATT is no longer in effect, the dispute settlement mechanisms that were applied for nearly 50 years under the treaty have served as a reference and have greatly influenced the conflict resolution measures adopted in contemporary trade agreements.

The dispute settlement mechanism of GATT in 1947 is contained in articles XXII and XXIII of that agreement. It provided that in the case of a dispute the contracting parties must initially hold consultations in an attempt to settle that matter. If the dispute cannot be resolved through consultations, the point at issue may then be put before contracting parties who may suggest corrective measures.

Over the years the contracting parties adopted complementary procedures to articles XXII and XXIII in the form of understandings or decisions by the contracting parties. Under these procedures, if there were no successful outcomes, consultations with the secretary of the GATT would act as a mediator before the dispute was submitted to the contracting parties. Moreover, when a question was put before the contracting parties, they had the option of forming a panel to review the matter, to hear the claims from the parties involved and to prepare a report.

The contracting parties then had to decide, by consensus, whether to adopt that report. Even when adopted by the contracting parties, the report was not directly binding although the parties would try to implement it. Under GATT there were no procedures for appealing or challenging the report adopted by the contracting parties.

With regard to the FTA and NAFTA, the FTA incorporated and improved on the dispute settlement mechanisms of GATT. It contained not just a single dispute settlement procedure, but rather a number of procedures applicable to specific areas. Chapter 18 of the free trade agreement, like GATT, provides for a general dispute

settlement procedure respecting the application and interpretation of the treaty.

It contains the following various stages of the procedure. First is inter-party consultation, followed by calling of a joint Canada-U.S. trade commission, with the possible assistance of a special adviser or mediator. Next is the constitution of a panel of experts who report to the commission. Finally there agreement by the panel on the solution to the dispute.

Chapter 19 of NAFTA provides for settlements of disputes over anti-dumping and countervailing duties. This is a procedure for reviewing the decisions of international bodies responsible for implementing domestic legislation and countervailing duties. The usual review proceedings that may take place under the applicable legislation before a national tribunal may, at the request of one of the parties, be conducted before a binational panel constituted for this purpose under the provisions of this chapter.

• (1630)

With respect to investment, a dispute over the application or interpretation of chapter 14 of the FTA may be brought before a board of arbitration or a panel constituted under chapter 18. However the panel that rules on the dispute will do so internationally under internationally recognized rules of trade arbitration.

NAFTA also made changes and improvements to the procedures previously in effect. Chapter 20 now contains measures for settling disputes over the application and interpretation of the treaty. Chapter 19 concerns the consideration and settlement of disputes over anti-dumping and countervailing duties. Chapter 11 deals with the settlement of investment disputes.

Pursuant to the WTO agreements, articles XXII and XXIII of the GATT of 1994, and the WTO understanding on the settlement of disputes or USD, set out the rules of procedures for settling disputes over application and interpretation of the WTO agreements.

The WTO structure also includes a dispute settlement body. This is a plenary conference of all members of the WTO whose function is to supervise the application of the dispute settlement procedure under the various WTO agreements.

I would like to take this opportunity to point out that Canada has used the dispute mechanism in NAFTA and the WTO to great effect. According to the WTO Uruguay round of negotiations, all countervailing duty orders must be reviewed at least every five years to ensure that they are still needed. Recent reviews under the United States government concluded that at least six of the countervailing duty orders were revoked. These included steel jacks, elemental sulphur, racing plates, sugar and syrups, red

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raspberries and potash, just to name a few. The ultimate result of these decisions will mean a further increase in trade that flows.

It would appear to me in listening carefully to the minister and to other members, that there are things which have occurred in the past and which have led to some concern about the consequential items. Chapter 11, a dispute settlement mechanism with regard to contracts and agreements, is one aspect. Many members raised concerns about some of the more socially oriented subject matter, such as the impact on the environment and on people who cannot help themselves.

However one thing we know is that \$1 invested in promoting trade in Canada results in \$2 of export trade. It also means that one in three jobs in Canada is sustained by that trade. When we improve the economy, when we grow the pie, there are more resources available for Canada to invest in Canadians.

Therefore, I can only conclude that free trade is good for Canada and that there are areas which have to be constantly monitored. That is why we have the very best Canadians making sure that our agreements are fair and equitable, that we protect Canadian investors and that we protect Canadian interests as well as the interests of all, especially those who cannot help themselves.

It also is good for the 34 countries of the Americas that met and agreed to pursue this.

I believe members would agree that we cannot wait for the perfect situation in order to move forward on this. I think they are approaching the summit of the Americas dialogue in a responsible fashion. I look forward to receiving, as do all other members, more information on the specifics of that trade agreement.

[*Translation*]

Mr. Stéphan Tremblay (Lac-Saint-Jean—Saguenay, BQ): Mr. Speaker, I am back from my riding and I just became aware of the very interesting debate on chapter 11 of NAFTA being held here today.

We are hearing pretty incredible things in this House today. I do not object to the remarks of my colleague, who spoke of the benefits of international trade, stating that \$1 invested abroad brings in \$2 in return, and of other such spinoffs. I am not against that, and I could hardly be.

What we should be very careful about today is the wording of chapter 11 which, I believe, has a profound effect on democracy.

• (1635)

My fellow citizens are appalled when I explain to them that companies and multinational corporations are able to sue governments, which are elected by the people, and take them to court.

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Take for instance the case of Ethyl Corporation, which is probably the most talked about. I want to address my comments to the people in the galleries, because when they hear that for the first time, I am sure they will think it goes against common sense.

We have adopted an environmental rule. I voted in favour of that rule because I agreed with the government on the need for a rule to ban the use of MMT. However, an American corporation sued the Canadian government for potential market loss. This turned against the Canadian government before the NAFTA tribunal. So, I believe that the question to my colleague opposite—

An hon. member: Three hundred and fifty-four million dollars.

Mr. Stéphan Tremblay: Yes, it was sued for \$354 million. However, it was settled out of court, and the Americans were paid \$15 million.

The question is the following: what becomes of democracy in such cases?

[*English*]

Mr. Paul Szabo: Mr. Speaker, chapter 11 is there because, as an investor state in foreign markets, when we get involved in those situations we are required to protect the interests of Canadian investors. Very simply, whether or not chapter 11 exists in those agreements does not affect whether or not a multinational or another foreign jurisdiction can start a law suit. Contract law is not affected by chapter 11. It is available to all at all times.

Mr. Peter Stoffer (Sackville—Musquodoboit Valley—Eastern Shore, NDP): Mr. Speaker, the history lesson given to us by the Liberal member was most enchanting. Although the member did not mention it, there is this trickle down theory where if the government gets more money it passes to the people who need help.

Would the member like to speak to the 22,000 farmers who have left the family farm this year? Would he like to talk to the thousands upon thousands of senior citizens who are having to make a decision between prescription drugs, home heating fuels and food?

While he is thinking of that, the whole essence of our debate is quite clear. The Minister for International Trade said he would not under any circumstances sign any deal with an investor state provision in it. That is what we are holding the government to account to. The Prime Minister said something completely different. Now we see the Minister for International Trade backtracking ever so quickly to appease his master, the Prime Minister.

First, if the government is so confident about the agreement, where is the text? Second, why is there a flip-flop on a commitment the minister made to the member for Winnipeg—Transcona that

the government would not sign any deal with the investor state provision?

Mr. Paul Szabo: Mr. Speaker, there are two responses I would like to give. First, there appears to be a disagreement between the member and others, including UN Secretary General Kofi Annan, about the impact of trade on the poor and those in most need in our society. The secretary general said very clearly that trade is good for the poor.

Second, with respect to the text, and I think the member from Churchill also raised the same question, it does not exist yet. It has not been finalized but it will be available soon. All members of parliament will have access to the text as soon as it is ready.

Mr. Werner Schmidt (Kelowna, Canadian Alliance): Mr. Speaker, I find this is a rather important debate.

The only thing that concerns me at this point is that I find myself in agreement with the hon. Minister for International Trade on the Liberal side of the House. I find myself in agreement with my colleagues, of course, and with my Conservative colleagues. The only people with whom I am in disagreement are members of the NDP group over on the other side.

• (1640)

I notice that there are some interesting points being made by the NDP members. The hon. members are entirely welcome for any gratuitous remarks made in their direction because there are so few of them.

We are dealing with the single most significant element in the Canadian economy, trading with other nations. The NDP has given us an opportunity to express our position on this particular issue, which is foundation to the economy of our country.

Members who are opposite on this issue need to recognize much of the support that has made the country what it is today, the democratic institution that exists, the various political parties that exist, the freedom of speech that exists and the opportunities for individuals to develop their businesses, is as direct result of free trade among Canada and other countries.

Also I point out that free trade is not just in agriculture. I come from a constituency in British Columbia. We call it paradise because it is beautiful in Kelowna. I want to thank my constituents who elected me for the third time. I am humbled with the responsibility they gave me. It is an honour to represent them in the House.

In my constituency there are a number of fruit growers, as well as other agricultural producers. The fruit growers depend to a large degree on their income from the trade that takes place. The Okanagan Valley is now developing some of the finest wines in the world. These wines compete internationally and are winning awards. The wineries also depend to a large degree on international trade.

We need to recognize how dependent agriculture is on trade. We should also recognize the significance of manufacturing and how it depends on international trade.

All we need look at is the automobile assembly plants that exist in the southern part of British Columbia. Industries have sprung up around those assembly plants. Magna International is extremely successful. It has become a major auto parts manufacturing firm. The members should recognize that some of the mutual funds in which they have invested have stocks in Magna International, so they are direct beneficiaries of that particular company. Some of their friends probably work for either Ford, Chrysler or GM in the assembly of automobiles, trucks and various SUVs. All these jobs are directly dependent on international trade.

We need to recognize that trade is not only in the areas of agriculture and manufacturing but also in the area of our natural resources. Where would the economy of the country be if there was not a good arrangement for trading natural gas, oil, coal and lumber?

Let us not forget lumber which is a significant part of our Canadian economy. Lumber is an \$18 billion contributor to our gross national product in British Columbia. It is a major issue. Trade with the United States is very well developed and needs to be done properly. That is what we are talking about today.

To suggest that chapter 11 somehow is an anathema to developing strong free trade is simply misleading everything. Why is that the case? I suggest that the first and most important provision of chapter 11 is to protect investors.

• (1645)

There is not a single person in the House who does not want their invested capital to be preserved, protected and to grow. That is what our party wants.

We want Canadians to have the same kind of protection for their investments in another country as we give foreigners investing in Canada. If there is no reciprocal guarantee for the protection of capital then why would anyone want to invest.

I cannot help but take a little shot here at the parliamentary secretary and his minister. I would suggest to them that Canadians investing abroad is not so much a reflection of the strength of the Canadian economy but rather an expectation that they can do better with their investments outside of Canada, particularly with respect to the huge tax burden placed on corporations and individuals in Canada.

We need to recognize that Canada has a negative balance today in terms of direct foreign investment in Canada and Canadian investment elsewhere. Canadians are investing more elsewhere

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than others are investing in Canada. We have a negative balance and it would be good if it were the other way around.

I recognize that in the past there was a point where Canada had more foreign investment coming into Canada than going elsewhere. One of the reasons for that was the fact that these foreigners needed access to our resources.

Knowing something about Alberta, which is where I grew up, oil, gas and natural gas were major contributors to the success of that province. If oil and gas had not been sold to the American market the province would not have grown in the way that it has. Alberta received that investment from foreign investors not Canadian investors. Today Canadians are realizing how important it was to invest in those natural resources, and it is going along very well. However it first took risk capital from outside Canada to see the vision and develop that particular sector of our economy.

The reason the investors came to Canada and invested was that their investment was protected. We should be forever thankful to them for having done that. I know I certainly am. If we intend to invest elsewhere we would want that kind of protection as well. Chapter 11 does that and that is why it is good.

It is not just the protection of capital in that sense. We want to make sure that it is safe in the sense that it competes fairly with other industries that are investing in the same area. We want to make sure that the competition that exists in those countries is such that it is not mitigating against the successful development of a particular country.

We need to recognize that this investment allows us to benefit from technological development. It takes money and very often takes a considerable risk in order to develop these technologies. This is what happens when good investment and risk capital comes into this country or goes elsewhere.

I will now move on to the second reason that chapter 11 is not all that bad and why the motion before the House should be defeated. It is the negative effects of tariffs.

Some countries have taken the view that they have to protect their industries and development to the point where they impose tariffs on any product competing either directly or indirectly with their local industries which are imported from another country. In many cases this mitigates against the best interests of the consumers who buy those particular imported products. This does not encourage competition in the local economy. It does not allow, encourage or provide an incentive for manufacturing or other industries to be innovative, competitive or efficient, nor does it encourage them to seek innovation or apply new technologies.

• (1650)

We have seen this in the lumber industry. We have in Canada some of the most modern, efficient, technologically aware and

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developed sawmills and processing plants of lumber of anywhere in the world. People are coming here to have a look at the way in which we do these things.

If we send lumber to other places in the world and they have inefficient plants where they cannot on a per capita basis or on a per worker basis produce the same kind of lumber or they do so with more waste, they would not be competitive. So they place a barrier and then say that they will put a tariff on Canadian lumber which goes into the particular country. The people of that country then have to pay a premium for the lumber which is produced locally because it is inefficient and they have to pay a premium on the lumber which is imported even though they could be saving dollars to do so.

Tariffs work against efficiency. They work against good competition and they very often work against good relations between nations as a consequence.

There is a need to have a level playing field. That is another reason chapter 11 needs to be protected. If people establish a business in another country they want to be sure that their business competes with another business that may be in the same area or may provide the same kind of service or product. They want the same rules that exist in that country to apply to them.

A car manufacturer goes into the United States and builds cars. It could also want to build cars in Canada. We want to make sure that all companies are operating under exactly the same rules and that the playing field is as level as it can possibly be.

That is what we need to be sure about. That is what chapter 11 would do. It would make sure that the advantages given to our industries would also exist for a company that comes here and vice versa. We need to be sure that all protections are provided.

There is one thing that I wish to emphasize at this point. No agreement that has ever been put together by human beings is perfect, and neither is chapter 11. The North American Free Trade Agreement is not perfect. The agreement with the Americas on trade will not be perfect either. It is totally false for anyone to stand in the House and imply that if the government would do this one thing the agreement would be perfect. We will always find ways in which we can improve something.

The hon. member opposite spoke earlier about buying a house. If on the day we turn the key in the door and enter and discover something we did not expect, we immediately want to change it. I doubt whether there is a person in the House who has not renovated a house to some degree somewhere along the line. I doubt there is a single person in the House who is living in a house today which is as it was when it was purchased.

We need to evolve and we need to develop. Later on today we will be talking about democratic reform, reforming this institution. Why is that? It is not because this place has not been working for 125 years or that we have made no changes. It is because we believe we can improve this place and we will.

There is another point that needs to be made. It is the philosophic base from which the motion emanates. This is where I find myself very much away from the party that presented the motion. It is almost as if to have private capital and profit is somehow bad.

Private individuals do a better job of running a business than government ever did, no matter how smart the bureaucrats are who back up the legislation and the policy development of government.

• (1655)

Individuals applying their capital, having a personal interest in what is developing and in what is happening with that capital, would do a better job of managing that money. It is significant that tax dollars left in the hands of individuals always produces a better economy than if the government takes it away from them, thinking that it could spend it more effectively.

We could go through all kinds of countries in the world. We could go to Ireland, the United States, Great Britain and New Zealand. We could go anywhere in the world where governments have cut taxes to see the result. The result has been an improvement in the economic welfare of everyone. People have said over and over again that when taxes are reduced revenues are reduced, and in almost every case, if not in every case, the total revenues of the government have increased and not decreased.

The net result is that it is false economy to raise taxes. The government should cut taxes if it wants more money and it should stop interfering in the lives of individuals.

Chapter 11 would protect the investment of individuals of private capital into production and services so that an incentive would be there, a profit could be made and more people could be employed. The end result is that the economy grows, things get better and we are all happier.

We need to look at the various agreements. We have had the agreement with the United States. We have had the North American Free Trade Agreement which expanded that considerably. Now we are talking about an even broader agreement.

It is interesting because we have had people saying today that somehow the summit in Quebec City two weekends ago was undemocratic. I would like to ask what is democratic. If that summit was not democratic, this institution cannot be democratic because the people who met in Quebec City were also representatives. There were 33 different duly elected heads of state representing their countries and the best interest of those nations. Is that undemocratic?

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There are 301 MPs in this institution, elected to represent respective constituents. We are here to make decisions and laws. Is it undemocratic because we represent those people? It is anything but undemocratic.

It is the essence of democracy to be able to vote in the House, representing the best interest and working in the best interest of our constituents. That is what we are all about. That is democracy. At least that is how I understand democracy. If that is not the way some hon. members understand democracy, I wish they would tell us what it is. I would suggest that they would probably be defeated with their definition.

Another question is who signed the North American Free Trade Agreement. It was not signed by an RCMP officer or by a farmer. It was not signed by a president of a college, by a president of a university or by a president of a particular corporation. It was signed by heads of state who were in agreement. It was signed by them, each of whom was duly elected on a democratic basis to represent his or her country. What could be more democratic than that?

Was the process totally open and transparent? No, it was not. I take extreme exception to that. The process should be as open as possible. Has it been as open as possible? No, it has not. We need to concentrate on making these processes open so that democracy is not only done but appears to be done.

Mr. James Moore (Port Moody—Coquitlam—Port Coquitlam, Canadian Alliance): Mr. Speaker, I compliment my colleague for his excellent speech on the subject. It is interesting to listen to people from different political parties speak to the subject. However the detractors of free trade keep trotting out Ethyl Corporation and Metalclad as examples of chapter 11 without any knowledge or thorough understanding of it. They just say the corporation sued and the corporation won, but there seems to be no deeper understanding of the issue than that. However that is not the basis of my question.

• (1700)

I wanted the hon. member to comment on the assumption which has been spun that there is swelling support of young people against free trade. I am the youngest member of the House. I am speaking uniquely for myself, unlike other young people who are active in politics and who claim to speak for all young people.

Members of my family have left Canada because of high taxes and lack of opportunity. They came from British Columbia where the NDP governs. They decided that high taxes and shutting off trade was not the way of the future.

I also want to speak to the issue of civil society. We have heard this term trotted out by Maude Barlow and her ilk, that they represent the burgeoning group of civil society. They say that those who oppose free trade are examples of civil society.

Any serious political scientist who understands the nature and root of the ethic of civil society, where it comes from in communitarianism, knows for a fact that the term civil society is being hijacked by the radical left.

Civil society is organic people coming together and voluntarily deciding that their ideas have a common cause through community instinct. It is not the well informed and badly intentioned leading the badly informed and well intentioned, which is precisely what happened in Quebec City.

My question is for the member for Kelowna. What does he think of the hijacking of people by the radical left that claims to speak for all young Canadians, the hijacking of the good ethic of communitarianism and real civil society that represents people?

Mr. Werner Schmidt: Mr. Speaker, I thank the hon. member for his question. I am going to make two points. The first one is with regard to hijacking civil society. I suspect that will come to an end very quickly in British Columbia as the NDP is bound to be defeated in the election.

The second point I would like to make in response to the member's question is simply to suggest that no one can say he or she represents everyone in an area. We do the best we can. To say that I totally represent the hon. member to my right and the hon. member to my left is probably wrong. They are individuals in their own right.

We need to recognize that we come together in a value system where we believe in democracy and we believe in the representation of people in the decision making bodies of the country.

Mr. Peter Adams (Peterborough, Lib.): Mr. Speaker, I have listened to this afternoon's speeches with great interest and to my colleague in the Alliance with no less interest than the others. There are some things he says that I am very interested in and some actually disturbed me a great deal. I will divide my remarks into two questions.

First, it seems to me that rural Canada at the moment, be it farm country or the more remote parts of the country, depends on foreign trade more immediately than the rest of the country.

For example, I live in a riding which is 40% rural. Half of it is cottage country with one mine, forestry and that kind of thing. The other half of the rural part of my riding is very mixed farming: 150 dairy farms, 500 beef farms, a 50 year old buffalo farm, chicken farms, hog farms and things of that type. Fifty per cent of the farm gate income in my riding depends upon exports. The mine's products are almost entirely exported.

Rural Canada needs rules based fair trading overseas. I accept the member's enthusiasm, but I would like to ask him a question regarding the dispute settling mechanism in chapter 11 we are discussing at the moment. How would he as a member of the

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Alliance deal with the oversubsidization that is occurring within and without the trade agreements from which our farmers suffer so deeply?

• (1705)

I support fair rules based trading. How would he and his party deal with these subsidies which we as a government have been struggling with to try to reduce the subsidies in the United States, in Europe and so on, which are crippling our farmers in their foreign trade?

Mr. Werner Schmidt: Mr. Speaker, I thank the hon. member for raising that question. It is a wise question and a very insightful one. I commend him for that. I wish all members on his side of the House would share the same feelings he has just implied in his question. I congratulate him on that.

There are three approaches that I think we need to think about. The first one is that there is global competition and a competitive market exists. When one country subsidizes and another one does not it places the producers of one country at a severe disadvantage. There needs to be competition now at that level.

The unfortunate part of it is that our rural producers are in exactly the position where governments are now in competition and there is a ratcheting effect. They subsidize at this level one year and we try to beat them next year by going a little higher. The war happens at the subsidy level. We need to recognize that is wrong.

What should we do about it? The ideal would be for all countries to say that they will open their doors to competition, be as efficient as possible and eliminate all existing subsidies. Everyone would have to do that in order for it to work. It would be significant to do that.

It does not only affect rural producers, by the way. This is not only in agriculture. It also exists in the manufacturing sector and in certain other sectors of our economy. The ideal position is to eliminate all subsidies.

The next position and probably the one that is realistic is to get to the point where we agree we will not get into a war between each other, gradually eliminate them or get involved in a process like that.

Ms. Wendy Lill (Dartmouth, NDP): Mr. Speaker, it is my pleasure to weigh in on this very important topic tonight. I am delighted to be able to add my voice to the debate on the most anti-democratic clause of the most anti-democratic agreement Canada has ever seen, chapter 11 of NAFTA.

We are all deeply concerned with the contradictory words and actions from our government on this critical matter. We have seen the Prime Minister run in 1993 guaranteeing that NAFTA would

not be adopted unless he got changes to protect Canada. He then adopted NAFTA with only a few cosmetic changes.

As the motion points out, we even had a glimmer of a reprieve from the minister before the committee a while back, saying that investor rights would not move into the WTO, into GATS or the FTAA. Once again we saw the Prime Minister crack the whip and drive dissenters back in line.

I was recently in Quebec City where 50,000 people marched in the streets to protest the undemocratic process being used to make decisions which will affect human beings the world over. The most common complaint of the hundreds I spoke with was that the inclusion and the existence of the investor rights outlined in chapter 11 which, according to a leak on the eve of the summit, were to be included and strengthened in the FTAA.

I went to Quebec City as a member of parliament, along with all my NDP colleagues. We clearly felt that was the place to be if we wanted to know what was going on in the hearts and minds of citizens of the country. A recent poll showed that 4.4 million Canadians would have been in Quebec City if they had the time and the resources to be there to protest against trade deals and the effects they are having on our democracy, our environment and our culture.

The obvious place for us as elected representatives would have been to be inside the summit. The obvious place for the text of the FTAA to be discussed would be right in the House of Commons and in public forums across the country. As we know that is not the case.

The scene that I saw behind the fence where I was with the 50,000 people was a real forum of participatory democracy. There were thousands of caring, concerned people there because they wanted to have a say in the kinds of deals being made for the future of our globe and our country.

• (1710)

Events in Quebec City were as much about culture as about trade. I am talking about culture in a broad sense: what kind of world we want to live in and how we could continue to express our vision of that world.

Critics of mine and the critics of other protesters have tried to say that we are anti-trade. We have heard that today in this room. We are not anti-trade. We are pro-trade. We are pro-community. We want our voices to count through our democratically elected government.

We understand that we are inextricably linked globally by our telecommunications, by our labour and by our environment. We have global problems that we all have to work on together, but we

do not believe that business, that money and that the wealthy should have special legal rights.

Under chapter 11 a foreign company can sue a democratically elected government because the government chooses to operate state enterprises or allows for monopolies which it deems desirable for the public good.

Under chapter 11 a company can sue a democratically elected government because through its actions on behalf of its citizens it has denied the company the opportunity to profit in a specific sector of the economy.

Let us imagine how our history would have evolved if this had been true in the past: no railways, no Canadian broadcaster, no Petro-Canada, no national airline, no post office. That is not to mention another real threat, which is to our public hospitals, our schools, our environmental controls and eventually our democracy.

I recognize that there are phrases in NAFTA which give lip service to protecting some of these things. However, in the details, in the incomprehensible language of these agreements, none are protected. If a service were to modernize, it is no longer protected. If we protect our culture, we get zapped in another sector. If a single province chooses to export bulk water, all taps are open. If a single private school can get public funding, we will have to compensate all comers.

My time is running out, but I would like to use a current case before the NAFTA tribunal to illustrate my point. UPS is suing Canada because it opposes Canada Post couriership mail. UPS is saying that because Canada Post is a crown corporation, which it is, it accepts parcels for delivery by the equivalent of a courier service, which it does. UPS is losing potential profit and it feels our taxpayers should cough up a chunk of tax money and give it to UPS, which we may have to do.

It could win this one. Under NAFTA we no longer have the right to have crown corporations that are efficient, that use new technologies and that update their business plans to deliver a service which we as parliamentarians say Canadians want and need.

We have never debated this issue in the House that I know of, but it is not rocket science to realize that we are a big country which has a small population that is very spread out. Having efficient, reliable and affordable service to send each other mail, parcels and goods makes a lot of sense to me. Apparently we can only do this if we first compensate UPS. This case shows how we are stuck to agreements with ineffective exemptions that never allow public enterprises to change, to modernize or to survive.

Our democracy is our most special public right. Under our charter, four of the five sections deal with guaranteeing these rights. I am frightened, along with my colleagues, that unless we change our tune on chapter 11 these rights will be traded away for the sake of guaranteed profits for transnational corporations.

Supply

I am very honoured to finish the debate tonight on chapter 11 and to have expressed concerns on behalf of the New Democratic Party respecting the protection of our democratic rights under trade deals.

[Translation]

The Acting Speaker (Mr. Bélair): It being 5.15 p.m., it is my duty to interrupt the proceedings and put forthwith every question necessary to dispose of the business of supply.

• (1715)

[English]

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. Bélair): All those in favour of the amendment will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Bélair): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Bélair): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mr. Bélair): Call in the members.

• (1745)

(The House divided on the amendment, which was negatived on the following division:)

(Division No. 79)

YEAS

Members

Asselin	Bachand (Saint-Jean)
Bellehumeur	Bergeron
Bigras	Blaikie
Bourgeois	Brien
Cardin	Comartin
Crête	Davies
Desjarlais	Desrochers
Dubé	Duceppe
Fournier	Gagnon (Champlain)
Gagnon (Québec)	Gauthier
Godin	Guay
Guimond	Laframboise
Lalonde	Lancôt
Lebel	Lill
Loubier	Marceau
Martin (Winnipeg Centre)	McDonough
Ménard	Nystrom

Supply

Paquette	Perron
Proctor	Robinson
Rochelleau	Roy
St-Hilaire	Stoffer
Tremblay (Lac-Saint-Jean—Saguenay)	Tremblay (Rimouski-Neigette-et-la Mitis)
Venne—45	

NAYS

Members

Ablonczy	Adams
Alcock	Allard
Anders	Anderson (Cypress Hills—Grasslands)
Assad	Assadourian
Bachand (Richmond—Arthabaska)	Bagnell
Bailey	Bakopanos
Barnes	Beaumier
Bélaïr	Bélangier
Bellemare	Bennett
Benoit	Bertrand
Bevilacqua	Binet
Blondin-Andrew	Bonin
Bonwick	Borotsik
Boudria	Bradshaw
Breitkreuz	Brison
Brown	Bryden
Bulte	Burton
Byrne	Calder
Cannis	Caplan
Carignan	Casey
Casson	Castonguay
Catterall	Cauchon
Chamberlain	Charbonneau
Chatters	Chrétien
Clark	Coderre
Collenette	Comuzzi
Copps	Cullen
Cummins	Cuzner
Day	Dhaliwal
Doyle	Dromisky
Drouin	Duhamel
Duncan	Eggleton
Epp	Farrah
Finlay	Fitzpatrick
Forseth	Fry
Gagliano	Gallant
Galloway	Godfrey
Goldring	Goodale
Gouk	Gray (Windsor West)
Grey (Edmonton North)	Grose
Guarnieri	Harris
Harvard	Harvey
Hearn	Hilstrom
Hubbard	Ianno
Jackson	Jaffer
Jennings	Johnston
Jordan	Karetak-Lindell
Keddy (South Shore)	Kenney (Calgary Southeast)
Keys	Kilgour (Edmonton Southeast)
Knutson	Laliberte
Lastewka	LeBlanc
Lee	Leung
Longfield	Lunn (Saanich—Gulf Islands)
Lunney (Nanaimo—Alberni)	MacAulay
MacKay (Pictou—Antigonish—Guysborough)	Macklin
Malhi	Maloney
Manley	Manning
Marcil	Marleau
Martin (Esquimalt—Juan de Fuca)	Matthews
Mayfield	McCormick
McGuire	McKay (Scarborough East)
McLellan	McNally
McTeague	Meredith
Merrifield	Mills (Red Deer)
Mills (Toronto—Danforth)	Mitchell
Moore	Murphy

Myers	Nault
Normand	O'Brien (Labrador)
O'Brien (London—Fanshawe)	O'Reilly
Obhrai	Owen
Pagtakhan	Pallister
Pankiw	Paradis
Parrish	Patry
Penson	Peric
Peschisolido	Pettigrew
Phinney	Pickard (Chatham—Kent Essex)
Pillitteri	Pratt
Price	Proulx
Rajotte	Redman
Reed (Halton)	Regan
Reid (Lanark—Carleton)	Reynolds
Richardson	Ritz
Robillard	Rock
Saada	Scherrer
Schmidt	Scott
Serré	Sgro
Shepherd	Skelton
Solberg	Sorenson
Spencer	St. Denis
St-Jacques	St-Julien
Steckle	Stewart
Stinson	Strahl
Szabo	Telegdi
Thibault (West Nova)	Thompson (New Brunswick Southwest)
Thompson (Wild Rose)	Tirabassi
Tobin	Toews
Tonks	Torsney
Ur	Vanclief
Wappel	White (Langley—Abbotsford)
White (North Vancouver)	Wilfert
Williams—201	

PAIRED MEMBERS

Dalphon-Guiral	Folco
Martin (LaSalle—Émard)	Minna
Peterson	Picard (Drummond)
Plamondon	Sauvageau

The Speaker: I declare the amendment lost. The next question is on the main motion.

Ms. Marlene Catterall: Mr. Speaker, I think you would find unanimous consent to apply the vote just taken to the motion now before the House.

The Speaker: Is there unanimous consent to proceed in this fashion?

Some hon. members: Agreed.

Mr. Jim Abbott: Mr. Speaker, I missed the previous vote. I will be voting with my party and opposing the motion.

The Speaker: With the one addition, is it agreed?

Some hon. members: Agreed.

[Translation]

(The House divided on the motion, which was negated on the following division:)

(Division No. 80)

YEAS

Members

Asselin	Bachand (Saint-Jean)
Bellehumeur	Bergeron
Bigras	Blaikie
Bourgeois	Brien
Cardin	Comartin
Crête	Davies
Desjarlais	Desrochers
Dubé	Duceppe
Fournier	Gagnon (Champlain)
Gagnon (Québec)	Gauthier
Godin	Guay
Guimond	Laframboise
Lalonde	Lancôt
Lebel	Lill
Loubier	Marceau
Martin (Winnipeg Centre)	McDonough
Ménard	Nystrom
Paquette	Perron
Proctor	Robinson
Rocheleau	Roy
St-Hilaire	Stoffer
Tremblay (Lac-Saint-Jean—Saguenay)	Tremblay (Rimouski-Neigette-et-la Mitis)
Venne—45	

NAYS

Members

Abbott	Ablonczy
Adams	Alcock
Allard	Anders
Anderson (Cypress Hills—Grasslands)	Assad
Assadourian	Bachand (Richmond—Arthabaska)
Bagnell	Bailey
Bakopanos	Barnes
Beaumier	Bélair
Bélangier	Bellemare
Bennett	Benoit
Bertrand	Bevilacqua
Binet	Blondin-Andrew
Bonin	Bonwick
Borotsik	Boudria
Bradshaw	Breitkreuz
Brisson	Brown
Bryden	Bulte
Burton	Byrne
Calder	Cannis
Caplan	Carignan
Casey	Casson
Castonguay	Catterall
Cauchon	Chamberlain
Charbonneau	Chatters
Chrétien	Clark
Coderre	Collenette
Comuzzi	Copps
Cullen	Cummins
Cuzner	Day
Dhaliwal	Doyle
Dromisky	Drouin
Duhamel	Duncan
Eggleton	Epp
Farrah	Finlay
Fitzpatrick	Forseth
Fry	Gagliano

Supply

Gallant	Galloway
Godfrey	Goldring
Goodale	Gouk
Gray (Windsor West)	Grey (Edmonton North)
Grose	Guarnieri
Harris	Harvard
Harvey	Hearn
Hilstrom	Hubbard
Ianno	Jackson
Jaffer	Jennings
Johnston	Jordan
Karetak-Lindell	Keddy (South Shore)
Kenney (Calgary Southeast)	Keys
Kilgour (Edmonton Southeast)	Knutson
Laliberte	Lastewka
LeBlanc	Lee
Leung	Longfield
Lunn (Saanich—Gulf Islands)	Lunney (Nanaimo—Alberni)
MacAulay	MacKay (Pictou—Antigonish—Guysborough)
Macklin	Malhi
Maloney	Manley
Manning	Marcel
Marleau	Martin (Esquimalt—Juan de Fuca)
Matthews	Mayfield
McCormick	McGuire
McKay (Scarborough East)	McLellan
McNally	McTeague
Meredith	Merrifield
Mills (Red Deer)	Mills (Toronto—Danforth)
Mitchell	Moore
Murphy	Myers
Nault	Normand
O'Brien (Labrador)	O'Brien (London—Fanshawe)
O'Reilly	Obhrai
Owen	Pagtakhan
Pallister	Pankiw
Paradis	Parrish
Patry	Penson
Peric	Peschisolido
Pettigrew	Phinney
Pickard (Chatham—Kent Essex)	Pillitteri
Pratt	Price
Proulx	Rajotte
Redman	Reed (Halton)
Regan	Reid (Lanark—Carleton)
Reynolds	Richardson
Ritz	Robillard
Rock	Saada
Scherer	Schmidt
Scott	Serré
Sgro	Shepherd
Skelton	Solberg
Sorenson	Spencer
St. Denis	St-Jacques
St-Julien	Steckle
Stewart	Stinson
Strahl	Szabo
Telegdi	Thibault (West Nova)
Thompson (New Brunswick Southwest)	Thompson (Wild Rose)
Tirabassi	Tobin
Toews	Tonks
Torsney	Ur
Vanclief	Wappel
White (Langley—Abbotsford)	White (North Vancouver)
Wilfert	Williams—202

PAIRED MEMBERS

Dalphond-Guiral	Folco
Martin (LaSalle—Émard)	Minna
Peterson	Picard (Drummond)
Plamondon	Sauvageau

The Speaker: I declare the motion lost.

*Government Orders***GOVERNMENT ORDERS***[English]***CANADA ELECTIONS ACT**

The House resumed from April 26 consideration of the motion that Bill C-9, an act to amend the Canada Elections Act and the Electoral Boundaries Readjustment Act, be read the third time and passed.

The Speaker: The House will now proceed to the taking of the deferred recorded division on the motion at third reading stage of Bill C-9.

Ms. Marlene Catterall: Mr. Speaker, I think you would find unanimous consent that those who voted on the previous motion be recorded as having voted on the motion now before the House with Liberal members voting yes.

The Speaker: Is there unanimous consent to proceed in this fashion?

Some hon. members: Agreed.

Mr. Richard Harris: Mr. Speaker, the Canadian Alliance Party will be voting nay.

[Translation]

Mr. Stéphane Bergeron: Mr. Speaker, the members of the Bloc Québécois are in favour of this motion.

Mr. Yvon Godin: Mr. Speaker, members of the NDP are in favour of this motion.

[English]

Mr. Rick Borotsik: Mr. Speaker, members of the PC Party will be voting yes to the motion.

Mrs. Karen Kraft Sloan: Mr. Speaker, I would like to be counted as voting with the government on this motion.

• (1750)

Mr. Wayne Easter: Mr. Speaker, I will be voting with the government in favour of the motion.

(The House divided on the motion, which was agreed to on the following division:)

*(Division No. 81)***YEAS**

Members

Adams	Alcock
Allard	Assad
Assadourian	Asselin
Bachand (Richmond—Arthabaska)	Bachand (Saint-Jean)
Bagnell	Bakopanos
Barnes	Beaumier
Bélair	Bélanger
Bellehumeur	Bellemare
Bennett	Bergeron
Bertrand	Bevilacqua
Bigras	Binet
Blaikie	Blondin-Andrew

Bonin	Bonwick
Borotsik	Boudria
Bourgeois	Bradshaw
Brien	Brison
Brown	Bryden
Bulte	Byrne
Calder	Cannis
Caplan	Cardin
Carignan	Casey
Castonguay	Catterall
Cauchon	Chamberlain
Charbonneau	Chrétien
Clark	Coderre
Collenette	Comartin
Comuzzi	Copps
Crête	Cullen
Cuzner	Davies
Desjarlais	Desrochers
Dhaliwal	Doyle
Dromisky	Drouin
Dubé	Duceppe
Duhamel	Easter
Eggleton	Farrah
Finlay	Fournier
Fry	Gagliano
Gagnon (Champlain)	Gagnon (Québec)
Galloway	Gauthier
Godfrey	Godin
Goodale	Gray (Windsor West)
Grose	Guarnieri
Guay	Guimond
Harvard	Harvey
Hearn	Hubbard
Ianno	Jackson
Jennings	Jordan
Karetak-Lindell	Keddy (South Shore)
Keyes	Kilgour (Edmonton Southeast)
Knutson	Kraft Sloan
Laframboise	Laliberte
Lalonde	Lancôt
Lastewka	Lebel
LeBlanc	Lee
Leung	Lill
Longfield	Loubier
MacAulay	MacKay (Pictou—Antigonish—Guysborough)
Macklin	Malhi
Maloney	Manley
Marceau	Marcil
Marleau	Martin (Winnipeg Centre)
Matthews	McCormick
McDonough	McGuire
McKay (Scarborough East)	McLellan
McTeague	Ménard
Mills (Toronto—Danforth)	Mitchell
Murphy	Myers
Nault	Normand
Nystrom	O'Brien (Labrador)
O'Brien (London—Fanshawe)	O'Reilly
Owen	Pagtakhan
Paquette	Paradis
Parrish	Patry
Peric	Perron
Pettigrew	Phinney
Pickard (Chatham—Kent Essex)	Pillitteri
Pratt	Price
Proctor	Proulx
Redman	Reed (Halton)
Regan	Richardson
Robillard	Robinson
Rocheleau	Rock
Roy	Sada
Scherrer	Scott
Serré	Sgro
Shepherd	St. Denis
St-Hilaire	St-Jacques
St-Julien	Steckle
Stewart	Stoffer
Szabo	Telegdi
Thibault (West Nova)	Thompson (New Brunswick Southwest)

Government Orders

Tirabassi
Tonks
Tremblay (Lac-Saint-Jean—Saguenay)
Ur
Venne
Wilfert—193

Tobin
Torsney
Tremblay (Rimouski-Neigette-et-la Mitis)
Vanclief
Wappel

Reorganization and Divestiture Act and the Petro-Canada Public Participation Act, be read the third time and passed.

The Speaker: The House will now proceed to the taking of the deferred recorded division on the motion at third reading of Bill C-3.

NAYS

Members

Abbott
Anders
Bailey
Breitkreuz
Casson
Cummins
Duncan
Fitzpatrick
Gallant
Gouk
Harris
Jaffer
Kenney (Calgary Southeast)
Lunney (Nanaimo—Alberni)
Martin (Esquimalt—Juan de Fuca)
McNally
Merrifield
Moore
Pallister
Penson
Rajotte
Reynolds
Schmidt
Solberg
Spencer
Strahl
Toews
White (North Vancouver)

Ablonczy
Anderson (Cypress Hills—Grasslands)
Benoit
Burton
Chatters
Day
Epp
Forseth
Goldring
Grey (Edmonton North)
Hilstrom
Johnston
Lunn (Saanich—Gulf Islands)
Manning
Mayfield
Meredith
Mills (Red Deer)
Obhrai
Pankiw
Peschisolido
Reid (Lanark—Carleton)
Ritz
Skelton
Sorenson
Stinson
Thompson (Wild Rose)
White (Langley—Abbotsford)
Williams—56

Ms. Marlene Catterall: Mr. Speaker, I think you would find consent that those who voted on the previous motion be recorded as voting on the motion now before the House with Liberal members voting yes.

The Speaker: Is there unanimous consent to proceed in this fashion?

Some hon. members: Agreed.

Mr. Richard Harris: Mr. Speaker, the Canadian Alliance will be voting yea.

[*Translation*]

Mr. Stéphane Bergeron: Mr. Speaker, the members of the Bloc Québécois are in favour of this motion.

[*English*]

Mr. Yvon Godin: Mr. Speaker, members of the NDP will be voting no to the motion.

[*Translation*]

Mr. Rick Borotsik: Mr. Speaker, the members of the Progressive Conservative Party will vote yes.

(The House divided on the motion, which was agreed to on the following division:)

(*Division No. 82*)

PAIRED MEMBERS

Dalphond-Guiral
Martin (LaSalle—Émard)
Peterson
Plamondon

Folco
Minna
Picard (Drummond)
Sauvageau

The Speaker: I declare the motion carried.

(Bill read the third time and passed)

Ms. Marlene Catterall: Mr. Speaker, I think you would find consent that the vote just taken be applied to the vote on second reading of Bill C-25.

The Speaker: Is there unanimous consent to proceed in this fashion?

Some hon. members: Agreed.

Some hon. members: No.

* * *

**ELDORADO NUCLEAR LIMITED REORGANIZATION
AND DIVESTITURE ACT**

The House resumed from April 26 consideration of the motion that Bill C-3, an act to amend the Eldorado Nuclear Limited

YEAS

Members

Abbott	Ablonczy
Adams	Alcock
Allard	Anders
Anderson (Cypress Hills—Grasslands)	Assad
Assadourian	Asselin
Bachand (Richmond—Arthabaska)	Bachand (Saint-Jean)
Bagnell	Bailey
Bakopanos	Barnes
Beaumier	Béland
Bélanger	Bellehumeur
Bellemare	Bennett
Benoit	Bergeron
Bertrand	Bevilacqua
Bigras	Binet
Blondin-Andrew	Bonin
Bonwick	Borotsik
Boudria	Bourgeois
Bradshaw	Breitkreuz
Brien	Brisson
Brown	Bryden
Bulte	Burton
Byrne	Calder
Cannis	Caplan
Cardin	Carignan
Casey	Casson
Castonguay	Catterall
Cauchon	Chamberlain
Charbonneau	Chatters
Chrétien	Clark

Government Orders

Coderre	Collenette
Comuzzi	Copps
Crête	Cullen
Cummins	Cuzner
Day	Desrochers
Dhaliwal	Doyle
Dromisky	Drouin
Dubé	Duceppe
Duhamel	Duncan
Easter	Eggleton
Epp	Farah
Finlay	Fitzpatrick
Forseth	Fournier
Fry	Gagliano
Gagnon (Champlain)	Gagnon (Québec)
Gallant	Galloway
Gauthier	Godfrey
Goldring	Goodale
Gouk	Gray (Windsor West)
Grey (Edmonton North)	Grose
Guarnieri	Guay
Guimond	Harris
Harvard	Harvey
Hearn	Hilstrom
Hubbard	Ianno
Jackson	Jaffer
Jennings	Johnston
Jordan	Karetak-Lindell
Keddy (South Shore)	Kenney (Calgary Southeast)
Keyes	Kilgour (Edmonton Southeast)
Knutson	Kraft Sloan
Laframboise	Laliberte
Lalonde	Lancôt
Lastewka	Lebel
LeBlanc	Lee
Leung	Longfield
Loubier	Lunn (Saanich—Gulf Islands)
Lunney (Nanaimo—Alberni)	MacAulay
MacKay (Pictou—Antigonish—Guysborough)	Macklin
Malhi	Maloney
Manley	Manning
Marceau	Marcil
Marleau	Martin (Esquimalt—Juan de Fuca)
Matthews	Mayfield
McCormick	McGuire
McKay (Scarborough East)	McLellan
McNally	McTeague
Ménard	Meredith
Merrifield	Mills (Red Deer)
Mills (Toronto—Danforth)	Mitchell
Moore	Murphy
Myers	Nault
Normand	O'Brien (Labrador)
O'Brien (London—Fanshawe)	O'Reilly
Obhrai	Owen
Pagtakhan	Pallister
Pankiw	Paquette
Paradis	Parrish
Patry	Penson
Peric	Perron
Peschisolido	Pettigrew
Phinney	Pickard (Chatham—Kent Essex)
Pillitteri	Pratt
Price	Proulx
Rajotte	Redman
Reed (Halton)	Regan
Reid (Lanark—Carleton)	Reynolds
Richardson	Ritz
Robillard	Rocheleau
Rock	Roy
Saada	Scherrer
Schmidt	Scott
Serré	Sgro
Shepherd	Skelton
Solberg	Sorenson
Spencer	St. Denis
St-Hilaire	St-Jacques
St-Julien	Steckle
Stewart	Stinson
Strahl	Szabo
Telegdi	Thibault (West Nova)
Thompson (New Brunswick Southwest)	Thompson (Wild Rose)
Tirabassi	Tobin
Toews	Tonks
Torsney	Tremblay (Lac-Saint-Jean—Saguenay)

Tremblay (Rimouski-Neigette-et-la Mitis)	Ur
Vanclief	Venne
Wappel	White (Langley—Abbotsford)
White (North Vancouver)	Wilfert
Williams —237	

NAYS

Members

Blaikie	Comartin
Davies	Desjarlais
Godin	Lill
Martin (Winnipeg Centre)	McDonough
Nystrom	Proctor
Robinson	Stoffer—12

PAIRED MEMBERS

Dalphond-Guiral	Folco
Martin (LaSalle—Émard)	Minna
Peterson	Picard (Drummond)
Plamondon	Sauvageau

The Speaker: I declare the motion carried.

(Bill read the third time and passed)

* * *

[English]

CHARITIES REGISTRATION (SECURITY INFORMATION) ACT

The House resumed from April 30 consideration of the motion.

The Speaker: Pursuant to order made on Thursday, April 26, the House will now proceed to the taking of the deferred recorded division on the referral to committee before second reading of Bill C-16.

Ms. Marlene Catterall: Mr. Speaker, I think you would find unanimous consent in the House that those who voted on the previous motion be recorded as voting on the motion now before the House with Liberal members voting yes.

The Speaker: Is there unanimous consent to proceed in this fashion?

Some hon. members: Agreed.

Mr. Richard Harris: Mr. Speaker, the Canadian Alliance will be voting nay.

[Translation]

Mr. Stéphane Bergeron: Mr. Speaker, the members of the Bloc Québécois are against this motion.

Mr. Yvon Godin: Mr. Speaker, the NDP members vote in favour of this motion.

[English]

Mr. Rick Borotsik: Mr. Speaker, members of the Progressive Conservative Party will vote yes to the motion.

Government Orders

[Translation]

(The House divided on the motion, which was agreed to on the following division:)

(Division No. 83)

YEAS

Members

Adams	Alcock
Allard	Assad
Assadourian	Bachand (Richmond—Arthabaska)
Bagnell	Bakopanos
Barnes	Beaumier
Bélair	Bélangier
Bellemare	Bennett
Bertrand	Bevilacqua
Binet	Blaikie
Blondin-Andrew	Bonin
Bonwick	Borotsik
Boudria	Bradshaw
Brisson	Brown
Bryden	Bulte
Byrne	Calder
Cannis	Caplan
Carignan	Casey
Castonguay	Catterall
Cauchon	Chamberlain
Charbonneau	Chrétien
Clark	Coderre
Collenette	Comartin
Comuzzi	Copps
Cullen	Cuzner
Davies	Desjarlais
Dhaliwal	Doyle
Dromisky	Drouin
Duhamel	Easter
Eggleton	Farrah
Finlay	Fry
Gagliano	Galloway
Godfrey	Godin
Goodale	Gray (Windsor West)
Grose	Guarnieri
Harvard	Harvey
Hearn	Hubbard
Ianno	Jackson
Jennings	Jordan
Karetak-Lindell	Keddy (South Shore)
Keys	Kilgour (Edmonton Southeast)
Knutson	Kraft Sloan
Laliberte	Lastewka
LeBlanc	Lee
Leung	Lill
Longfield	MacAulay
MacKay (Pictou—Antigonish—Guysborough)	Macklin
Malhi	Maloney
Manley	Marcil
Marleau	Martin (Winnipeg Centre)
Matthews	McCormick
McDonough	McGuire
McKay (Scarborough East)	McLellan
McTeague	Mills (Toronto—Danforth)
Mitchell	Murphy
Myers	Nault
Normand	Nystrom
O'Brien (Labrador)	O'Brien (London—Fanshawe)
O'Reilly	Owen
Pagtakhan	Paradis
Parrish	Patry
Peric	Pettigrew
Phinney	Pickard (Chatham—Kent Essex)
Pillitteri	Pratt
Price	Proctor
Proulx	Redman
Reed (Halton)	Regan
Richardson	Robillard
Robinson	Rock
Saada	Scherrer
Scott	Serré
Sgro	Shepherd

St. Denis	St-Jacques
St-Julien	Steckle
Stewart	Stoffer
Szabo	Telegdi
Thibault (West Nova)	Thompson (New Brunswick Southwest)
Tirabassi	Tobin
Tonks	Torsney
Ur	Vanclief
Wappel	Wilfert—160

NAYS

Members

Abbott	Ablonczy
Anders	Anderson (Cypress Hills—Grasslands)
Asselin	Bachand (Saint-Jean)
Bailey	Bellehumeur
Benoit	Bergeron
Bigras	Bourgeois
Breitkreuz	Brien
Burton	Cardin
Casson	Chatters
Crête	Cummins
Day	Desrochers
Dubé	Duceppe
Duncan	Epp
Fitzpatrick	Forseath
Fournier	Gagnon (Champlain)
Gagnon (Québec)	Gallant
Gauthier	Goldring
Gouk	Grey (Edmonton North)
Guay	Guimond
Harris	Hilstrom
Jaffer	Johnston
Kenney (Calgary Southeast)	Laframboise
Lalonde	Lañtôt
Lebel	Loubier
Lunn (Saanich—Gulf Islands)	Lunney (Nanaimo—Alberni)
Manning	Marceau
Martin (Esquimalt—Juan de Fuca)	Mayfield
McNally	Ménard
Meredith	Merrifield
Mills (Red Deer)	Moore
Obhrai	Pallister
Pankiw	Paquette
Penson	Perron
Peschisolido	Rajotte
Reid (Lanark—Carleton)	Reynolds
Ritz	Rocheleau
Roy	Schmidt
Skelton	Solberg
Sorenson	Spencer
St-Hilaire	Stinson
Strahl	Thompson (Wild Rose)
Toews	Tremblay (Lac-Saint-Jean—Saguenay)
Tremblay (Rimouski-Neigette-et-la Mitis)	Venne
White (Langley—Abbotsford)	White (North Vancouver)
Williams—89	

PAIRED MEMBERS

Dalphond-Guiral	Folco
Martin (LaSalle—Émard)	Minna
Peterson	Picard (Drummond)
Plamondon	Sauvageau

The Speaker: I declare the motion carried. Accordingly, the bill stands referred to the Standing Committee on Finance.

*Government Orders**[English]***FARM CREDIT CORPORATION ACT**

The House resumed from April 30 consideration of the motion that Bill C-25, an act to amend the Farm Credit Corporation Act and to make consequential amendments to other acts, be read the second time and referred to a committee.

The Speaker: The House will now proceed to the taking of the deferred recorded division on the motion at the second reading stage of Bill C-25.

• (1755)

Ms. Marlene Catterall: Mr. Speaker, I think you would find unanimous consent that the members who voted on the previous motion be recorded as voting on the motion now before the House with Liberal members voting yes.

The Speaker: Is there unanimous consent to proceed in this fashion?

Some hon. members: Agreed.

Mr. Richard Harris: Mr. Speaker, the Canadian Alliance will be voting nay.

[Translation]

Mr. Stéphane Bergeron: Mr. Speaker, the members of the Bloc Québécois vote yes on this motion.

[English]

Mr. Yvon Godin: Mr. Speaker, members of the NDP will be voting yes to the motion.

Mr. Rick Borotsik: Mr. Speaker, the Progressive Conservative Party will be voting yes to the motion.

(The House divided on the motion, which was agreed to on the following division:)

*(Division No. 84)***YEAS**

Members

Adams	Alcock
Allard	Assad
Assadourian	Asselin
Bachand (Richmond—Arthabaska)	Bachand (Saint-Jean)
Bagnell	Bakopanos
Barnes	Beaumier
Bélaïr	Bélangier
Bellehumeur	Bellemare
Bennett	Bergeron
Bertrand	Bevilacqua
Bigras	Binet
Blaikie	Blondin-Andrew
Bonin	Bonwick
Borotsik	Boudria
Bourgeois	Bradshaw

Brien	Brison
Brown	Bryden
Bulte	Byrne
Calder	Cannis
Caplan	Cardin
Carignan	Casey
Castonguay	Catterall
Cauchon	Chamberlain
Charbonneau	Chrétien
Clark	Coderre
Collenette	Comartin
Comuzzi	Copps
Crête	Cullen
Cuzner	Davies
Desjarlais	Desrochers
Dhaliwal	Doyle
Dromisky	Drouin
Dubé	Duceppe
Duhamel	Easter
Eggleton	Farrah
Finlay	Fournier
Fry	Gagliano
Gagnon (Champlain)	Gagnon (Québec)
Galloway	Gauthier
Godfrey	Godin
Goodale	Gray (Windsor West)
Grose	Guarnieri
Guay	Guimond
Harvard	Harvey
Hearn	Hubbard
Ianno	Jackson
Jennings	Jordan
Karetak-Lindell	Keddy (South Shore)
Keys	Kilgour (Edmonton Southeast)
Knutson	Kraft Sloan
Laframboise	Laliberte
Lalonde	Lancôt
Lastewka	Lebel
LeBlanc	Lee
Leung	Lill
Longfield	Loubier
MacAulay	MacKay (Pictou—Antigonish—Guysborough)
Macklin	Malhi
Maloney	Manley
Marceau	Marcil
Marleau	Martin (Winnipeg Centre)
Matthews	McCormick
McDonough	McGuire
McKay (Scarborough East)	McLellan
McTeague	Ménard
Mills (Toronto—Danforth)	Mitchell
Murphy	Myers
Nault	Normand
Nystrom	O'Brien (Labrador)
O'Brien (London—Fanshawe)	O'Reilly
Owen	Pagtakhan
Paquette	Paradis
Parrish	Patry
Peric	Perron
Pettigrew	Phinney
Pickard (Chatham—Kent Essex)	Pillitteri
Pratt	Price
Proctor	Proulx
Redman	Reed (Halton)
Regan	Richardson
Robillard	Robinson
Rocheleau	Rock
Roy	Saada
Scherrer	Scott
Serré	Sgro
Shepherd	St. Denis
St-Hilaire	St-Jacques
St-Julien	Steckle
Stewart	Stoffer
Szabo	Telegdi
Thibault (West Nova)	Thompson (New Brunswick Southwest)
Tirabassi	Tobin
Tonks	Torsney
Tremblay (Lac-Saint-Jean—Saguenay)	Tremblay (Rimouski-Neigette-et-la Mitis)
Ur	Vanclief
Venne	Wappel
Wilfert—193	

Private Members' Business

NAYS

Members

Abbott	Ablonczy
Anders	Anderson (Cypress Hills—Grasslands)
Bailey	Benoit
Breitkreuz	Burton
Casson	Chatters
Cummins	Day
Duncan	Epp
Fitzpatrick	Forseth
Gallant	Goldring
Gouk	Grey (Edmonton North)
Harris	Hilstrom
Jaffer	Johnston
Kenney (Calgary Southeast)	Lunn (Saanich—Gulf Islands)
Lunney (Nanaimo—Alberni)	Manning
Martin (Esquimalt—Juan de Fuca)	Mayfield
McNally	Meredith
Merrifield	Mills (Red Deer)
Moore	Obhrai
Pallister	Pankiw
Penson	Peschisolido
Rajotte	Reid (Lanark—Carleton)
Reynolds	Ritz
Schmidt	Skelton
Solberg	Sorenson
Spencer	Stinson
Strahl	Thompson (Wild Rose)
Toews	White (Langley—Abbotsford)
White (North Vancouver)	Williams—56

PAIRED MEMBERS

Dalphond-Guiral	Folco
Martin (LaSalle—Émard)	Minna
Peterson	Picard (Drummond)
Plamondon	Sauvageau

The Speaker: I declare the motion carried. Accordingly, the bill stands referred to the Standing Committee on Agriculture and Agri-Food.

(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 wish to inform the House that it is the intention of the government to propose that Bill C-23, the Competition Act amendments bill, be referred to committee before second reading pursuant to Standing Order 73(1).

The Speaker: It being 5.55 p.m. the House will now proceed to the consideration of private members' business as listed on today's order paper.

PRIVATE MEMBERS' BUSINESS

[English]

CRIMINAL CODE

Mr. Deepak Obhrai (Calgary East, Canadian Alliance) moved that Bill C-290, an act to amend the Criminal Code (breaking and entering), be read the second time and referred to a committee.

He said: Madam Speaker, it is an honour to rise on behalf of the constituents of Calgary East to speak this afternoon to my private member's bill, Bill C-290, an act to amend the criminal code (breaking and entering).

The purpose of the enactment is to provide for a minimum mandatory imprisonment of two years upon a second or subsequent conviction for breaking and entering where the offence is committed in relation to a dwelling house.

● (1800)

Break and enter crime is much more than a property offence. It is a crime against the person. Canadians view break and enter crime as a very serious and traumatic violation of their sense of safety and security. Victims of house break-ins rarely talk later about the television they lost or the other property that was taken. However, they talk about the fear and the fact that someone invaded the sanctity of their home. This is not a property offence in the same way we view an auto theft.

On April 19, I had a town hall meeting in my riding to discuss break and enter crime. A constituent came forward at this meeting to describe the fear she still feels after break and enter thieves violated her home several years ago. She described how she still feels unsafe in her own home and how she thought about selling her home because she is scared that the thieves will one day come back.

These kinds of stories show the reality of break and enter crime.

To quote Chief David Scott of the Saskatoon Police Service in a recent letter of support for the bill, he said:

You have correctly identified what we so often neglect to realize is the psychological damage and the tremendous trauma suffered by victims of home break and enters.

Constable Guy Baker of District 4 in Calgary said:

The best sentence I ever saw for a repeat offender was three years, however, the effect on the victims lasts forever.

Females feel personally violated and their house no longer has a sense of being a home. Men feel they have failed in their role as the family protector. Children have a hard time sleeping and many children start bed-wetting after their home has been burglarized.

Private Members' Business

While the psychological impacts of break and enter crime are often devastating in their own right, this can also be a violent crime because every break and enter is potentially a home invasion. In fact, according to statistics from the Canadian Centre for Justice, 58% of break and enter incidents involved a weapon being present.

I would like to quote an Edmonton man who was viciously beaten in a break and enter that turned into a home invasion:

Physically I am okay. Mentally I am not. It's almost like I have to force myself to do things—even to go to work. I don't know what could be enough jail time (for this). There is no justification for what they did.

The bill is a victim's amendment to the criminal code because the result would be fewer victims brought about by imposing a real deterrent on professional break and enter criminals.

Chief Julian Santino of the Toronto Police Service said:

Deterrent sentences such as the one you have proposed are absolutely necessary if we are ever to realize the goal of truth in sentencing.

Sergeant Al Koenig, president of the Calgary Police Association, stated:

A two year minimum sentence will slow down the turnstile treatment of these career criminals.

Staff Sergeant Dan Dorsey of the Calgary Police Service said:

You have to take repeat break and enter offenders out of the circulation because they don't stop. We try to keep the habitual home breakers incarcerated for as long as possible.

Bill C-290 will also cut off what is a real source of revenue for career criminals and organized crime by breaking the cycle of using the proceeds of break and enter crime to finance other criminal activities, including drug trafficking.

Break and enter is a crime once thought serious enough by parliament that it imposed a maximum sentence of life in prison. Today conditional and suspended sentencing has reduced the average jail term served by a repeat break and enter offender to six months. Only one in ten repeat offenders receives a sentence of two years or more.

• (1805)

That said, parliamentarians must provide a clear distinction to the courts about the serious nature of this crime by imposing a minimum sentence. As Chief Alex McCauley of the Sudbury Regional Police stated:

I view incidents of break and enter as a far more serious crime than it appears to be getting credit for, especially in the courts today.

Saskatoon Police Chief Dave Scott said:

I am confident the Canadian public is exasperated and distrustful of the Canadian justice system's ability to deal with this offence appropriately.

The courts do need a clear direction from our legislators regarding Canadian citizens' concern over their personal safety and their homes. A two year minimum would act as a deterrent to potential thieves and would take the professional thief off the streets. It would not add substantial numbers of new prisoners to already overcrowded prisons because of the relatively low numbers of repeat offenders committing a large percentage of break and enter crimes.

Statistics in Calgary suggest that as few as 5% of the repeat professional offenders are committing 80% of the crimes. A two year minimum would also prevent the provincial justice system from imposing different sentences from one jurisdiction to another. An offender in Alberta should be looking at the same sentence as a person from Ontario.

The bill was seconded by the former attorney general from Manitoba, my colleague, who will be speaking shortly on this bill. He said:

The courts need a clear direction from parliament that sets out the concerns that Canadians have over this very serious crime. This bill would provide that direction.

I would conclude by reading the following letter sent to me by a constituent, who said:

Dear leaders of our great country's political parties;

As I'm sure you are all aware, the member for Calgary East is in the process of introducing a private member's bill to give repeat break and enter artists a minimum sentence of two years in custody.

I would like to ask all of you, especially the Prime Minister, to please ask for all MPs in your respective parties to disregard party politics, and vote in favour of this bill. Please do not let a great bill, that could potentially help all Canadians in a great way, get squashed in favour of party politics.

The letter writer was concerned. This crime happens from coast to coast and is not unique to any province. I believe home break and enters to be one of the greatest invasions a family or person can endure. I am sure my family and I would be deeply traumatized by that experience. I believe this is a huge problem and is always in the minds of all Canadians. Please help all of us in this great country feel a little more secure and at ease by helping to reduce such heartbreaking and demoralizing invasions.

I would like unanimous consent from members of the House to make this a votable bill.

The Acting Speaker (Ms. Bakopanos): Does the member want to first finish his remarks and then put the question to the House, or does he want to put the question to the House now? He has five more minutes.

Private Members' Business

Mr. Deepak Obhrai: Madam Speaker, if I have five more minutes I will talk about this more and ask the question when I am finished.

The seriousness of this break and enter offence should be viewed from a different angle. I was talking to the justice minister who said that she may have some concern about a minimum sentence. I can understand, but let me explain. We are dealing with the criminal code but not all of the criminal code. We are dealing specifically with a crime on the increase. What is happening is that the sentences the courts have been giving, which are now only six months for everything, have created a lucrative business.

• (1810)

I was told by a police officer on the beat for break and enter that these repeat offenders are now using breaking and entering as a job. It is a profession, a job, just like me and everybody else going to work. Repeat offenders do not see the seriousness behind it. They do not see the seriousness of the invasion of individual privacy. They view it as a job. Why? For the simple reason they know that if they are caught they will be back out on the streets. Eighty per cent of people who break and enter are repeat offenders. They will be out. How do we stop it?

How do we nip this thing in the bud before it becomes one of the most serious crimes in this country? Let us have a minimum sentence of two years. That way we will be able to break the cycle of break and enter and we will be able to take them off the streets as well as give them help if they need it.

I am not talking about the first time offender. I am talking about repeat offenders. We have to be very clear. If somebody slips a first time, I can understand that. We are talking about repeat offenders and the problem staring us in the eye needs to be addressed.

In conclusion, I am sure my colleagues and everybody understand the gravity of this situation of break and enter. It is to be hoped they would give unanimous consent to make this a votable bill. May I ask for unanimous consent of the House to make this bill votable?

The Acting Speaker (Ms. Bakopanos): Is there unanimous consent for the hon. member's motion?

Some hon. members: Agreed.

Some hon. members: No.

Mr. John Maloney (Parliamentary Secretary to Minister of Justice and Attorney General of Canada, Lib.): Madam Speaker, I am pleased to rise this evening to speak to Bill C-290, an act to amend the criminal code with respect to breaking and entering, which has been introduced by the hon. member for Calgary East.

The safety and security of Canadians within their own homes is a key priority for the Government of Canada. The government has responded to concerns about home invasions by including section 23 in Bill C-15, the Criminal Law Amendment Act, 2001, introduced on March 14, 2001.

Proposed amendments to the criminal code would indicate that where the offender's conduct was in the nature of a home invasion, the court must consider this to be an aggravating factor when determining the sentence to be imposed.

Bill C-290 would amend subsection 348(1)(d) of the criminal code by providing, in the case of a first offence, for a maximum penalty of life imprisonment, and in the case of second or subsequent offence, a maximum life sentence and a minimum sentence of two years imprisonment.

Section 348 of the code makes it an offence to enter a place with intent to commit an indictable offence, to actually commit an indictable offence, or to have broken out of a place after having committed or intending to commit an indictable offence. The current maximum penalty for committing any of these acts in a dwelling place is life imprisonment. I would add that the offence of robbery also carries a maximum penalty of life imprisonment.

I suspect most Canadians would be surprised that these offences attract such a severe maximum penalty. In fact, surveys conducted by the Canadian Sentencing Commission in the mid-1980s showed that the public has very little knowledge of either maximum or minimum penalties generally and that many were taken aback by the severity of the existing maxima.

The current maximum penalties for breaking and entering and robbery demonstrate that the government recognizes this conduct is of serious nature which may have significant impacts upon its victims. The sanctity of an individual's home as a place of safety and one free from intrusion has been recognized at common law for hundreds of years. It is, in part, for this reason that the criminal code offences of robbery and break and enter of a dwelling house are subject to a maximum sentence of life imprisonment.

• (1815)

The criminal code states that the fundamental purpose of sentencing is to contribute to respect for the law and the maintenance of a just, peaceful and safe society.

The objectives of sentencing in the criminal code include denouncing unlawful conduct, deterring those who would commit offences and promoting a sense of responsibility in offenders in acknowledging the harm they have done to victims and to the community.

The government shares the concerns of Canadians with regard to the relatively new phenomenon of home invasion robberies which occur while the home is occupied. To protect the right of individu-

Private Members' Business

als to feel secure in their own homes and to address the need for denunciation and deterrence, courts across Canada have been imposing stiff sentences for this crime.

The proposed amendment signals that home invasions are a serious crime that should be met with significant penalties. In addition to the maximum life imprisonment already in the criminal code for breaking and entering into a dwelling house, Bill C-290 would provide a mandatory minimum of two years' imprisonment for a second or subsequent offence.

Canada has historically utilized mandatory minimum sentences with restraint and allowed courts the discretion to fashion sentences proportionate to the gravity of the offence and conduct of the offender. Judges, who have the benefit of knowing all the facts and evidence regarding the offence and the offender, are well placed to determine the appropriate sentence in individual cases. Such circumstances must be weighed in light of the sentencing principles I have outlined.

There is no clearly demonstrated need for a minimum penalty for second or subsequent convictions for breaking and entering into a dwelling house given the high maximum penalty already in the code. Courts also take into account whether an offender has previous convictions for the same or related offences. A prior criminal record is an aggravating factor and the greatest predictor of a longer sentence.

With respect to home invasion, the creation of an aggravating sentencing provision in Bill C-15 would encourage judges to use the tough penalties already available. As noted, courts throughout Canada are already doing so in recognition of the seriousness of this offence and its devastating impact upon victims.

I recognize the concerns of the hon. member for Calgary East with respect to breaking and entering. However I believe the existing penalty of life imprisonment for this offence and clause 23 of Bill C-15 clearly demonstrate our commitment to providing safe homes for all Canadians.

Mr. Vic Toews (Provencher, Canadian Alliance): Madam Speaker, I am pleased to rise in the House today to speak to the bill in respect to break and enter crimes. As my hon. colleague for Calgary East has stated, Bill C-290 provides the courts clear direction from parliament on the seriousness of break and enter crimes.

The bill would set out a minimum two year sentence for repeat and subsequent offences for break and enter crimes in a dwelling house. That needs to be stressed. We are talking about the residence of a person.

The bill would not simply denounce break and enter crime as a serious violation of a person's sense of safety and security. By

providing a two year minimum for repeat offenders the bill would prove a very effective deterrent against these kinds of criminals.

Let me give the House a quick but telling example of why Liberal policy with respect to break and enter law has failed and why we need to seriously consider amending the sentencing provisions for break and enter crimes.

In my home province of Manitoba preliminary statistics released by Winnipeg police on March 20 show that Winnipeg's crime rate jumped almost 40% in the first two months of this year. The police service is stretched to the limit as front line officers fight to protect law-abiding citizens.

According to Winnipeg police, these statistics show that certain crimes, particularly break and enter crimes, are on the rise after several years of decline. A member across the way says we should talk to the province or to police. There it is. We are told to blame the province and the police when we have the tools to deal with it here.

• (1820)

It is a typical Liberal response to simply pay lip service to an issue and let someone else deal with it.

I want to compare statistics for the first two months of 2001 with those for the first two months of 2000. I will give the precise numbers. Nine hundred and nineteen residential break and enters were reported in January and February 2001. Seven hundred and ninety-three were reported for the same period last year. This is not just a matter of statistics. This is a matter of personal safety for the people of my province and the people of Canada. People live in fear because of what is happening not only on the streets but in their own homes.

This parliament does not show its citizens the respect to which they are entitled in their own homes. If we let gangs run loose on the streets what courtesy are we showing to citizens? What fears build up in their homes when they cannot even lock the door and know they are safe?

Members across the way say that it is a police problem. It is not a police problem. Police arrest these lawbreakers every day and the turnstile justice system sets them free almost immediately.

The situation is not unique to Winnipeg. As my hon. friend from Calgary has indicated, it is a serious problem in his city as well. It has become such a problem that the Calgary police service has formed a break and enter unit in every district to take over from the single unit which until recently served the entire city.

Officers are becoming increasingly frustrated watching criminals receive little more than a slap on the wrist from the courts. My friend across the way said that we should let judges determine sentences because they have all the facts. Yes, they have all the facts and all the tools, yet they are doing nothing.

When I was in provincial politics one of my constituents suggested that one way to reduce crime in Winnipeg would be to

make each judge live on a block in the downtown core. We would perhaps not see the callous attitude with which people in those areas are treated when they come to the courts for justice. Let judges live in the downtown core and deal with gangs not in the courts but face to face when they come through the doors into their homes. It is disgraceful.

The police know what they are talking about. Thinking citizens know what they are talking about. The statistics are clear. The vast majority of break and enter crimes are committed by a very small group of people. Winnipeg City Police have told me that when they put one of these gangs away the break and enter rates drop dramatically. As soon as they are on the street again the rates zoom up.

Incarceration for break and enters into residential homes is a clear deterrent and has a clear impact on this horrific crime. This is not a property crime. This is not a property crime. It is an invasion of people's security. It is a violation of the rights outlined in the section 7 of the charter: the right to life, liberty and security of the person.

• (1825)

The charter protects criminals in our courts but parliament does not grant the same courtesy to law-abiding, taxpaying citizens. That is a disgrace.

Break and enter crimes fund gang related activities, such as drug purchases and distribution. The bill's sentencing provisions would cut off what is a real and substantial revenue source for these career criminals.

My friend across the way indicated that the new amendments would give the courts direction. The courts have always had the ability to impose life sentences, although they gave up on that a long time ago. They no longer even take the facts into account.

My learned friend knows that the real purpose behind the Liberal bill is to allow the government to stand and pay lip service knowing that judges will do nothing about this crime. It is a fraud on the Canadian people. That is why my hon. friend from Calgary introduced this private member's bill. It is absolutely necessary.

The terror of this crime is illustrated by a newspaper article in today's Winnipeg *Sun*. The article describes an ordinary break and enter that turned into a home invasion in which police officers and citizens feared for their lives. I recommend that you read the story, Madam Speaker.

Let us think about it. While people in core areas of Winnipeg, Toronto and Vancouver are crouched in their homes worried about what is happening to their cities, the government refuses to

respond. I ask all hon. members to respond by voting in favour of this very necessary bill.

Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC): Madam Speaker, I am very pleased to have an opportunity to speak to this private member's bill. I am also honoured to follow my colleague from Provencher and attach myself to his remarks.

The bill has a great deal of pragmatism and takes a practical common sense approach to the very real problem of home invasion. I commend the hon. member for his intent and his perseverance in bringing the matter to the forefront.

The bill would amend the criminal code to provide for minimum mandatory imprisonment of two years upon a second or subsequent conviction for breaking and entering in relation to a dwelling house. The dwelling house is the key principle. The home is the castle, the sacrosanct place where Canadians first and foremost should feel a sense of security.

This offence has become rampant not just in cities and towns but in rural Canada. In isolated areas the chances of home invasion are sometimes increased by the isolation.

Sadly, this crime is on the rise among youth and particularly young women. It is popular among gangs because of the lucrative rewards involved. I say rewards in a negative sense because those who engage in the activity seem to feel they can achieve something by breaking into people's homes and taking their possessions.

The real danger is when individuals are at home and find someone in their domain, particularly at night under the cover of darkness. The potential for violence is very real. It has happened on numerous occasions when individuals were protecting their home, their possessions and their loved ones. It is a recipe for disaster and violence. Why would we as legislators in the Parliament of Canada not want to put great emphasis on something that is happening with alarming frequency?

• (1830)

Many have complained about the legislation. The parliamentary secretary has referred to it as infringing upon judicial jurisdiction. He says that it would infringe upon a judge's natural task of assessing each case separately. Surely the emphasis by judges is always upon the facts in a particular case.

When we talk about recidivism and repeat offences, the scales of justice must be tipped in favour of protecting the public. The scales of justice must be tipped toward deterrence and denunciation of that particular type of offence.

If we do not take the chance that has been put before us with the legislation, we will miss the opportunity to send a message to those offenders who choose to act in this way and who watch with some glee when a light sentence is handed down, to the horror of victims

Private Members' Business

and to those living in fear of having their home invaded, their possessions stolen or to potentially face violence in their homes where they should feel most secure.

The Conservative Party supports the principle of the bill which recognizes the public safety concerns that arise from such offences. The type of offence that is portrayed in the bill endangers people's lives. That is part of the entire equation. That is why the judiciary in some instances must be reminded of the important message of deterrence.

Home invasion is described as breaking and entering into a home when the invader either knows or ought to know that the dwelling is occupied. Currently such an offence is considered by judges to be an aggravating factor. This comes from Bill C-15 wherein it talks about it being an aggravating factor in cases stemming from break and enter, assault and drug related offences, depending on the particular case. Breaking into a home when the offender knows that the individual is at home is a penetrating statement of the obvious. That is an aggravating factor. What could be more aggravating and what could be more distressing to an individual?

The Liberal government's response to this issue has been nothing more than the typical Liberal legislative half measure to please everyone and to appear to be addressing the problem when the upshot of the legislation really falls far short of what it should be achieving.

Bill C-15, which was tabled in a previous parliament and is now back in its watered down form, does not really achieve that goal. It does not achieve the message of deterrence. It does not achieve the goal of sending a clear direction to the judiciary or to the general public that public safety has to take priority when it comes to this type of offence.

In light of public demand for this type of legislation, the federal Minister of Justice had an opportunity to send that message to those who invade homes and to those who put their own lives in jeopardy. In some sense this type of situation almost encourages vigilante justice because of the sheer frustration that exists on the part of those who have been victimized and those who see offenders constantly being treated leniently by the system. They are then left to feel that they have no recourse but to take the law into their own hands. Nobody wants to condone or encourage that but that is very much the sense that I get from talking to people who have been victims of this type of offence.

Bill C-15 had the potential to correct this anomaly and correct the impression that home invasion would be treated with a strong hand. It did not happen. There is a strong faction in the Liberal Party who would like to embrace the legislation and the ideal that we have to do more to deter those who choose to break and enter into people's homes.

• (1835)

Judges definitely have a great deal of discretion when looking at sentencing. It seems to me that if we break and enter on one occasion and we are caught, apprehended and brought to justice and we do it again, a two year mandatory minimum sentence sends a very clear and concise message that it will not be tolerated.

We should not shy away from this type of direction to the judiciary. There are occasions where the offence is so serious and the implications so grave that there should be a legislative directive. Why on earth would we shirk that duty?

In terms of the Criminal Code of Canada that is very much within the domain of those who dwell in these hallowed halls and who look for ways to improve upon legislation. The criminal code was a product of this Chamber many years ago. It has been subject to all sorts of amendments. Why should we for a moment believe that it is not proper to bring forward this type of amendment?

Home invaders have been victimizing Canadians from coast to coast. This is not a regional epidemic. It has been happening with alarming numbers throughout the country. Senior citizens appear to be those most vulnerable and those most affected. The terror and the mental anguish that result from this type of crime is something that is very lasting.

I am sure members can relate to the fear that people would feel when their home has been invaded even if they were not at home at the time. Their sense of security is shattered every time they come into their home after something like this has happened, where their personal belongings have been tampered with. They are looking behind doors and always wanting the lights on. I have heard these remarks from seniors who have been victimized by home invasion. This type of mental anguish is incalculable. It is difficult for a sentencing judge to take into consideration just how disruptive and how unsettling this is for a person.

I know that many Nova Scotians were very pleased that the Conservative government of John Hamm responded by handing down tougher sentencing directions for home invasions. The justice minister, Michael Baker, took a very lead role and position with his provincial counterparts in lobbying the federal justice minister to enact legislation to create a separate criminal code offence for home invasion which accomplished very much of what the hon. member from Calgary intends his private member's bill to do.

Justice Minister Baker argued that a separate offence could give the court an opportunity to send that clear message but also provide an opportunity for communities to more effectively measure the impact and therefore deal with the problem of home invasion specifically.

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I have before the House a private member's motion that deals with marrying this exact initiative on the part of Nova Scotia. The bill, although impugned to effect judicial discretion, would very much assist judges in putting the emphasis that many of them would like to put on this type of offence.

I would be more comforted if there was a limitation on the timeframe in which the offences occurred. I would favour the mandatory minimum period of imprisonment of two years if there was a subsequent conviction within a set period of time, for example five years. This would do away with the possible anomaly of having committed an offence as a youth and then 10 or 15 years later a subsequent offence.

I support the bill in principle. I would hope that all members give it due consideration and embrace this type of initiative. I congratulate the member for Calgary East.

Mr. Ken Epp (Elk Island, Canadian Alliance): Madam Speaker, I am pleased to be able to represent the people of Elk Island on this important debate. I would like to begin by saying that it is quite inappropriate of us to have a committee arbitrarily say that the member for Calgary East who proposes the motion has the right to bring it to the House for a one hour debate after which it is dropped.

There is a committee that has said we cannot even vote on this bill. I want to be on record as saying that I strongly object to it. I believe that on an issue of importance like this one it is totally appropriate for us to be able to express our opinions on it. At the end of the debate process we should all be given the opportunity to say whether or not we favour the measure.

● (1840)

If the Liberals are against it, let them stand and say that they are against it. Let them say that they will continue allowing people to be attacked in their homes and have their property removed while they are out. That is atrocious. I would like to see them stand and say that to Canadians across the country.

I would like to speak for a few minutes about the whole system of justice and the idea of break and enters. I wish to emphasize that we need to do better right across the country in building into our youth when they are young a strong sense of morality, a strong sense of what is right and what is wrong.

What has happened in the country? We actually have young people and even adults who think that they are doing nothing wrong when they walk into another person's property with the intent of removing property, whether or not the people are there. Where did that come from?

I remember growing up in Saskatchewan many decades ago when we did not even have a lock on the door of our farmhouse.

My dad used to say that someone could come by when we are not home and need to use our phone. We left the house open so that if people came by to use the phone they could.

There was no fear that someone would take our furniture. Maybe we were so poor the furniture was not worth taking, I do not know, but it was probably as good as someone else's down the road. We did not worry about those things in those days because there was a built-in sense of morality and community. We cared for each other and we would not in any way steal from one another. We have lost the sense that it is wrong to take someone else's property. Somehow in our society that built-in sense of morality has evaporated.

I remember when I was the chairman of the Strathcona Christian Academy, a new private school that we started. I was involved in writing our first handbook. We patterned it after handbooks in other schools. There was an instruction in one of the handbooks which said that students should not bring valuable property to school because of the danger of it being stolen. We added in our book, and I am very proud that I was part of the construction of that book, notwithstanding that students should be careful what kind of property they bring to school, we expected them not to take things which were not theirs even if the temptation presented itself. We made that very clear because in our school we taught more than academics. We taught respect for one another and respect for property.

I wish that we would have strong schools, strong churches and strong families that would pass that sense of morality on to the next generation so that this epidemic of break and enters and stealing would come to an end. It is atrocious that we have allowed it to happen.

I would also say that in no small way I attribute the onslaught of violence to all the sorts of things that have been on television over the years. I read somewhere that by the time a student graduates from grade 12 he or she has observed an average of 18,000 murders on television. How could we then be surprised when students grow up and simply act out what they have been taught all their lives, that it is okay to do that? There is something fundamentally wrong. We have lost the handle.

That is step one. We should train our young people so that as they become adults they are responsible and respectful citizens who do not abuse other people and their property.

Lo and behold, some people make mistakes. What should we do with a first time offender? The bill that my colleague has put forward does not deal with first time offenders. He is talking about repeat offenders. What do we do with a first time offender?

My brother-in-law would be very happy if I were to mention a program he has worked with. He was involved in the justice system

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in a provinces I will not identify. He worked hard as a volunteer in what was called restorative justice.

• (1845)

There are a lot of young people who just simply make a mistake. They bow to peer pressure or whatever. They with their friends break into a place and take things that are not theirs. It is a genuine error. Those young people are retrievable. Those young people can be shown, taught and corrected.

I do not believe putting young people in jail at that stage is as good as what my brother-in-law and his wife did. They worked with couples and young people. They also worked with families whose homes were broken into. In conjunction with the justice system in the province, they brought the offender and the offended together.

I remember my brother-in-law saying that one young person said that doing six months in jail was nothing compared to having to look the person in the eye whose house the individual broke into and finally saying sorry that he or she had made a mistake.

The next stage then is restitution. The young people stole something that was not theirs. Now it becomes their responsibility to restore the property that was stolen. Those young people, having faced the victim and having restored the things, are much less likely to reoffend. This is statistically proven. Generally, we do not teach people to not reoffend by putting them into jail. I personally am in favour of that kind of restorative justice at the early stages of young people's lives before they become hardened criminals.

This bill talks about repeat offenders. If the young person has failed to learn the principles of respect before the first offence and, having gone through the restorative process or whatever is chosen for the first offence, has still failed to learn, now the law has a responsibility to restrain and to protect innocent victims. The member is talking about the sentence for a repeat offender, the one who did not learn it in the first place, who did it once, still did not learn and did it again.

There was a case in Edmonton where a group of thieves were found. In a one week period, while on probation, they broke into 80 homes. What a busy week they had. Are they incorrigible? I venture to say they need to have some time to think about it. A minimum of two years would not be too much for them to admit they were on the wrong track.

I remember also the grievous case in Edmonton of Barb Danelsko, a young mother. She and her family were sleeping upstairs in their house. She heard a noise downstairs. She thought the dog wanted to go out. Dogs do that in the middle of the night. They say "Please, master, let me out. I have some need to go outside." She went downstairs. Lo and behold there were three youngsters there.

Before they left, that young mother was dead. They attacked her with a kitchen knife when she came down. She was not expecting invaders in her house at that time of the night. They prevented her from seeing her children grow up. They deprived those children of their mother and her husband of his wife.

I simply want to say that we need to make sure that those who have not learned the lesson are restrained. A mandatory minimum two year sentence is the minimum that we can do to show those people that if they have not learned the lesson after the first offence, then this is what will happen. We as a society will take the measures necessary to remove them from society because we deserve to be protected.

I urge the government to rethink its decision on whether or not we should vote on the motion. We really should get this thing going because it is a necessary step.

• (1850)

Mr. Larry Spencer (Regina—Lumsden—Lake Centre, Canadian Alliance): Madam Speaker, I want to say something about the consequences of our actions and the importance that we recognize consequences.

Consequences, as we would address them through our justice system, are at least in part meant to be a deterrent. A consequence to be a deterrent must be serious enough to provoke some thought. It surprises me today to hear that one could be imprisoned for life for a break and enter. I am one of those who did not know that.

I dare say the government of the day would never vote for life imprisonment for break and enter unless it had the full confidence that the likelihood of that happening was so very slim that it would never be the case. Therefore, it is not a serious enough threat to the offenders to even consider.

I will speak from the perspective of being a father of four children. When I came to the point of needing to discipline them, the consequences needed to be serious enough that they really considered them ahead of the offence. I wanted to make them think. Do members know what I did? I did exactly what the government pointed out it was doing. I had a son who was a repeat offender in my house. He knew I was not serious. I cannot say the number of times that I would say to him "Son, you are grounded for life". I always paroled him before the week was over.

That is the kind of threat we are hearing from the government, that if offenders break and enter they will be liable to be put in jail for life. I hardly think so. The threat is not really serious and therefore is not a deterrent. A consequence to be a deterrent also needs to be not only serious but needs to be consistent enough to be taken seriously. Sometimes they do, sometimes they do not.

Private Members' Business

We know in our justice system today that there is a huge discrepancy between what judges do. On a bad day maybe they give a few more years. On a good day maybe they do not give more than a few minutes. I cannot believe that we would leave it totally to the discretion of the judge to determine from zero to life imprisonment and shirk our responsibility as legislators to give the judiciary some sort of guideline a little narrower than from zero to life imprisonment for break and enter. We need to be a little more consistent.

A consequence that will be a deterrent also needs to be fair. It needs to be fair as it relates to the offended and to the offender. This is hardly fair to the offended. In a sense it is not even fair to the offender because he did not really take it very seriously and offended again.

A consequence to be a deterrent comes from a respected, responsible authority. I worked hard at that as a father. I wanted to know that I had the respect of my children. To have that, I had to be serious, I had to be consistent and I had to be fair to have them really respect me and understand that I was being responsible.

I am disappointed that we as a parliament so often want to take the easy way out and not be responsible. It hardly seems harsh to me that we would consider a two year minimum sentence to give a little more direction for a repeat offence of break and enter. I support the bill wholeheartedly.

● (1855)

Mr. Deepak Obhrai (Calgary East, Canadian Alliance): Mr. Speaker, I thank all members, as well as the PC Party, who supported this bill. I appreciate that they were able to understand the seriousness of this and I am grateful for their support.

I notice the other two parties are absent. Regretfully they do not seem to think this is a serious issue. However the important thing is that I wanted to hear from the government side, and I did from the parliamentary secretary.

I am totally confused by his comments regarding the seriousness of this issue and how the government is tackling it, the maximum sentence of life imprisonment and all these things, as if it was not a large problem. He claimed that the government and the justice system were addressing it and that everything was fine. He admitted there was a little more problem with home invasion and that the government would address it.

I had held a town hall meeting. I went out across the country and spoke on radio talk shows. The message I got was a totally different one. The message was that this government did not seem to be listening.

I challenge every member over there to go out, have a town hall meeting and listen to their constituents who will tell them how serious the act of breaking and entering is. The parliamentary secretary and the justice bureaucrats are saying this issue is being addressed. It is not. It is staring us right in the face. We have six month sentences and 80% repeat offenders out there. The justice system is failing to ensure safe homes for Canadians. Everybody is talking about it. It is only going to get worse.

I am amazed that the parliamentary secretary and the government said that everything was fine. It is not fine because that is what I have heard. I am not going to ask for unanimous consent because I know I will not get it. However this issue will come back because I will keep fighting for it. It is what Canadians are demanding out there.

The Acting Speaker (Ms. Bakopanos): The time provided for the consideration of private members' business has now expired. As the motion has not been designated as a votable item, the order is dropped from the order paper.

Pursuant to order made earlier today, the House shall now resolve itself into committee of the whole to consider Government Business No. 6. I do now leave the chair for the House to go into committee of the whole.

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OFFICIAL REPORT
(HANSARD)

**Tuesday, May 1, 2001
(Part B)**

Speaker: The Honourable Peter Milliken

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HOUSE OF COMMONS

Tuesday, May 1, 2001

GOVERNMENT ORDERS

[*Translation*]

MODERNIZATION OF THE STANDING ORDERS OF THE HOUSE OF COMMONS

The Assistant Deputy Chairman: The House in committee of the whole on Government Business No. 6.

Hon. Don Boudria (Leader of the Government in the House of Commons, Lib.) moved:

That the committee take note of proposals to modernize the Standing Orders.

He said: Madam Chairman, I will be sharing my time with the hon. member for Durham.

[*English*]

This is the second debate we have had on modernization of the standing orders in this House. The first was held on March 21 in which 44 members spoke for almost 10 hours, a very long time, which obviously indicated a lot of interest on the part of members on all sides of the House. I thank the members who contributed on that day to the process.

As members are aware, the House agreed to establish a special modernization committee on the House rules, which has been meeting since that first debate. Tonight we are actually participating in this debate in committee of the whole where all members are able to congregate around the clerk's table instead of the far corners of the House, as is normally the case. That is something that was developed in the modernization committee on which the House leaders sit.

I hope that some members will speak tonight as well and add their contribution to the debate to give us some more good ideas on how to modernize the House rules.

In the last debate I gave an extensive talk on some of the ideas that I had on modernization. I will not repeat them again this evening because obviously they are all on the record. I am sure that all members read *Hansard* on a daily basis, so they are aware of what I said at the time.

• (1900)

I will take a moment, though, to thank all members of the modernization committee; in other words the House leaders of all parties, as well as the Deputy Speaker who chairs that committee so well.

I have to say that we are making considerable progress. We have gone a long way, but I cannot reveal the content because pursuant to the order of the House we are sitting in camera until our report is tabled.

I cannot in any way criticize my colleagues in other parties. They have been most productive. We have worked very well together. I am looking forward to the June 1 tabling of our report. I am quite optimistic that we will have a number of changes to present to the House. As a result of tonight's debate hopefully we will gather and garner new ideas and be able to add to that again.

[*Translation*]

As I said on March 21, the House has already taken several parliamentary reform initiatives since the beginning of this parliament, along, of course, with the changes that have been made to the Standing Orders.

For instance, funds for political parties represented in the House have been reallocated to take into account the new standings in the House following the last election and, of course, each political party was given additional staff.

We have provided political parties with an additional \$900,000 in funds for items such as party research, caucus services, whips' offices and so on, so that they could do a better job for their constituents.

Members office budgets have been increased by \$20,000 per member of parliament to cover items such as salary expenses and, of course, other operating costs.

The members of parliament housing allowance has also been improved by \$3,000 to cover higher accommodation costs that MPs face in the Ottawa housing market, which is of course very tight. So, accommodation costs have gone up.

The Library of Parliament has received an additional \$986,000 to better support House committees.

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[English]

One point that is not said enough around here is the quality of work performed by parliamentary committees. I have had occasion to visit several other parliaments and bar none, the quality of the work that comes out of our committees is tremendous, particularly the review of legislation from the House.

It is quite common to have dozens and dozens of government amendments after we hear witnesses and so on. What does that mean? It does not mean that the legislation was initially poorly drafted or some such. It means that the system we have developed whereby many people make contributions to the debate makes the legislation better. We should thank members who sit on the committee, the clerks, the research staff, the witnesses and so on.

Everything I have described so far today have been non-partisan changes made by all members of the House or on behalf of all members of the House. I am looking forward again to more members contributing tonight.

I know that one member talked in the House today in a different context about private members' bills and how we should handle them. There is a subcommittee looking at that now. It will make recommendations to the modernization committee. I am quite willing to hear those recommendations. I know all other House leaders are as well.

Some people say that every bill should be votable. I do not disagree, per se. We have to remember, though, that a votable bill takes six hours of the House: three hours at second reading and three hours at third reading. That is six hours instead of one. It effectively means that we reduce the number of private members' bills that will be considered in any year by approximately two-thirds. We could say by five-sixths, but it is not quite like that because some are votable already.

It is fair to say that the number would be reduced by two-thirds. How would we construct that? I would like to get the advice of hon. members. Perhaps, for instance, members should be limited to one private member's bill per parliament to ensure that everybody gets their turn. Even then they would not all get their turn but a greater proportion of them would. That would be another method of doing it.

• (1905)

We cannot just say all the items will be votable. We have to look at the rest of the picture and provide an answer. I know that the committee is doing that now. I thank the committee for the work it is doing. I hope it will make its counsel available to the modernization committee so that we can take it into account.

That being said, those are the preliminary remarks I wanted to make tonight. My parliamentary secretary will be attending later

and making a contribution of his own. I know the hon. member for Durham with whom I am sharing my time this evening would like to give us his ideas on modernization of House rules. I hope members on all sides of the House will contribute to that process.

In closing, any comments made by members on the modernization of the House rules are compiled by the clerk of our committee on modernization. The suggestions by members are presented to us and we go through them every week trying to find where there is consensus and where could incorporate them into the changes we are about to make. Anything that is said here is obviously very useful to us. It is brought immediately to the attention of our committee in the subsequent week.

I want members to know that their contribution is helpful and what they say tonight will assist us. We do not go at this in a partisan way. First, the way our modernization committee works we must have unanimity to change any rule. If all parties agree then a recommendation is presented. If one or more of us disagree a recommendation is not presented. That is the way the modernization committee has been working and working very well, if I can describe it that way.

I am looking forward to listening to the contributions of other members to the debate. I repeat for the benefit of another House leader who is joining us that the advice given to us by members tonight, as was the case the last time as well, is extremely useful. It is compiled and it is brought to the attention of our committee by our researcher, Mr. Robertson, who makes a list of all recommendations that are made, and then they are studied. The list also indicates who made each recommendation so that we can speak to those particular measures at the committee.

If there is any time left I would be pleased to answer questions for the few minutes until the member for Durham takes over.

Mr. Ken Epp (Elk Island, Canadian Alliance): Madam Chairman, I need a clarification. We are in committee of the whole which means that there is no time limit on speeches, except as regarding courtesies to each other. Also, we can speak as often as we wish. Am I correct in that or not?

The Assistant Deputy Chairman: The second part is correct, but on the first part a motion was tabled in the House this morning that says two members may divide one 20 minutes speaking time period. That motion was accepted this morning in the House. Therefore there are 20 minute periods.

Mr. Ken Epp: Madam Chairman, I spent about six hours today in the finance committee so I was not here at that time.

The Assistant Deputy Chairman: Perhaps I should read the motion.

Mr. Ken Epp: No, that is fine. I have some questions of the government House leader. I concur fully with the suggestion that

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perhaps members should be given one private member's option in a session. I think that would work.

I remember when we were kids at camp that nobody got seconds at the meal until everybody had firsts. Everybody could have firsts, and if there was some food left over we went back for seconds.

I have been a member for seven and half years, since the 1993 election, and I have never been drawn. It is just not my lucky lottery day, I guess. I have some good private members' bills that I would like to get on the floor and voted on. I feel that they are important enough for actual decision making.

The member opposite made that suggestion. I am ready to write the computer program. In fact I already have one. I recommend that we take all members and simply randomize their order. If members do not have a private member's bill or a motion and want to pass on it, they can let their name go to the bottom of the list, or maybe we could have a scheme whereby we could trade with others so that everybody would be involved in one rotation. There are other members in the House who have been picked three or four times in the last seven years. That is one correction I think would be really worth while.

• (1910)

Another one he mentioned was that we would not have enough time. Very frankly I would rather have one private member's bill every seven years and actually have it votable so that we can make a decision on it than have three or four that I can just talk about and never do anything about. I would not mind dealing with a reduced number of bills.

Furthermore, let us take for example the private member's bill we dealt with today. It was not votable, but surely after one hour of debate we pretty well all knew the issue. I do not think that it should take more than an hour or maybe an hour and a half of debate before it is sent to committee.

Private members' bills generally are quite focused. They are single issues. If we could send them to committee and then maybe have them come back for another hour debate in what would compare to third reading of another bill, I think it would really expedite the matter. Basically it would take the House two hours instead of one hour for one that we just debate and do not vote on.

We could also increase the number of hours. I have no problem at all with having an additional hour or two per week of private members' business. I have a little problem with some people who have suggested making Friday private members' day. That is really bad because it basically tells members it is an unimportant day and they do not need to be here.

As a matter of fact, if I can even be a little facetious, I have said to some people that I think it might not be a bad idea to make a

member of parliament's salary in direct proportion to the number of hours he or she spends in the House while we are debating private members' business. If we were here 50% of the time, we would get 50% of our salary that month. That is a little facetious. It is not a serious suggestion.

I really think that some of the best ideas come forward from private members. They are the ones out there listening to their constituents. Those constituents have concerns. We start dealing with the bureaucracy and find out that we cannot solve their problems, so we come here with a private member's bill.

I would like the government House leader to respond to some of my suggestions.

The Assistant Deputy Chairman: That was a question that took four minutes, so we will go on for one minute to the government House leader.

Hon. Don Boudria: Madam Chairman, it is somewhat informal, so I do not mind that the question took a bit longer. That is all right with me. At any rate, it does not seem that dozens of members are ready to make speeches.

As the hon. member knows, there is an ongoing survey of members in this regard. I think it is a good idea. I suspect all House leaders are looking forward to its conclusion.

What the member said about the three hours is not quite correct. It is a maximum of three hours. For instance, we had a votable private member's bill last week. I am trying to remember what was the subject. We adopted it and sent it to committee after one hour, even if it were votable.

That is the maximum. If we are amending the criminal code, it is not a bad idea if we knew it was votable to have a longer speech. Perhaps we do not need that long at second reading, or we might want to have that long at second reading and once a committee goes at it we would not need that long at third reading.

If I go back to the British example, they tend to have very short, if any, speeches at all at third reading on anything, even government bills. It is quite common to have a government bill debate of five minutes at third reading. Second reading, I would argue in this case, would probably be a little longer than that.

In any case, as I said, I am not against per se some of these ideas about all of them being votable. I was very lucky as an opposition member in terms of getting my name drawn. For whatever reason, I always seemed to have something that was on the floor of the House of Commons. Probably one of the greatest satisfactions I had was the motion I sponsored which was passed to erect a statue in honour of the Right Hon. Lester B. Pearson.

• (1915)

That statue beside the west block, Mr. Pearson sitting in a chair, if members have noticed, actually includes a design of the chair of

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the House of Commons. That was my idea, everything, including that he should be sitting in a chair and so on. That was my motion. I was there when we unveiled it. The then prime minister, Prime Minister Mulroney, did the unveiling. I think it was a tremendous exercise by an individual member. Had I not done that, like other members who took similar actions, these things probably would not have happened. We just cannot get things to move sometimes without prodding from members of parliament.

Probably another good example of this is the bill on competition. It will be before the House this Thursday with reference before second reading. The bill on competition bears great similarity to two private members' bills, one in the name of the member from Kitchener and the other in the name of the member for Pickering—Ajax—Uxbridge.

One involves gasoline pricing and competition in that regard. The other one involves issues regarding the misuse of Canada Post to send out phony things where people are alleged to have won something. To claim their prize they phone a 1-900 number, which gives them a huge telephone bill and usually a prize of exactly nothing. That bill largely covers those items. They are private members' ideas.

As a minister I think this is great. I support that entirely. As I said, though, in my opinion the price to be paid for it is a dramatic reduction in the number of private members' bills debated. Perhaps that is not bad. As my colleague said, it means that the more important ones will be debated, and because we know they will be votable, they will always be of that importance because otherwise we would not put them. We would not want something to be put to the House to have it defeated by everybody because it was a very bad idea. Of course if it is not votable anyway, one does not really care. So arguably there is a benefit in that regard.

Finally, I think all of us should think of the effect of what the hon. member just asked and hopefully the committee doing the work will think of it, namely, should people have two or three tries at it before everyone has had at least one?

Perhaps one way of doing it would be this: at the beginning one would draw from the list of everyone who has at least one item for private members' business in the kitty. We would draw, and as we go through the process, three or six months later we would draw a name and if that name has already been drawn it would be thrown out and we would take the next one, until we find one that has not been drawn. At the beginning of a session that would not be a problem, but as we go along it would be.

If we reach the end and everybody who had an item in the kitty has had their name drawn and other members just do not want a private member's item, we could start again. We would assume the list is complete because we would have zero names left in the kitty, or at least zero names that have items in the pot.

For instance, ministers such as myself are ineligible. Secretaries of state are ministers at a different rank but similarly are ineligible. Parliamentary secretaries while they are parliamentary secretaries are also ineligible, but because they are generally on a rotational basis serving a term of two years, someone could be ineligible and then a year and a half or two years later become eligible for the draw.

Whatever mechanism we develop should bear all these things in mind to ensure that it is fair for everybody. Those are some ideas on how to handle that one, but I am not married to those I am suggesting. I am giving them as examples of how to reform this. I would like other colleagues to add to them the good ideas that they might have as well, and by the way, not just on private members' items, I hope, but on everything else we do around here.

• (1920)

Mr. James Rajotte (Edmonton Southwest, Canadian Alliance): Madam Chairman, I was an assistant here with Ian McClelland before I became a member of parliament. In terms of the relationship between private members' business and government bills, one of the researchers for the Library of Parliament told me that before 1911 most of the bills that were passed were private members' bills but that since that time there has been an increasing tendency to spend most of our time in the House on government bills.

The researcher felt that the system actually worked better when more time was devoted to private members' bills. As the hon. member for Elk Island pointed out, we tend to be closer to the ridings than the government bureaucracies are. Perhaps it has shifted too much in favour of government bills and there should be more time allotted during orders of the day for private members' bills. Would the hon. government House leader comment on that?

Hon. Don Boudria: Madam Chairman, when I came here in 1984 it was almost impossible to get a private member's bill voted on. The system was somewhat different and was reformed to the way we have it now as a result of the McGrath committee report.

Before the McGrath committee report the items were all theoretically votable, but they were votable when the debate had concluded. We had one hour of private members' bills debate every day. The trick at the end of the day was to talk the bill out, as it was called. Then it went to the bottom of the list, only to reappear perhaps 18 months later.

It was the same as killing it except that it was not really the same. It was in a state of suspended animation. With any luck, of course, 18 months later the House had prorogued and we were into a new session and it started all over again. It was the same as killing

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it, except we were not killing it. That is the problem we had then. I think that was the absolute worst system one could have ever devised.

The system we have now is from the McGrath committee report. There is one member of the McGrath committee who is still a member of the House. That member is the House leader for the New Democrats. He is the only survivor of that committee, politically speaking, although there are several other survivors otherwise speaking. It was a good innovation. That does not mean we cannot improve it again.

In terms of the numbers of private members' bills passed, I know of some provincial legislatures that pass exactly zero private members' bills. It is just not done. Very few, if any, are ever passed in the Quebec provincial assembly. It does not happen.

I served for a number of years at Queen's Park as a provincial member in Ontario. There it was a different system. They were all theoretically votable, but there was so little independence in voting that effectively the government stood up and killed them every time by voting them down. It really did not do anything.

The innovation we have here, I think, is that first of all there are enough of us in the House with 301 members that there is a critical mass of people and at private members' hour it is a lot harder to separate strictly along party lines. That is a good thing. It makes for members with a little bit more independence of thought and that works reasonably well.

In terms of the numbers of private members' items, we have some every day, with a couple of exceptions, and hon. members will know that occurs if we are having the budget debate or the throne speech. For the throne speech is easy to understand why we would not want to have any there. It is at the beginning of a parliament and we have not had the private members' items in yet so there is no reason to have them there.

As to why we cannot have them at the same time we are having budget debates, I do not particularly object to that. I do not see that there is anything particularly offensive about other times around here. I do not know why we cannot simply have them every day. It is effectively the case now, with a few exceptions. Why not remove some of these exceptions? I am not against that either. All of those things seem to be at first glance good occasions to have private members' items.

Of course we will always be governed by our constitution in any case. Obviously members know that we cannot have a money bill at private members' hour, unless we find a minister who will provide a recommendation from the crown, a royal recommendation. That is a constitutional issue.

• (1925)

Furthermore, if a bill is to generate a tax then it is even more complicated. Not only must it be a minister but a minister must have tabled a notice of ways and means and have the ways and means motion adopted by the House before he or she can even introduce a bill to levy a tax. The equivalent in the United States is that there has to be a recommendation of the ways and means committee. The Canadian equivalent of that is a little different. It is the same as the British in that we have concurrence in the ways and means motion, which is the enabling motion that permits a minister to even introduce taxation measures in the House.

Those are two restrictions that I suspect will always be there because of our constitution, but that does not mean that there are not dozens of good ideas that can be addressed by way of private members' items.

Mr. John Bryden (Ancaster—Dundas—Flamborough—Aldershot, Lib.): Madam Chairman, I would like to take advantage of the fact that the government House leader is here because he has a very long memory of parliamentary procedure.

One of the problems that I noted in my time here with respect to private members' business and trying to give it more opportunity was that often members would say, "Well, let us just vote yes for this at second reading and it will go to committee".

Clearly the problem with that was that the committees were suddenly burdened with business that they did not properly have the time to manage. Some committees were burdened more than others. I think, for example, of the justice committee.

I have thought a lot about this. I wonder what the government House leader thinks about restoring the old legislative committees. Is there not an argument to be made for creating a legislative committee to receive private members' legislation in some way, if you will, pre-examine it for appropriateness and viability before it goes on to the proper committee? Or perhaps the legislative committee could handle it right on to report stage.

It just seems to me, Madam Chairman, that in order to make more bills votable we have to find a new system that makes it possible to process these bills without adversely affecting the very limited time of committees.

Hon. Don Boudria: Madam Chairman, on the second point, this business about having a pre-approval by a committee, that is in fact what members are advocating tonight to get rid of, because now we have a committee that in a way screens them to make them votable. It is kind of the same thing, not quite, but it is analogous to that, I would argue. My feeling is that most people do not want that.

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The other thing, though, is in regard to once a bill has been read a second time and sent to committee. We did make an amendment a few years back whereby committees now have to report the bill within a certain amount of time. Otherwise the bill is deemed reported anyway without amendment. We have that in our present rules. That did not exist even in 1993.

It was an amendment produced I think in large measure as a result of an innovation of the then Reform Party House leader, the hon. member for Langley—Abbotsford. I believe that was one of his innovations. Perhaps others were involved with it too, but he was associated with the cause of bills deeming to have been reported, which made it such that bills that kind of disappeared into a black hole called a committee do not do that any more. They go to committee but they now have to come back out, and the period is reasonably short.

There is one problem that remains, though, and I guess we will all have to be very frank about this, and that is that private members' bills are more times than not all about justice. For instance, on the weekly list that I was looking at Monday when I had a meeting with my staff, four out of the following six days were about justice issues. Of course if they all were votable and all sent to the same committee, I think the hon. member who just raised the question obviously has seen what would happen then. That is going to absolutely overload the system. Hopefully when the subcommittee makes its recommendation it will address that because it would make it impossible to function if that happened.

• (1930)

In terms of a legislative committee, it is still in the rules. It was largely unused because it had a tremendous deficiency. The last time we used it was on Bill C-20 of the previous parliament.

The difficulty with legislative committees is the following. Suppose we set up a legislative committee on agriculture to review a particular bill, like the bill we passed today on farm credit. The agriculture critic and the agriculture parliamentary secretary and so on would want to sit on it. All the people on the agriculture committee would also end up sitting on this special committee but there would be a different clerk. The end result was the agriculture committee would be the legislative committee with a different clerk. That was always the result of that.

After a few years of this, people began to look at it. They said why not keep their usual clerk and the usual everybody because they were the people who knew something about agriculture? Why was somebody else doing this and not the people who actually had the expertise in the area? That is how they fell into disuse.

If we had the multiplicity of private members' items in a given area, we would obviously have to rethink that in a way perhaps like or somewhat like the suggestion made by the member who just asked me the question.

[*Translation*]

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Madam Chairman, I am sure that the government House leader will agree with me that in a parliament, it is advisable that members use available resources to inform parliament of all concerns pertaining to their immediate communities. Private members' bills allow that.

However, I do not agree with the House leader when he suggests that there are enough statutory resources available. Resources alone are not enough, there must be no strings attached to them.

Could the House leader tell us how many legislative counsels there are at present? I do not think there are more than three; they are very dedicated, extremely competent and a credit to this House, of course.

And does he have any idea of the timeframes that are involved when, as an ordinary parliamentarian, one has to register to have a bill drafted and would like the work to be performed within a reasonable time? It may take a legislative counsel weeks to come up with a bill that satisfies the member.

Once again, we are not questioning the individuals' abilities, but rather their numbers. There are only three, four or perhaps five legislative counsels who draft amendments for the committees.

Madam Chairman, you were yourself a member of the standing committee on justice for a long time; you know that many amendments come from committees, particularly from the justice committee. Legislative counsels then draft bills which take considerable time. The government and the Clerk of the House of Commons were very reluctant to commit additional resources for legislative counsels.

Does the leader agree with me that, to restore the function of a member of parliament and the independence of thought that must be attached to it, it is important that we have a sufficient number of legislative counsels to ensure a speedy process with regard to the drafting of private members' bills?

Hon. Don Boudria: Madam Chairman, I do not disagree in principle with what the member is saying. However, as the member knows, the amount of money for that is not determined by the government, but by the Board of Internal Economy, and all the political parties represented on it.

Improvements have been made; our clerk and his predecessor addressed this issue. The staff was increased, budget estimates were made, and increases were granted.

The member is also aware of what happened. Following an unexpected increase in the number of amendments that could be

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presented at report stage, it was taking legislative counsels a lot of time to draft them, sort them and so on.

With the rules having been restored—because these are not new rules—there may be more resources available.

• (1935)

I do not know if they were affected by that. In any case, the issue will be raised with the Board of Internal Economy. If they were not affected, we will check to see if the delays are still unacceptable. In any case, the Board of Internal Economy sits every two weeks or almost every two weeks and goes over these kinds of issues when they arise.

Unfortunately, I now have to conclude on this issue. If the member is asking me if delays of several weeks and even months are normal, I would say no, this is not reasonable. A member should have the right to speak, which means, of course, the right to introduce a bill.

This brings us to a whole new debate. Will a private member's bill have to be as precise as a government bill? Can it be amended in committee? This is a whole new debate.

If these bills are to be considered much more seriously by the House and always be designated as votable items, then they will have to be as well drafted as government bills. If they are rarely designated as votable items, then will it be necessary? Maybe not.

Finally, members can always, of course, raise issues through motions. It does not take a legal adviser to do so. I have drafted enough motions to know that. Issues can be raised simply through motions.

Again, I want to thank the chair and my hon. colleagues. I will now let the hon. member for Durham have the floor.

[*English*]

Mr. Alex Shepherd (Parliamentary Secretary to President of the Treasury Board, Lib.): Madam Chairman, I am very pleased to be sharing my time with the government House leader. I also want to congratulate him on his initiative to allow members not only the time in the House of Commons but in this format. I find it very friendly and congenial to possibly reforming the rules of the House.

I am interested in pursuing an issue which is dear to my heart and I guess is an issue that has been around since parliament started. That is the whole concept of the estimates process. In a lot of fundamental ways parliament was formulated as a watchdog to focus on the whole area of government spending.

Historically an estimates process was developed. If one studies the history of parliamentary democracy, most parliaments spent

most of their time reviewing the estimates of departments, asking questions about why they were spending money certain ways and tried to ensure that governments spent taxpayer money effectively and efficiently.

I want to elaborate on the estimates for those people at home who may not understand the process. Estimates come from the budgetary process. The budget is presented, then individual departments prepare estimates. In other words, they are estimating the costs of running their programs for the forthcoming year.

Since 1993 we have improvised two other fundamental reports that come with the estimates. One is called plans and priorities, which is basically a document that looks forward two years to what individual departments will do. It is not so much trained on dollars and cents. It is more about their ideas and so forth and where they are going in the future. I suppose one could actually look at the budgetary process which talks about two year rolling budgets, which also fits into this analysis to some extent.

The other report that was added was the performance report. The concept was that the performance report would be the report card. In other words, it listed a department's plans and priorities and what it said it would do. The performance report obviously comes after the fact and tries to measure what a department's plans and priorities were and how well it measured up. That was an add on to the accountability function.

Having been in the House for seven and a half years and watching this process unfold, I think it is fair to say the estimates procedures and the review of the estimates has declined in importance for a number of reasons, not the least of which is that it is a deciphered process. The estimates show up in various committees, whether it is health, transport and so forth. They are dealt with in very short order and a very short period of time is spent on them. A lot of members do not have the resources or the wherewithal to get involved in the estimates process.

• (1940)

This is very much a problem for us as members of parliament and how we represent our constituents. It really gets back to the fundamental duties of members of parliament and what they are sent here for in the first place.

Basically, the whole issue of estimates and improving how we handle estimates has been around a number of times. I go back to Senator John Stewart who back on December 5, 1995 tabled an all-party Senate report. It recommended that we establish an independent committee to deal solely with estimates, plans and priorities and the performance of reporting.

Since then we have had two other committees of the House with members from across party lines. The member for St. Albert

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chaired one of these committees along with our member from Ottawa West—Nepean. Once again, back in 1998 the committee recommended the importance of establishing a separate estimates committee. There was another election but it was reported to the House.

Subsequent to that on May 4, 1998 another House committee, this time chaired by the member for Mississauga South, came back with the same recommendations. These were not government committees. They were committees of the whole and creatures of parliament. They have recommended this over and over again. Looking back at this there was all-party support in pursuing this matter.

Why is it important that we develop this in one committee? Some people will say what is wrong with the process now, that we look at estimates and so forth? I was in a discussion the other day, not only members of parliament but also the bureaucracy. The suggestion came up that it would be very interesting to ask members of parliament, who just received the estimates recently, if they actually opened up the binders. I think if we polled members of parliament and they were honest about it, we would find that it would not be a great number.

We should be ashamed of ourselves because of that. However there is something wrong fundamentally within the system that has created that lack of interest in that whole process.

In addition there is a number of other things going on in this country and in the world. We are changing technologically. We are talking about government online and people are able to interface with a government using the Internet. Often people now think in terms of horizontal issues. I heard that mentioned earlier today. We have to find a way to deal with horizontal issues imprinted on a system which is now working in silence, a vertical process.

We talk sometimes at length about societal indicators. We as members of parliament should be thinking about what it is that our constituents and people across the country expect of government. There are things called societal indicators. They want employment, a good quality of life, quality of air, et cetera. There are a number of societal indicators.

It seems that we need a committee to develop a filtration system picking out maybe 16 societal indicators, and treasury board has 16. We could all sit down and argue about what we thought were societal indicators. Once we agreed on the societal indicators, these documents could then possibly be reviewed by an estimates committee and members of parliament could look at the whole process somewhat through that litmus.

Another thing that would be very useful for members of parliament would be the plans and priorities procedure. They could

interface with the bureaucracy before a plan and priority was established by a department.

There are limitations as to what members of parliament can do obviously. We still have the concept of responsible government and ministerial responsibility.

• (1945)

It would be a great place for members of parliament to have a significant impact, not necessarily on changing the overall view and direction of the government's policy but rather to look for things that perhaps are inappropriate.

If the object of the exercise is to improve culture in our country, is the expenditure better on CBC television or on CBC radio? These are some fundamental things with which we could deal. In other words, we could deal with the internal shifting of money within the estimate process and the plans of priority process.

More important, the system we have today is not working well, even with the plans, priorities and performance reporting. Most members of parliament who were not involved in that process would say that it was not working very well. If I were to pick up a performance report on any government department today I would not find one negative comment. It would be like having a report card with all A's. Most people would agree that if we really want performance reporting we should really have some failures.

It is up to members of parliament to refine the process and create a filtration system that each department could go through. We could create a litmus test for situations dealing with budgetary things. Sometimes we are over budget and sometimes we are under budget. This triggers questions and accountability arguments from members of parliament.

We need to talk about the accountability of government and our ability as members of parliament to impact on the accountability of government. By having an estimates committee we could develop an expertise.

The counter argument is: What is wrong with the process? One committee of parliament, which is the government operations committee, deals with about half the government estimates. I sit on that committee and the operations committee is a hybrid. It is not even an independent committee. It has been coupled up with transport issues and the whole thing is getting lost in the process. My experience on the committee is that people come for two or three hours to talk about the estimates, spend billions of taxpayers dollars and then shuffle out the back door. We then get back onto a legislative agenda. That is kind of the norm of what we are doing.

With a little bit of direction, perhaps Treasury Board people and others could come to that committee. We could develop a significant expertise on how to analyze estimates, how to report on them and how to change them to have some impact on that process of

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government. Our constituents elected us to do that. They elected us to come here and ask about the accountability process.

I know a lot of members of parliament who came here in 1993 studied estimates. I know I did. I went through page after page. Members who have been here longer do not pay any attention to them at all because they feel they do not have any impact on the system. Some members do not have the expertise to understand them, but even if they have raised questions the money has already been spent.

I keep talking about the estimates committee, which is inappropriate in some ways because the estimates are historical documents. When we talk about estimates we are really talking about something that has already been processed. The likelihood of changing the estimates is not of much value but the plans and priorities certainly are. If we could link the plans and priorities process to the performance reporting process it could have an impact on future estimate processes and a significant impact on how governments spend or do not spend and how we could save the taxpayers money in some of these areas.

The issue is not new. There has been a lot of resistance to moving in this direction. Some common law countries already have all kinds of estimates committees. Some have an estimates committee just for transport. New Zealand has a number of estimates committees. These committees study and improve the estimates process on a department by department basis and have developed an expertise in those things.

The people of this country deserve a better accountability framework for government. We need to take this a lot more seriously than we have in the past.

• (1950)

If we had all party support on establishing a pilot project to start an estimates committee, we could deal with one or two departments to see how it would work. Perhaps we could develop a degree of expertise to impact on the system and to talk about the societal indicators that people are interested in impacting on the government system.

We have to change government to some extent. The whole idea of silos is very difficult. There are many bureaucrats and governments trying to talk about cross horizontal issues. The issues of disability affect many departments. It could affect transportation. It could affect health. It has all kinds of cross indicators. Sometimes the directions of one department are doing something in tandem with another department when they are working at cross purposes.

An estimates committee could define those problems and eliminate them. It could have the power of bringing departmental officials forward to ensure that we alleviate some of those problems.

I will leave the House with the concept that something as unique as an estimates committee would be useful. Some people would ask why we cannot use the public accounts committee. The public accounts committee is entirely a different animal because it is examining things that have already happened and things that have been reported by the auditor general. The estimates committee is a forward looking committee that would examine how it could change government financing and how governments spend.

On that note, it would be my suggestion that we try to look at some of the recommendations made by parties of the House in the past and to create a pilot project in the fall involving an estimates committee. We could see if we could work on this with a degree of co-operation from all parties. The object of the exercise would be to spend taxpayer money wisely.

Mr. Ken Epp (Elk Island, Canadian Alliance): Mr. Chairman, I have a couple questions. I respect the member. He is an accountant. There is no doubt in my mind that he is very concerned about government expenditures and the whole process of approval and accountability after the fact. However he dreameth in Technicolor. When the finance minister presents a budget most of what he says, in essence, is already law.

I remember that less than a year ago we had a bill in the House respecting the Budget Implementation Act that dated back 10 years. That is how far back we went in implementing a budget provision. Meanwhile, the finance department and the revenue department had been implementing those things per the date of the budget speech. The hon. member, like I say, dreameth in Technicolor when he thinketh that he can have any impact on that.

When it comes to vote on the budget, we have this arcane process that says that no government member can vote against the budget because it is considered a confidence vote. There is no mechanism in parliament now, according to the present rules, to change even the smallest part of the budget.

When it comes to the estimates, they are tabled in the House. We usually start the voting at 10 o'clock at night and by the time we are finished at 2 o'clock in the morning we have approved the expenditure of maybe \$70 billion to \$80 billion. It sort of rolls off our backs like water off a duck's back. There is never an adjustment.

I remember about three or four years ago our party made an amendment to change HRDC's budget to reduce it by \$20,000, which in the grand scheme of things is like changing my budget by a penny or thereabouts. We said explicitly that it was for the purpose of making a statement to declare that parliament had final control over expenditures. Every Liberal member on command voted against that little amendment to change the budget, showing that parliament did not have control over the budget process.

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• (1955)

While I appreciate what he just said, I wish him lots of luck. I hope he has lots of fun with his proposals and that the government House leader accepts his suggestions, because I favour what he has said. However I do not believe they will go anywhere.

Mr. Alex Shepherd: Mr. Chairman, the hon. member misunderstood what I said. I used the words estimates committee. I see the functioning of the estimates committee as having less to do with estimates and more to do with what are called plans and priorities.

What happens is that every department, in addition to giving their estimates, gives their plans and priorities for the next two years. In other words, I am not talking about something that is written in cement. I agree with the member in the sense that once we are into the estimate process, we are pretty much into cement. We ask people why they did what they did, as opposed to why would they do what they are planning on doing.

Possibly the name of the committee is wrong. Maybe we should call it the plans and priorities committee. However the object of the exercise has two functions: to deal with plans and priorities and with performance reports.

The plans and priorities would be an interface for members of parliament to get involved with the process that has not happened yet. In other words, the budget has not happened. It will, two years from now. The budget has not been presented, but the internal mechanism of departments is now planning on how they would spend money two years from now. It is the interface for parliamentarians to be able to catch up with a forward looking concept.

The second part of it is to make departments accountable for their plans. Right now, if we read their plans and priorities, there are great latitudes and platitudes. Some of them are good and some of them are not so good, but the reality is that they are not much good to members of parliament because they do not tell them specifically how or where they would spend the money and so forth.

The same fault exists with the performance report. This is all new. This is new in terms of parliament. It is six or seven years old, but the reality is that the performance report today, if we read it, gives all the departments an A. They never make a mistake. It makes no mention of some of the worst scenarios of which all members would be aware.

The object of the exercise of an estimates committee would be to try to link the plans and priorities with the performance report. We would agree as a committee on the plans and priorities or disagree with them. We would report to parliament. We may think the spending plans could involve the spending of money in better ways if the objectives were based on societal indicators. That is the

concept and therefore when the performance report comes in we expect there to be failures.

When we are involved in this process there are risks and with risks there are failures. We are big enough to realize that. We talk about letting government departments manage. We should let them manage. If we let them manage, they will make a mistake somewhere along the line and that is fine. We understand that, but it should show up in the performance report.

Mr. John Bryden (Ancaster—Dundas—Flamborough—Aldershot, Lib.): Mr. Chairman, we would all agree that what the member for Durham is saying is appropriate. We want that. Everything that he said about the lack of oversight on the estimates and the lack of oversight on performance reporting is certainly a shortcoming of the way government is operating and how parliament is operating on the committee system.

However what we have to ask ourselves in the context of what the member for Durham is saying is how do we achieve what it is he wants us to achieve. How do we make time for that special committee on the estimates?

The reality is that the number of members of parliament, out of the 301 in the House, who have an interest in things financial is probably less than 10%. Maybe it is more than 10%, but just around there. They are spread over the finance committee, the government operations committee and the public accounts committee. There is literally no time to use this talent to give the estimates the kind of attention they deserve.

What I would suggest, and I would like all the members here to consider it, is that this is all about modernizing the way parliament works.

• (2000)

Maybe what we ought to be considering is setting up a committee on the estimates that sits outside the time that parliament is sitting, that sits perhaps during the January break which is one month long or perhaps sits after the House rises in June.

To give incentives for the expertise that we need on this committee of the estimates we could, as they do in the United States, actually pay the members of parliament who agree to sacrifice the time they should be in their constituencies for working on this committee. We could pay them in the same manner that is done in the United States.

I do not like the idea of paying members of parliament to serve on committees, but this is an exceptional problem that actually needs to be addressed. It requires members of parliament with particular interest and expertise and indeed it requires a sacrifice on the part of members of parliament.

I wonder what the member for Durham and other members here think about the possibility of striking a committee that sits outside the normal sitting days of parliament and that may even involve giving a special remuneration to those members who agree to sit on the committee.

Mr. Alex Shepherd: Mr. Chairman, I thank the member for his comments. I must admit that I have not put my mind to doing that. My experience has been that members of parliament work very hard when they are here and look forward to their time back in their constituencies. There are obviously some problems, but his opinion has merit and is probably worthy of some investigation.

With regard to the member's first comment that all the people interested in these areas are already gainfully employed, I do not know if that is quite true. If this thing could take on a life of its own, I suspect that once people got the impression they could have some impact on the way governments spend in the future it would possibly be more popular than the other two committees he talked about.

Another function of creating this committee and its interface with some of the other ideas about societal indicators and horizontal issues as opposed to vertical issues is basically to raise awareness. What would come with that pilot project would be some kind of education process for members of parliament. Treasury board officials or others would explain the process and how they could impact it. It would be a very powerful tool. People would warm up to the idea once they understood that they had an impact.

I have seen the reverse scenario. People came to this place in 1993 and were all keen about these things. Now that keenness has declined and people are not interested and have drifted away to other things. This would be a great forum to attract members who are keen and idealistic about changing things.

Mr. Deepak Obhrai (Calgary East, Canadian Alliance): Mr. Chairman, this is my second term in the House and as such people call me a veteran. I do not know why they call me a veteran. Just before the election I was called a rookie and overnight I became a veteran. I am supposed to know overnight exactly what is going on in the House.

In my four years one thing that has become consistently clear is that there is something wrong with the system. Everybody on the opposition side and backbenches, whether they want to say it openly or not, were unanimous that something was wrong with the system. We were elected to represent the people but somehow we are not able to do that. That was becoming quite clear. Everybody kept saying that, even the gentleman who is laughing.

• (2005)

We remember the member standing over there talking and saying that this was a bill with a problem. We all know there is a problem. There is a problem. Nothing is happening.

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I am amazed that government members were on the opposition benches.

An hon. member: Be non-partisan.

Mr. Deepak Obhrai: This is non-partisan. They were in the opposition so they know there is a failing in the system. When they got on the other side they were totally closed on any kind of reform. We would think that members on the other side who have been on this side would use their experience on this side to make the system work better.

We are all Canadians here. We are here representing our ridings. Our country is diverse in its views. I do not think we can say anyone is wrong or right. We have different points of view. We all represent Canadians here and we need to speak on behalf of Canadians.

My colleague has spoken about a private member's bill. He said that for seven and a half years one of his private member's bill has not come forward. I just went through the experience of having a private member's bill. There was debate on it and I asked myself what I was doing here. It was the most horrible experience I have endured in trying to address and get a point of view across.

I spent three and a half years going across the country from coast to coast speaking on every radio talk show that I could. I had townhall meetings and I had Canadians expressing their views. I came to the House, supposedly a democratic House, and with one swat it was wiped out.

An hon. member: Gone.

Mr. Deepak Obhrai: Gone. People out there are thinking and saying something about this. There is a viewpoint out there. If a person does not agree with a viewpoint, that is fine. If the government does not agree, it should not allow the whole Canadian voice to go out the window with one swat. We are a little concerned. Now what? I stand here shaking my head and asking now what. What do I do with the bill?

One member has been in the House seven and a half years and has never been allowed to speak his mind. Now what should I do?

An hon. member: I spoke my mind on yours, though.

Mr. Deepak Obhrai: Is that right?

An hon. member: Yes.

Mr. Deepak Obhrai: I spoke my mind too. The question is what should I do now.

Mr. John Bryden: Was it voted on or not?

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An hon. member: No, it was not. That is the frustration.

Mr. Deepak Obhrai: No, because the committee did not make it votable. There are four people sitting out there deciding what should be on the table. There is something wrong with the system.

We have identified this issue and the government House leader has come here and said there is an ongoing survey. I do not know, but maybe my colleagues can remind me. In the last parliament did a survey come out on the same issue, on whether private members' bills should be in committee?

I was a new member. I was not experienced on private members' business so I did not fill out that one. I have strong views now on how the system works. I strongly believe that if a member works hard for two or three years to get an issue before the House, we owe it to the member that the issue be votable. There is no point in doing three and a half years of work otherwise.

Mr. John Bryden: We agree.

Mr. Deepak Obhrai: I know the member agrees. I just heard the member say he agrees, but the question is: Will those who have the power to make the changes agree? That is the point. I do not know. Frankly speaking, after listening to the minister, I do not know whether he will agree to this votable bill. He has put out a survey. So what?

I have sat on enough committees that have been chaired and have seen manipulation take place. Whatever the government side wanted, the frontbench wanted, it was done.

Mr. John Bryden: You are supposed to be non-partisan.

Mr. Deepak Obhrai: What do you mean by non-partisan? I suppose we can use ordinary language since we are in committee?

Mr. John Bryden: We cannot swear.

Mr. Deepak Obhrai: Then stop heckling me.

• (2010)

Let us make all private members' bills votable. Interestingly I heard the government House leader raising objections that it will take too long. He asked how many hours and what we should do. He also said that it would tie up resources.

Because the government House leader raised these issues I see reluctance on his part. He is trying to say that this cannot be done. I am telling him everything can be done if it should be done.

The point is that 301 members of parliament represent 301 constituencies and speak on behalf of their constituents. Even the Prime Minister phoned a bank on behalf of his constituency and proudly said that he was working for his constituents. The fact of

the matter is that we are working for our constituents, but if we are muzzled, if we cannot raise anything after spending so much time on it, what is the point? We must be objective about it. Let us make them votable.

At this point in time we should put no restriction on it. They should just be votable. It is common sense. The government House leader said it and I agree with him. I do not want to put forth a bill that will be defeated. I will look pretty stupid if I put forth two votable bills that are defeated. Maybe I could come along and put forth three bills. In the beginning I could be very proud, but I can say very rapidly that I will become a laughing stock if my bills are not acceptable all round.

I have a question that counts. Should private members' bill be subject to a free vote? It would be best to have private members' bills votable but they should be free votes. If they are not free votes, they fall back on to the government agenda.

It would be far more advisable for such bills to reach committee stage to consider their good elements. One good thing about committee is that witnesses are called before it and provide a broader view of what people are saying. At the end of the day, whether or not it becomes law, I agree the government has been chosen but at least we know that good points in a bill have been picked and the voice of Canadians has been heard.

Let us have all private members' bills votable. They should be free votes. It is not binding on the government. The free vote would only say it is going to committee. Once it goes to committee, we can take the good points and filter out those that do not fit or make a slight amendment.

When we start doing this we will have an argument from the government House leader saying that it will tie up resources, that they do not have the resources and the committees will be tied up. I do not think so. At the end of the day we can do it, if we want it to work.

I am totally opposed to the subcommittee on private members' business. I have been through that subcommittee and I can only say that I will not appear before it again. I will not appear before those four people to try to tell them what I am doing on behalf of my constituency. I felt like a bloody fool. I know that is not parliamentary language, but I do not feel that I should appear before four people to represent my constituents. I do not feel that subcommittee should be made available.

• (2015)

If it is a frivolous bill the House leader could sit and explain to the member that it has no chance. The bill could be weeded out through common sense. If not, we should let it go.

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If the government has two or three defeated bills the opposition would love it and could play on it during election time. Members must therefore work hard to make sure their bills are passed.

We all come here to work. We do not come here to play a media game. We come here to work and we put in a lot of hours. I put in a tremendous amount of hours behind the scenes on these things. It is not a media circus.

I am sure that at the end of the day it will settle down and we will find a happy medium. The problem is that we are not letting things rise to the top because we are putting up barriers. The government House leader says there are not enough resources and that a bill may tie up the system.

I did a quick calculation regarding private members' bills. Let us say we have a votable bill and are deciding whether to take one, two or three hours to debate it. If we have a maximum of two speakers on such a bill it would take the five parties two hours to debate it. It is as simple as that.

Two speakers is enough. My colleague made a good point when he said two speakers could put forward their own and their party's position. He is right. We do not need three or four speakers. Two speakers could present the gist of an issue. After that it becomes repetition. I therefore recommend two hours for private members' bills to become votable.

The House leader said a lot of private members' bills deal with justice and could therefore tie up the justice committee. Let us think for a second. What is wrong with setting up justice subcommittees? There are 301 members of parliament. Why should the main committee be stuck on this? The Standing Committee on Foreign Affairs and International Trade could not handle all its work so it created subcommittees. What is wrong with that?

Justice is an issue on the minds of Canadians, and members of parliament are bringing questions to the justice committee. Why not have subcommittees? Once the justice issues settle down we will perhaps no longer need subcommittees, but let us not have restrictions. There are solutions to this issue.

I want to address another point. House leaders, government ministers and private members put forward bills and then we are forced to stand and do a lot of huffing and puffing and all that kind of stuff, and the parliamentary secretaries do not have the foggiest idea. We should have a question and answer period for bills that are tabled. Dialogue is more important than simply making statements.

Speeches should be followed by a question and answer period, with extended time for the Prime Minister, the Leader of the Opposition and the members tabling the bills.

• (2020)

I have sat here at times and heard statements I did not agree with. I would have liked to offer my point of view but could not because there is no question and answer period. I believe there should be a question and answer period after every speech.

This is a house of debate. This is not a place to sit, make statements and then go away. We want to debate the issues. That is why we are here.

My third point, and this is quite a contentious one, is committees. The way our committees are structured must be addressed to better deal with the issues. If we are to send private members' bills to committee we must structure committees to be able to deal with them. We are all here to see that things improve. We are all speaking for Canadians. We must therefore take a serious look at committees.

I do not know which government members formerly sat on this side as the opposition, but I am sure they know that sitting in a committee is very frustrating. At times I have gone to my leader and asked him to take me off committees. I find it hopeless. I asked him to send me where I could do something useful.

I cannot do anything the way this committee is structured. No one is interested in listening. The witnesses all favour one point of view. Government legislation needs to be pushed through so everything is done accordingly. Ministers come to the committee and make a speech, and I have three minutes to ask them questions. What can I ask in three minutes? Nothing. Then the ministers get to say they have set up a committee to address the issue. The committee tables its report and it ends up on the shelf.

Canadians have this notion that parliamentarians are not effective. As far as I am concerned, the protests in Quebec City reflected the feelings of the Canadian public that parliament is irrelevant. Maude Barlow has said quite clearly that she feels parliament is irrelevant.

When I was in Geneva I heard United Nations bureaucrats saying that they, and not parliamentarians, speak for the people because they talk to them better. There is a growing mindset out there that it is okay to bypass parliament. Why? It is because of the way parliament is structured.

I am glad we are having this debate tonight. There are good points coming from all sides. The hon. member made a very good point about the estimates. He is not comfortable because the estimates come in and go out and billions are spent and gone.

The hon. member for Ancaster—Dundas—Flamborough—Aldershot said something about being paid for sitting on committees and I have a hard time agreeing. I am not here to make money. I came here to make a contribution. I had quite a comfortable job

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before I came here. We need to make this contribution. I am sure 99% of members of parliament are here to make some kind of contribution.

● (2025)

I will now look at committee structure and recommendations on how to make committees more effective. First, we must get parliamentary secretaries off the committees. I call them the whips. They sit there and control what happens. We should also rotate committee chairmen so that government members do not always occupy the chair.

The government controls committees but does not give them power. One may wonder if at the end of the day the recommendations of committees are binding on the government. They are not, and yet the government wants to control the committees.

I totally enjoyed making this point because of how I feel about it. I will leave it at that.

Mr. Peter Adams (Peterborough, Lib.): Mr. Chairman, I listened with great interest to what our colleague had to say. Some of the things he said I have great sympathy for. Some I have less sympathy for, but I was concerned about his tone. Most members this evening have avoided blaming whatever faults there are in the system, and no system is perfect, on the government.

I realize that in a majority parliament the majority has a good deal of sway. However I honestly believe that in the end the operation of this place depends on the co-operation of all parties and members. When we have unanimous consent on an issue almost anything can be done, as we all know.

I would like the hon. member's comments on a few things. We need all parties to make committees work. I believe televising committees gives them more power and influence. Public input carries more weight when it is televised across the country.

The last time I was involved with discussions about the televising of committees there were all sorts of hang ups, including those of leaders of the opposition parties, about whether it would make committees freer than they are at present.

I wonder if the member would commit to televising committees more than they are now. Would he compromise a bit on the views of his House leader and other House leaders so that we can get our committees out to the Canadian people through television?

The second point relates to committee travel. Our committees have more influence when they travel, and it has nothing to do with the standing orders. Visiting the regions of this great country is not only the right thing. It allows committees to carry more moral authority.

I was parliamentary secretary to the government House leader for two years. When I was last involved with travel arrangements in the House the most common reason for not travelling was lack of unanimous consent by the opposition parties.

I ask the member if he would work with his party and other opposition parties to make it easier for our committees to travel. It would give them more strength. I understand the difficulties the smaller parties have with committee travel, but it is a practical thing and has nothing to do with the standing orders.

I would also like to see more formal use made of the small quorum committees already have for hearing witnesses and receiving testimony. We do not need a full quorum to receive testimony.

I know it is difficult for the small parties to staff committees. However if they had the confidence of their House leaders they could give committees the authority to operate for several meetings, knowing there would be only five or six members and that the number would vary with the size of the committee. They could then hear testimony and report back. That would feed back into the travel arrangements as well.

● (2030)

The hon. member mentioned the formation of subcommittees. That is very special in this parliament. The subcommittees are effectively small equivalents of our large committees, but I think committees operating comfortably with a small quorum would work. It would be practical and would not need a change to the standing orders. It would simply need the willingness of the committee.

The next thing would be to strengthen the liaison committee. The liaison committee is the committee of chairs of committees, which I believe should have much more influence over the operation of committees. To give you an example, I have been to the liaison committee as chair of a committee with a unanimous direction of my committee, including the unanimous direction of each of the parties opposite, only to have what I proposed annulled by the opposition members on the liaison committee.

Or, going back to the power of the liaison committee, it is the liaison committee's requests for committees to travel that are annulled by opposition parties when they come to the House.

Would the member work with me to strengthen the liaison committee and through it strengthen the role of members of parliament?

Lastly, this is much more to do with the government, that is, to have the chairs of committees being given status equivalent to that of parliamentary secretaries. I believe it would be a simple step that would encourage members to seek the chairs of committees and to stay longer in their positions as committee chairs to get some

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continuity between years. It would give them more confidence and as a result would strengthen the committees.

Would the member be willing, rather than simply blaming the government side, to work with his party and the other opposition parties to strengthen committees in ways such as those?

Mr. Deepak Obhrai: Mr. Chairman, my colleague from the NDP is telling me to say yes.

An hon. member: It's the only way I can get in on it.

Mr. Deepak Obhrai: Mr. Chairman, actually he is absolutely right. For the first time I am hearing some positive suggestions on the committees. On all the suggestions that have been made I do not have any difficulty, except maybe a caveat here or there, but on the general scheme of things, no. A caveat for argument's sake on TV, yes. I think it is a good idea. It is accountable. We will probably have to be accountable for committee travel.

I think travelling is a good idea because we want to hear from Canadians and not all Canadians can come here. However, I do have a problem with travel. A judgment has to be made on travel. We cannot just have blind requests coming from every committee. When I was vice chair of a committee I definitely looked at the purpose of the travel, how it worked and what the advantages were. I will tell members that I did extensive travelling on the foreign affairs and international trade committee on the WTO hearings. I thought we were totally wasting our time and our money at some of the places we went to because the input was hopeless.

I agree, but what I am saying is that there is a need to sit down and review it and see if this travelling we are doing gives Canadians a voice. I do not have an objection to it, but every travel request should be looked at to see if it functions within the broader objective of getting what we want to get at. At times we are denied travel because the government is muscling its majority and not giving it to us.

On continuity, yes, there is nothing wrong with it. We do need to have continuity in a committee. Also, the idea of smaller committees is good. We need to have smaller committees to be effective. What the member is saying to me is that he recognizes that committees need improvement and that all members of parliament, not only the opposition members but every member of parliament, should be feeling that they are contributing to that committee and doing an important job.

I am sorry, but right now if we were in the government and we had a parliamentary secretary over there, the hon. member would probably be standing up saying the same thing to me and saying to take the parliamentary secretary off, because then the government would not control it. So the hon. member is right.

• (2035)

Mr. Peter Stoffer (Sackville—Musquodoboit Valley—Eastern Shore, NDP): Mr. Chairman, I appreciate the opportunity to speak. If I may ask the indulgence of the House, I would like to thank the Tory caucus staff and the New Democratic caucus staff for holding a wonderful birthday party on the sixth floor and I will say happy birthday to the hon. member whose birthday was celebrated.

On a more serious note, talking about committees, I would like to ask the hon. member from Calgary a question in regard to the effectiveness of a committee. One thing I feel very proud of is my work on the fisheries and oceans committee from 1997 to 2000. Out of that committee we produced 13 reports, 8 of them unanimous. The one I am most proud of is the east coast report. As we all know there was a crisis in the cod fishery and the ground fishery on the east coast. That report cost Canadian taxpayers \$182,000. We travelled extensively throughout Atlantic Canada.

All five parties unanimously agreed to every single word of the report. When we moved consensus of that report in the House of Commons through a vote, guess what happened? The same Liberals who signed the report and agreed to every single word voted against it.

My question, then, is this: what are we telling the people we spoke to? We spent an awful lot of their money listening to them. We spent an awful lot of their money travelling in helicopters and on hotels and for meals, et cetera. Those people spent a considerable amount of their energies and efforts coming to the committee to listen, to talk to us and to pour out their stories. One man near Pouch Cove poured out his heart about the fact that he only had 18 cents left in his bank account because he was running out of TAGS money.

The Liberals were there. They heard the stories. The parliamentary secretary heard them. We made a report. It was unanimous. We sent it on to the House for consent and the same Liberals that worked on that report then voted against their own report.

I am very proud of committee work. It is essential to what we do as parliamentarians.

My question, then, is very clear. When this happens in Canada, does that not send a very negative message to Canadians? We are saying we will listen to them, do a unanimous report, bring it to the House and then the government side will ignore it.

Mr. Deepak Obhrai: Mr. Chairman, frankly I have no comment except to say that this is exactly what I am saying. We feel that after working so hard in the committees at the end of the day it does not go anywhere. The member has given a dandy example of it. Then we ask what we were doing on the committee. This applies to the members on the government side as well.

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We are not in a boxing match. We are trying to see how we can really work this out with suggestions from this side and that side.

The point he indicated about committees was to say how committees can be ineffective. Maybe the government did not want it. If it did not want it, its members could have been told.

We need effective committees. The member is right. He has used an excellent example.

[*Translation*]

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Chairman, it is a new experience for me to rise closer to the Chair and to talk from the first row. I felt it was important for me to participate in this debate.

For the benefit of those people watching us tonight on television, I would like to explain that this debate is focused on a review of the standing orders of the House of Commons. It is therefore a debate that concerns all parliamentarians.

I do not agree with my colleague who just spoke and who suggested that decisions are not made in parliament. I myself have not yet lost my illusions as a member, and I still believe that it is possible for all members to work together to make parliament a place where real decisions are made.

● (2040)

For parliament to become a place where real decisions are made, we obviously have to change a few things, because the way it is working now, members do not trust parliament.

If we were to ask every parliamentarian how the caucuses work during the Wednesday meetings and how unsatisfied the members are with the way the parliamentary system is presently working, I think that the dissatisfaction index would be very high in all parties, on the government side as well as on the opposition side.

It is quite disturbing when one thinks of it, because the duties of a member should normally inspire confidence. Members are rather well paid to carry out their duties. They hold socially prominent positions, but when asked to assess their work, members of parliament express a considerable degree of dissatisfaction.

This feeling of dissatisfaction comes from the belief that we cannot change things around and there is no room for a member of parliament to become a true spokesperson for his or her constituents.

I have jotted down some things, since our House leader, the member for Roberval, your friend, Mr. Chairman, said that the clerks will be taking notes tonight on what members say and that a

report will be submitted. So, this should be a real opportunity to change things.

I have thought about the five things I would like to change. We all know that we cannot bring 50 changes about, that is not how members work and the system works; we could not deal with dozens of changes at the same time.

However, if, as the member for Hochelaga—Maisonneuve, who loves parliament, who has yet to lose his illusions, and who is quite happy as a member of parliament, I were asked if there is anything else I would like to do beside being the member for Hochelaga—Maisonneuve, I would say no.

Maybe I would not mind, from time to time, sitting in your chair, Mr. Chairman, but for the main part, I am very happy as the member representing the riding of Hochelaga—Maisonneuve. I find my work very rewarding and I love the people of Hochelaga—Maisonneuve. I also love the relations I have with all of my colleagues.

I would like to suggest five changes, however. First, we must have confidence in the fact that we are producers of laws. We chose to live in a society where it is believed that all people are equal. We chose to live in a society where the rule of law is paramount and where social relationships are enshrined in laws. We are parliamentarians whose first concern is to produce laws. This is why bills are so important.

I wish all members could, once a year, produce a bill that would be voted on. I make a distinction between bills and motions. I think that, over the span of a year—there are 365 days in a year—which is divided into two parliamentary sessions, the 301 members of the House should have the opportunity to introduce a bill which, of course, would reflect a concern of their community. That bill would go through a three stage process and then be voted upon. The fact that the member would win or lose that vote is not what is important here. The purpose of a private member's bill is to tell the government "There is, in my community, such and such a concern that needs to be brought to your attention".

And this is also true for members of the government majority. Let us not think that government members are satisfied with the way things work. We will certainly hear from members who are called backbenchers. I do like this expression, because a backbencher simply does not exist. We are all members of parliament who have the same responsibilities and who enjoy the same trust from our fellow citizens.

There is some dissatisfaction because we do not feel that we can really change things. One way to give more freedom to members of parliament so that they can truly be spokespersons for their communities would be to allow them to introduce bills that would be votable items.

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• (2045)

I make a distinction as regards motions. In my opinion, motions should not automatically be votable items. If a member so indicates, then the motion should be voted on, of course. The member would then use up his turn.

It is important that, in a given year, each member have the possibility of triggering a debate on a motion or a bill reflecting a concern of his or her community. During the course of our parliamentary mandate—assuming that it would last three or four years—we would have three or four opportunities to introduce bills.

The Sub-Committee on Private Members' Business circulated a questionnaire, which members of parliament had to fill out by April 27 and in which they were asked if they thought that this should be done by party. I do not want some time allotted to the Bloc Québécois to discuss bills, because party politics are such that it would always be the most important bills, electorally speaking, that would be debated.

Let me give an example. In 1995, I introduced a bill to recognize same sex spouses. This was a controversial and relatively new issue on which there was no consensus.

I am not upset with the government, but do you know what subterfuge it used? The member for Saint-Léonard, who was the leader of the government at that time, called a vote at 11 o'clock on Monday morning. Because this was a controversial bill, there was not one minister in the House to vote on it, except the member for Hamilton East, who was responsible for Canadian Heritage and who showed great political courage. She was the only member of Cabinet to vote in favour of the bill.

I am not saying this to blame the government, but if we do not have strict rules that are equitable and applicable to all MPs, certain controversial matters will never get discussed. In a democracy, just because a question gets only minority support at one point in time does not mean that it cannot gain majority support at some other time.

I repeat, if we want our fellow citizens and our fellow MPs to have confidence in the parliamentary process, we have to allow bills to be debated and voted on.

The second amendment I would like to propose relates to parliamentary committees. When I was first elected as an MP, I was not even 30 unlike you, Mr. Chairman. Let us recall the situation. Mr. Bouchard was the leader of the Bloc Québécois at that time. At the first Bloc caucus, he told the members "the place within the parliamentary system where an MP can really make his presence felt, where he can show what he knows and what he is capable of, is the parliamentary committee".

A parliamentary committee is not supposed to be partisan. It is the only place we are supposed to work without any partisanship for the good of our fellow citizens.

The problem is that parliamentary committees become a tool of the government. For parliamentary committees to become a truly non-partisan working place, three conditions must be met.

The members appointed to these committees must not be removable. The whip must not be able to change them depending on whether or not he is happy with the work they have done. Members must remain on committees for the duration of the parliament and they must report only to the parliamentary committee to which they are assigned.

Second, committee chairs must be elected by secret ballot by all members of the committee. It is not necessary for a committee to be chaired by a member of the government majority. This may be the case, but the chair can be a member of the opposition.

Let us take the example of a member with extensive experience who is very knowledgeable about a subject and who has the trust of his colleagues. Chairing a parliamentary committee is a self-sacrifice because one gives up one's speaking time and takes on responsibility for management and administration. The work of a parliamentary committee involves a great deal of administration.

• (2050)

But if one has the trust of others as chair, if one is elected by secret ballot, and if committee members are not removable during the parliament, I believe that we have a guarantee of impartiality which will serve everyone.

Earlier, my colleague said that there is a problem with committees' travels. I agree with him because, too often, opposition members have taken a parliamentary committee hostage over travel matters.

I do not think that permission for a committee to travel should be based on unanimity. The rule of the majority should apply, because it is important that committees be able to travel. There are costs associated with democracy and there are costs when a committee travels. We cannot, on the one hand, hope that Canadians may have a forum to express their views and that we may become true spokespersons for our constituents and, on the other hand, still think that everything must be done in Ottawa.

On Thursday afternoon, the government will be submitting its bill on new reproduction technologies to the Standing Committee on Health, on which I sit. I will be begging for the committee to be authorized to travel across Canada in order to find out what Canadians, but not only Canadians, think of this issue.

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So, this is another way for the committees to become more effective.

My third suggestion is very important. As a member, I presume that I have the trust of my constituents and that the trust they put in me sometimes leads me to act as an arbitrator. I know that the government member for Beauce works very hard for the Liberal caucus. I hope that members will be provided with financial support for community organizations to the tune of around \$1 per constituent.

As the member for Hochelaga—Maisonneuve, if I had \$90,000 or \$100,000—which is not a whole lot—I could as a community leader elected by the people give \$3,000, \$4,000 or \$5,000 to a community organization and tell its members “On behalf of my fellow citizens, I am offering a small amount of money to help you carry on. It is our way, as members of parliament, to keep an eye on what is going on in our communities”.

Of course, we would have to be held accountable. I would not have a problem if, once a year, I were asked to state in the local papers using my own advertising budget how I spent the \$90,000 or \$100,000 I am allocated, and my fellow citizens could know democratically how this money was spent.

I will now raise another point, which is the speaking time MPs should be allowed. I am not in a good position to say that, because, obviously, everyone knows that I like to talk a lot and that I generally use all the time allotted me. However, I think it can be said that in 20 minutes it is possible to cover the issue of a bill fairly well. I do not think speeches would have to be limited to two speakers per party, since there may be a subject more than two people from a single party would like to speak on.

I say a 20 minute speech in general terms. But when we are at third reading, since we have become familiar with the principle of the bill, the bill has been examined in committee, and, generally speaking, we know the amendments the opposition parties want, I think we should be allowed 30 minutes, plus ten minutes for questions and comments, to have an in depth debate. Generally, when we are at third reading it means the bill is likely to be passed and is likely to apply to society as a whole.

So, in summary, I would like all bills to be votable items and all members to be able to introduce a votable bill once a year, which would mean three or four bills per mandate. I make a distinction between bills and motions because motions involve less work than the drafting of a bill.

I draw the members' attention to the fact that, these last few years, we did not always have the resources we needed as parliamentarians. We ought to remember the time when we had only three legislative counsels here, in the House of Commons, to draft all the amendments proposed in committee and all the bills. It was absurd.

• (2055)

There were reputable legislative counsels who paid dearly for their desire to serve their members well because, unfortunately, certain members of this House made representations that cost these people their jobs.

It is important to see to it that these legislative counsels are independent, that their only concern is their relationship with the members they serve and that, as parliamentarians, we have all the resources we need to ensure that the drafting of a bill does not take three, four or five months.

Mr. Chairman, I want to address one small criticism to you, a friendly criticism. You are my respected friend and everyone knows of your willingness to serve this House. However when, taking a practice at Westminster as your inspiration, you expressed the desire to limit Parliamentarians' right to express themselves on the matter of the amendments, to not allow certain amendments to be introduced before the House but through the committees, and when you restricted members' access to introducing amendments, it is my feeling that, although far from your intention, you have done considerable harm to parliamentarians.

A bill is something dynamic, and it should be the members' prerogative to decide whether they want to bring amendments before a committee or before the House. Taking your cue directly from Westminster—and we are aware of just how much you admire the mother of parliaments—could unfortunately lead to our being gagged as parliamentarians.

I am bringing all our good feelings for each other into play to call upon you to review this decision, to be the true small-l liberal one needs to be in a democracy, to allow all parliamentarians to use all possible forums to bring amendments before this House, without their having to be screened by a committee or subjected to any restriction other than the need to be compatible with the bill in question.

That is all I have to say. I hope our debate will be a profitable one. I am very confident that the government and all of the opposition parties want to work together to ensure that MPs' duties are rehabilitated. If the duties of the MPs are rehabilitated, then all politicians will benefit.

[English]

Mr. Paul Szabo (Parliamentary Secretary to Minister of Public Works and Government Services, Lib.): Mr. Chairman, I thank the member for his comments. They were well thought out.

I congratulate him for speaking without reading. It is one of the unwritten traditions of parliament that speeches should not be read. Written material can be referred to for quotations or detailed technical information. The enthusiasm and sincerity comes across much more clearly to people when notes are not read, so I

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congratulate the member for that. All members could learn from that. Possibly our committee should consider maybe applying that because I would rather see members faces than the top of their heads when they are reading a speech.

I want to just question the hon. member briefly on the private members' business. I had much success in the 35th parliament. I had three or four items selected, three of them were votable. In the 36th parliament I had none selected. So it has been either feast or famine.

It seems to me that there are more members than we could possibly deal with all votes and that is not possible. If we do not get our item past second reading and the session ends, our matter dies and we have to go back into the lottery et cetera. We can only have an item carried forward from a session if it has passed second reading. Then it could be reinstated at the same spot.

My point is that there are far too many members and far too many ideas out there for which to do justice.

• (2100)

Perhaps the solution would be to establish more rigorous criteria so we could come up with legislation that would be more innovative and timely and which would capture the imagination and support of a significant number of members in the House not just at committee. I believe the entire House must opine on the calibre of legislation in order to allow it to go the full process.

I suggest and support a process where the private members' business committee would not deem votability but rather assess criteria compliance. The House would then deal with whether the bar on a particular bill or motion should be set higher.

Motion No. 155 dealing with health warning labels is an example of a motion where a bill would not have been any more concrete. We need more relevant bills regardless of the fact that we have strong criteria. It would be nice to know that if a bill or a motion meets the criteria and passes the hurdle it will get a hearing. It would raise us all to a higher level in terms of quality of bills and motions.

[*Translation*]

Mr. Réal Ménard: Mr. Speaker, I would like to refer to the questionnaire that the clerk of the subcommittee on private members' business distributed to all members of parliament.

A major distinction was made between a subjective and an objective criterion. We should rely on an objective criterion. This means that, once a year, all members should have the right to see one of their bills or motions voted on. If we start setting criteria, we might ask ourselves what is an innovative measure, an original measure, an unprecedented measure.

Each member of parliament and each political party may have a very subjective view of what is an unprecedented, original and

innovative measure. We must start from the premise that all members of parliament are committed to the common good. Not all of them will want to introduce a bill, but we must start from the principle that they all want the common good and that they speak on behalf of their communities.

A bill may be extremely important to my community, but less so for another one. Unfortunately, this cannot be used as a criterion to accept or reject that bill. All members of parliament must be able to play their role as legislators and be able to have a vote on an issue that concerns their community.

The hon. member began his remarks by saying that, in the previous parliament, three of his bills became votable items, but our colleague here did not have any bill become a votable item in recent years. This is why parliamentarians do not all show the same interest.

Here, just about all of us represent 80,000 people. We all have the same salary. We all have the same legitimacy. If all members had the opportunity once a year, that is, three or four times in their mandate, to have a bill or a motion voted on, I think we would be very happy with the system.

I will close by telling you that we should do the analysis. I have no doubt that, if we asked the Chair and the clerks how many really outlandish bills there have been, that would embarrass us as parliamentarians over the past 10 years, I for one have not seen many that were really off the wall. It is true that I have seen some that did not reflect my political philosophy.

That explains why in a democracy we belong to different political parties. However, I think the members are sufficiently mature to prepare well drafted responsible bills that reflect their community. Very few bills have been totally crazy and a discredit to parliament.

[*English*]

Mr. Peter Stoffer (Sackville—Musquodoboit Valley—East-ern Shore, NDP): Mr. Speaker, I have a clarification for the committee of the whole. Mr. Bill Rodgers, media relations for the leader of the Conservative Party, is celebrating his birthday this evening. I just wanted to extend congratulations to him.

My question for the hon. member from the Bloc is this. The other day I had a bill drawn actually from the committee and it was deemed non-votable. Thirty bills and motions were combined and the committee only picked seven. Mine, unfortunately, was not of them. It concerned hepatitis awareness month and it was a non-monetary. I thought it was a great idea.

• (2105)

The bill was not my idea. It was the idea of a lot of people who are suffering from different forms of hepatitis. They asked me if I would, as a member of parliament, be able to do something. They

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said that we have breast cancer awareness month, this month and that month but that we do not have anything for hepatitis. Over 700,000 Canadians have been inflicted with this disease.

I moved the bill but it was deemed non-votable. We had the hour debate. All opposition supported it wholeheartedly. The Parliamentary Secretary to the Minister of Health supported it, but he said that since the department said no that he had to say no to make it votable. The parliamentary secretary, the only one in the House that day, stood up and voted no, making a tremendous amount of people very angry.

The good news about this bill is quite clear. The minister himself decided, through whatever parameters he is allowed to operate, and the parliamentary secretary said it yesterday as a statement in the House and today in a conference in Montreal, he stated to all these people that the month of May henceforth will be known as hepatitis awareness month.

I personally congratulate the minister for taking the initiative to do that. Over 700,000 Canadians also thank the minister for acknowledging their concern.

What I wonder is why we had to go through that whole process when it was a straightforward bill. I had 100 signatures from both sides to get it approved yet it was deemed non-votable. I tried to make it votable but the government said no. The minister then turns around and says yes. I thanked the minister for that publicly but why did we have to go through that type of process to make what I thought was a straightforward bill move along?

[*Translation*]

Mr. Réal Ménard: Mr. Speaker, I am tempted to say jokingly that it was to try the member's patience, to see whether he really had any. He certainly did, of course.

But, on a more serious note, I think that what the member is saying is that this was a bill that had no impact on the public purse and was wanted by all parties.

I remember taking part in this debate one Friday, and our colleague was very eloquent. The only thought that comes to mind is that, when we are considering a bill, we should judge it on its merit alone and not on who is sponsoring it.

If the government introduces a good bill, I believe that all political parties will vote in favour of it. Regardless of whether or not the government is introducing it and whether or not we are members of the government, if the opposition introduces a good bill, the House should vote in favour of it. Once again, we must come up with a system which allows this freedom of thought and this respect for the work of parliamentarians.

I understand the disappointment of the member, who worked hard to draft a bill. Furthermore, he had invited Mr. Haché, who was here with us in the House.

If there is one thing that needs to be changed, it is how private members' bills are treated. I am confident—because a majority of parliamentarians understand the importance of this—that we will arrive at a solution which will satisfy all members.

[*English*]

Mr. Garry Breitkreuz (Yorkton—Melville, Canadian Alliance): Mr. Chairman, I want to correct my colleague from Mississauga South on three points he made in his brief intervention a moment ago.

First, his mathematics are not quite up to snuff here. He said that we would not be able to have all members have a bill made votable in the life of a parliament.

If a parliament is approximately 600 days in total, although it may be only 500 days, but if we do sit 150 days for four years that is 600 days. If there were 300 members and we had two hours a day devoted to private members' business, which is something I would like to see, every member would get his or her bill made votable if we had two hours of debate. That was one of the options put forward in a questionnaire.

• (2110)

If we were to limit the debate to two hours per bill or motion, which I think is reasonable, each member could have one bill or one motion made votable during the life of one parliament. It is possible. To simply dismiss that as impossible is not right.

The second thing I would like to correct is that labelling a motion as having the same weight as a bill is not quite accurate. Using the example of the labelling of alcohol containers that we voted on is a prime example of how a motion is not the same as a bill. I could support that motion but I could never have supported a bill. The motion was very fuzzy. It just wanted to examine the issue, and yes, of course I could examine the issue. A bill would have been more definite.

The third thing he mentioned is that he would like to have all MPs speak from the heart and not use notes. The way parliament is structured, if I have a 10 minute speech and a lot of points to make I do not have time to make it up. I need to get all my points in very quickly and I need them to be tightly structured. Because of the way the system is set up we often are forced to go to notes. I am not using notes tonight. It is easy to say that we should not use notes but it is more difficult to practice under the constraints of parliament if one has a lot to say.

Let me get into the remarks I wanted to make. For those who are watching on television, this is a take note debate which is very different from the normal debates that take place in parliament. I appreciate the government allowing us an opportunity to talk about the standing orders that govern the House. For the people who are watching and do not know what the standing orders are, they are

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the rules that we play by in parliament. They are the rules that govern us. In essence, they govern how democracy unfolds at this level in parliament.

I appreciate the opportunity to make some brief remarks on a couple of select issues. I could go off on all kinds of things and it does not mean I do not have an opinion on them, but we have to make some changes here. Unless we change the system we will not change much else in the country.

I spoke at a high school this afternoon, about a 20 minute drive out of Ottawa. One of the things the students gave back to me as I spoke about what goes on in this place is that they do not see much meaningful activity happening here. I do not think those students are at all out of touch with what is going on. In fact, I get that across the country.

That is a very sad commentary on what happens here. If we are in fact the highest court in the land and we are making the laws by which all Canadians have to play, the laws that govern the country and set the tone for what we feel is right and wrong, we need to be perceived as having open debate and that Canadians have input into what we do here. They need to feel that this is a meaningful activity and that through their member of parliament they have a voice in what is happening in parliament.

The cynicism that is developing across the country about the political process is becoming so ingrained that if we do not start making some changes here, it will be very difficult to turn that around.

What is one change we could make? We could make private members' business votable and make any consequential changes that may be required in order to do that. I feel very strongly that if we were to make that simple change and allow members to have a free vote on that, it would begin to change the way parliament is perceived across the country. It would give us a lot more credibility as we participate in things. That seemingly small change could send a ripple effect through the entire Chamber that would begin to go out across the country.

The students I spoke to this afternoon asked me what they could do. They said they felt helpless in influencing things that happen in the country. They felt their voices were not being heard. They felt they could not meaningfully participate in the debate.

• (2115)

If we made private members' business votable, I do not believe that debate would take place for only two hours. As an issue is raised and over the three or six months the issue is before parliament people across the country would begin to debate it. That is the problem as I perceive it.

The problem is not just in parliament. The problem is that people do not debate things across the country. They do not take an interest in what happens in Canada. People do not feel they have to scratch beneath the surface on issues because somebody else will do it for them.

We have to give people a voice. We need committees that travel and do meaningful work. MPs have to tell people that a certain issue would be coming up in parliament and ask them what they think about it. That would begin to send out the message that MPs are playing a very meaningful role in representing their constituents. This could happen through private members' business. It could reinvigorate this place like nothing else I know. It would begin to make MPs feel a lot more meaningful in what they do.

A lot of MPs feel alienated in that they do not have a lot of roles to play in what is going on in this place. By making private members' business votable, many things would happen as a result.

Private members' business would probably be debated more than some of the government legislation in the House. We would begin to have conversations in parliament, behind the scenes and across the country on issues that really matter to Canadians. The lack of respect for parliament that has begun to creep in would be reversed. That would be a very healthy thing. The more we could make people feel that they are part of the process and that they have control over issues that govern them, the more they would take an interest in the affairs of the country.

At election time we can create an impression and get votes. However we have to be sure that when people vote they vote on meaningful issues that really affect their lives. I speak from somebody who has gone through three elections now when I say that is something that needs to happen in Canada.

I do not wish to belabour these points. I could elaborate on every one of them. We have to make sure that people across Canada have the feeling that they have meaningful input into the process that is used in this place to govern them. One of those things would be to reinvigorate private members' business.

As deputy whip I happen to sit on the committee, so I have been able to give this a little more thought than most members. I feel very strongly that this is something we need to do. I would suggest increasing the time for private members' business as well. If it is possible to have it for two hours a day or an equivalent amount on a Friday or a Monday, we should try and fit that in. It would be a very healthy thing to do.

I mentioned that this might divert attention away from government business. I do not know if that is a positive or a negative. The government might view it as a positive, not having all the focus on its legislation, but it could also be very negative because what it introduces is very important legislation. We need to have that considered and looked at.

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All the problems we have will not be solved by that. I am not naive enough to believe that, but it would be a step in the right direction. I urge the government to work on that and maybe some of my colleagues would like to ask me some questions about it.

The media tend to focus on leadership and on issues that really are not all that significant in the grand scheme of things when they report things on the evening news. This is another problem we also have. By making private members' business votable and by beginning to focus more on issues, we would get away from some of the extraneous stuff that often occupies a lot of media attention. That is true of every political party. That is not a partisan issue. It would be healthy to get issues discussed rather than personalities and scandals.

I can see a lot of good spinoff benefits from this. I want to put that on the record. If anybody has any comments, I would appreciate hearing from them.

• (2120)

Mr. Ken Epp (Elk Island, Canadian Alliance): Mr. Chairman, I would like to respond to a couple of things. With respect to the number of hours required, I would point out to my colleague and to the other members that not all 301 members would have a private member's bill that they would want to put forward.

If we look at the order paper right now, and even the notices of bills, we find 25% of members at most have submitted private members' bills. The issue of how many people would have their name in the hat at any time is greatly exaggerated if we are thinking of 301 members. At most it would be 100 members, so that would alleviate the time.

I will repeat a comment that I made earlier today as the personalities in the House have totally changed. We should have a deal whereby nobody gets seconds until everyone has had firsts. That is the way we used to do it at camp. Everyone got through the line for food and no one went through for the second time until everyone had firsts. Can you see, Mr. Chairman, if I went through the second time? I always made sure that I got enough the first time.

That would be a good way of doing this. All members who have a private member's bill they would like to submit would present it as we do now. Their name would go into the hat. When there is a draw we would draw them but not put their name back until there are no names left. That way if other members have a bill then their name would go in the hat. Those that have their bills ready would be eligible for each draw until they are drawn. Once they are drawn then other members would take precedence over them.

I have said this before. The hon. member for Mississauga South has had five private members' bills drawn and I have had none, so it would increase the fairness.

Mr. Reg Alcock (Winnipeg South, Lib.): Mr. Chairman, when I last spoke I tried to differentiate between the debate changes that need to take place that would be rightly fitted under some topic of parliamentary reform.

Some of the issues and the challenges that the Chamber faces are of much greater magnitude than we would deal with in the debate. We have to deal with finding ways of changing this place to make it fit better with the ever changing community that we live in.

Some of the problems that we face are as a result of the Chamber being unable to find ways to move the pace of the external community. I will not spend a lot of time on that tonight. We are here to talk consequentially, to offer some advice to the committee about specific changes to the operations of the House that may produce the kind of effect that would allow members of the community to see this place as more relevant.

I do not mean to dismiss some of the talk about private members' bills and other instruments. They are not unimportant and their process is not unimportant. I do however wish to make one point. We are dealing with an odd kind of loss of authority. It is an odd kind of loss of authority because the House has enormous authority. Committees have enormous authority.

• (2125)

There is an incredible power in this place. We make and change laws. We tax, spend and do all sorts of things. We, the members of this place, can do it. Yet for a couple of reasons that are hard to reconcile, it is difficult for us to function in a manner that expresses that authority in a useful or consequential way.

What I mean by that is that we have two things going on here. When the hon. member opposite talks about private members' bills and the importance of individual members being able to put forward a bill, one could argue that all bills emanating from the House should be the bills of all members.

One of the things that we have allowed to happen, and it is interesting to read some of the observations of people who have studied the British parliamentary system and studied this parliament, is very hot partisan debate that has very little to do with governing to intrude upon the process where law is made. When one talks to members of the House, particularly members who have been here for a long time or former members, and asks them what experiences they talk most about or feel proud of, they say committee work. They say that the real work is done in committees. That is where they have the debates.

At least two hon. members opposite are members who I have worked with on committee. We have had very real debates that have produced very real compromises which produced a perma-

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nence to legislation. We can all feel good about that if that is what we were doing here.

On the other hand we have the kind of debate that takes place in this Chamber. The problem with it is that it is easy to make fun of. I could say that we have spent the last however many months arguing about Shawinigate and I could deride the opposition about that. The fact is that we would have done the same thing if we were on the other side of the House. I was in opposition for a period of time. The fact is that in the public arena, through the eyes of the television camera, we get rewarded for outrageous behaviour and strategic outrageous attacks.

Attacking the credibility and the personality of the Prime Minister is, I would argue, not a very pleasant thing to do, not a very nice thing to do. Unfortunately I cannot argue that it is not a strategically smart thing to do. However it has nothing to do with running the country. It has to do with fighting the battles of politics, which are about getting oneself in the position where one has the power to govern.

The circle I cannot square is that we cannot control that debate because there is a reward for that debate. There is a reward for members opposite to make members on this side look like they are corrupt or stupid. There is a reward for members on this side to make members on the other side look like they are incompetent or whatever pejorative kind of phrases one wants to use. If there was not a public reward for it we would not be doing it, however distasteful it might be.

I do not blame anybody in the House because we all do the same. That is the way the community has trained us to behave in the same way that we have concerns about public servants because that is the way we have trained them to be. How do we step aside from that debate into that environment that we all want to be a part of, which is an environment that produces law?

If there were a consequential change right now in the context of this modernization of the rules, and modernization is a tough word to apply because we are not making it very modern, we could talk about a whole bunch of other things such as the House getting the tools to function in the world. Unfortunately that is a topic for another time given the focus of this debate.

If I had to recommend to you, Mr. Chairman, and to the other members of this committee one change that would have a significant impact on the operation of this place, it would be to create a process whereby members would be elected to a committee for the duration of a parliament.

The exact mechanism for that might be a combination of seniority in election, much as we do with parliamentary associations. When a member comes here he or she would know where they would be. They would make that choice and they would have to fight for it. Older members who had more experience would have a chance to get there. Members would have to convince their

colleagues that they are the person to be elected to that committee in the same way you and Mr. Speaker had to convince your colleagues about the election of the Speaker. However once there we have a couple of things. We have stability. The election of the chairman becomes a consequence of that because members now own that committee. If we think about that for a second, there is a whole bunch of powers of authority that those committees have that we never exercise. Why we do not exercise them is really the question? We do not exercise them right now because there is a fear that sits out there that somehow we will not be on the committee any more or that each year we will have to face reconsideration for the committee.

• (2130)

However there is always talk about estimates. The estimates process in this place is a joke. It is a farce. We do not deal with estimates. We do not provide an accountability function to anything around here, in part because it is not consequential. We cannot do anything, so harrumphing about what has gone on in a department for a period of time is not worthwhile. The amount of work it takes to get a piece of information in order to have the harrumph is not worth the effort.

We made a bunch of changes when we came to government. If members focused on the system that is there, those committees would have enormous authority. The problem is we have allowed that partisan debate to intrude upon the committee debate, so in committee it is hard to have the kind of partnering that we would like to talk about. We have done it on occasion. I look across to one of the members who worked with me on a particular committee where we did a lot of that.

There is an aspect to committee travel that is very interesting. Not only do we get a chance to understand the country a little better, we get a chance to understand each other a little better. We get a sense of the shared values that we all have. Part of the real value of this place in a Canadian context is the way it acts as a massive kind of values clarification exercise. We all understand our country and what makes the country work a little better

The process is really simple. The departments come forward and say what they are planning to do. Has any committee ever held hearings on that and then written a report that has differed with the department's opinion of what they wanted to do? The committees have the authority to do it. If the department did not respond to that comment by putting in their estimates, the committee could delete the funding.

Everybody gets a little twitchy about that but not only would that cause a complete reconsideration on the part of the department or its relationship with the House, it would also cause members to take their actions seriously. Right now we can be as irresponsible as we want on committee because we do not affect anything. However if we actually committed an act that changed a policy, we would

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have to live with that and I think that would force us to be more serious.

We should think of the value we place on minority governments. Why is that? It is because we have to negotiate. We have to negotiate, we have to clarify our values, we have to debate and then we have to decide. Those functions could occur within committee.

Making members stable on committee, would that produce the kind of change we want? I am honestly not sure because I think the real problem in here is us and our unwillingness to exercise the authority that we have. However stabilizing members on committee, and committees already have the right to elect their own chair, would take away an excuse for why the place does not function in the way we would like it to function.

Very simply, I will help design the system for election but that one change, break the prerogative, the members control of it, and then trust us to mess up but as long as we do the right thing.

Mr. Garry Breitkreuz: Mr. Chairman, I listened carefully to what the hon. member said and I agree with much of it.

I want to be a bit of a devil's advocate. The member talked about how we try to find scandals on the other side and the opposition is made to look like they do not know what they are talking about, et cetera. How much value does he perceive there is in question period?

• (2135)

Does the member think that question period meets a need that is somehow fulfilled in what is played out here every day? I have found some question periods to be valuable, but if we abolished question period would there be a great loss to the country? Is question period just a very easy way for the media to get something for its time slot every evening or is there a meaningful role to be played by question period?

I sense that question period is what you were referring to when you talked about the opposition looking for scandals in government and that the government was trying to make the opposition look like it did not know what it is talking about. What does the member honestly feel about question period?

The Chairman: Before the member replies, I would like to make a suggestion because we are on new ground. We should be cautious in terms of addressing one another directly across the floor. While it certainly appears to be a healthy, positive mood in the debate at this time should it change it becomes difficult to bring it back to some semblance of order.

Mr. Reg Alcock: Mr. Chairman, I have thought hard about this. The problem is that it is really easy to look at something like that and say that that is the problem, but the reality is it is what we do. It

is easy to look at it and say it is inconsequential, stupid and noisy. Do I think the debate that took place here for the past couple of months served any great public purpose? Absolutely not. There is a saying I think about all the time: "For every complex problem there is a simple answer and it is wrong". Let us do it with a partisan debate. Would it not be wonderful if we all just focused on solving problems?

The reality is the partisan debate is in part how we establish differences which is how we provide people with choice. The trouble is the hot medium of television has made it possible to focus attention around such minutia and forced it to get hotter so we no longer talk about problems, we use the big words like liar. We have to get a word like that out there in order to break through the fog.

However that is also the environment we live in. It is a real part of the environment. It is really easy to blame the press. The press is part of the process, it is not the problem. The problem is the human appetite for that kind of debate. People watch it, they are interested and make their decisions based on it. How did they make a decision in the last election? Was it on a bunch of images about where one party stood versus another one?

I agree with the sentiment that there needs to be more massive reform here but I am not certain we are ready to go down that road just yet. We need to think about that one a little more. Quite seriously, I spend a lot of time trying to figure out how this place can move faster and become more relevant in the lives of people. It is not by tinkering with these rules. I can think of little changes that might help in the short term but I think we all need to get focused on the bigger changes.

Mr. John McKay (Scarborough East, Lib.): Mr. Chairman, I would like to thank my hon. colleague for his wonderful lead into the comment that I would like to offer to the debate. This is an excellent form of debate. It gives us an opportunity to talk somewhat more frankly than we might otherwise speak.

I would like to offer comments on three areas: personal behaviour of members; caucus reform; and parliamentary reform. There is not really a great deal of difference between caucus reform and parliamentary reform.

On the issue of personal behaviour, I find it of some embarrassment to go home on a regular basis and talk about what has happened here, particularly given people's experience with parliament which is question period, which really has nothing to do with questions and even less to do with answers.

• (2140)

The analogy I use when I talk to people in schools, whether it is high schools, universities or public schools, is that if we had to

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judge the education system by recess, we would probably question the value of our taxpayer dollar. Similarly, if we had to judge question period, we would question the value of our taxpayer dollar. Regrettably that is what colours the public's perception of what we do here.

I am a relatively new MP. I have been here almost four years. I expect that my experience was somewhat similar to others. It is a little like getting married. I really did not know what I was doing. No amount of preparation actually prepared me for this experience. The books are not of any particular usefulness.

I make a point of trying to explain to constituents what I actually do. I had that experience last Sunday afternoon. We are all prone to meet with constituents. There was a group of about 50 or 75 people. I went through my agenda for the last three weeks and explained what I did, the interactions I had with people and what the issues were. Over the course of half an hour to 45 minutes I did not lose a soul in that conversation. They were quite fascinated by what an MP does outside this Chamber and particularly outside of question period.

I developed a series of points that really are random and somewhat haphazard, but that I think would move us from the point of personal behaviour as we interact with each other to points of caucus reform to points of parliamentary reform, which I hope would be helpful.

I think members, as points of communications with constituents, should publish their agendas and tell people what they are doing. They should explain the issues that are of concern to them.

It strikes me as quite strange that parliament is not particularly proactive in explaining itself to the Canadian public. The counter distinction is amazing when we think about it. The Prime Minister's office literally has dozens of people who do nothing but promote the Prime Minister in a variety of areas, and justifiably so. Ministers literally have dozens of people in their offices who do nothing but promote the agenda of the minister and promote the minister.

The same cannot be said for either parliament as an institution or members of parliament who have little opportunities to communicate. The irony is that unless a member does something outrageous there is no way that he or she will have any attention.

I suppose it is somewhat naive to say that members should not take cheap shots but we are all going to do it. I just throw that out to put it on the record.

Members should be serious about their compensation. I practised law for 22 years. I never noticed that anyone who came into my office was overwhelming in his or her enthusiasm to pay me a retainer. However I learned rather quickly that if I did not ask for compensation for a retainer, which was commiserate with my

abilities and skills in a particular area, then I would certainly not get that retainer.

It strikes me as strangely ironic that members are so shy about dealing with their own compensation. I cannot imagine what hockey player, teacher or doctor would work for 50% or 25% of what they are actually worth and still take all the same bumps and bruises. I find that strangely ironic among politicians.

• (2145)

In particular, the Canadian Taxpayers Federation puts out a little pamphlet on a regular basis and dumps all over us. I cannot quite fathom why we put up with that sort of nonsense, but we apparently do. The Canadian Taxpayers Federation is not the only vehicle that diminishes the role of MPs.

MPs have to start thinking in terms of growing democracy. We have a group that calls itself the civil society. The civil society has aggregated to itself the position of defending democracy. This is hugely ironic, given that not one or very few of the members of the so-called civil society representing so-called groups that may or may not appreciate the representation have ever voted for any of these people. None of these people have ever run in a municipal, provincial or a federal election. Yet they apparently defend democracy.

It is somewhat trite civic law to say that there are three branches in any government: the legislative branch, the judicial branch and the administrative branch. This debate occurs in a larger context and there is a huge pincer movement by the judicial branch and the executive branch. We live in an age of executive federalism with all its royal prerogatives, and I am using this pejoratively. Those royal prerogatives are being used on a somewhat aggressive basis and have real consequences for members who aspire to having careers in this place.

Similarly the judiciary has been handed an enormous instrument to involve itself in issues of society, namely the charter. I notice that the judiciary is not overly shy about exercising the charter in areas where it feels it should. As a consequence, we have these two very robust and aggressive aspects of government, namely executive federalism and the judiciary, squeezing the legislators and squeezing this place. I respectfully submit that is the context for this debate. I think it is time for push back.

On the issue of caucus discipline and parliamentary reform members need to think through the degrees of discipline. Clearly budget bills are of great significance for this side of the House. Clearly items that we ran on in platforms are of great significance for the House. After that issues of discipline I think diminish.

I had the occasion to be in Mongolia recently. Mongolia has 76 members in its legislature, 72 of whom are with the government

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party. It has electronic voting. As we sat there I was watching the government lose votes. That was somewhat ironic. Here are we, a mature democracy, apparently explaining to Mongolia, a relatively new democracy, how to exercise its democratic rights.

Private members' time should be reorganized so that there is a reasonable chance that private members' bills will see the light of day. There has been some discussion about that.

Committee hearings should be opened up so that we have draft bills at a much earlier stage and that we have white papers, brown papers and green papers; it does not really much matter. There is nothing more irritating as a member of a committee than to listen to staff members from a department saying that they have consulted with all the stakeholders. Really. Who are these stakeholders and so what?

In terms of earlier notice on opposition day motions, I like to speak to those motions from time to time, but I do not find out about them until 9 or 9.30 on the morning of the debate. Frankly I do not have a great deal of time to think, and I am up on my feet 10 to 15 minutes later responding to the motion.

On shortened deadlines for government responses, I do not see why the government needs 150 days to respond to a committee report or whatever.

• (2150)

I would not be overly embarrassed if the House was closed down for a few weeks every year during sittings and we just did committee work, either committee of the whole or standing committees. It would not bother me in the least.

We could get through a lot of stuff and make spending and estimate debates meaningful. We should either have one committee that looks after it all or have each committee develop some level of expertise so that we can hold the department's feet to the fire.

We should give the House leader time to debate and speak to the issue of time allocation. We have used time allocation from time to time. Opposition members might know that, but the House leader has no opportunity to speak to it on debate.

We need to create an MP culture which empowers MPs. MPs frankly need to go to MP school. They need to know that they cannot be removed from committee by the whip only, that it actually has to be by a vote of the House. They are secure. They need to know that, for instance, they can designate five people in their place and those people are the first up. Therefore a whip cannot load a committee with more obedient MPs than others.

Committees have, as does the House, virtually unlimited power of subpoena which we do not exercise. We can vote for reductions in departmental bills, and we do not exercise that.

I offer these thoughts as a potpourri of things which can be done. I am not overly persuaded that a lot of standing orders need to be amended. I think, rather, that MPs need to realize there are a great number of things they can do. Whether it is singly or in smaller groups, they can make impacts such as my colleague to my left did who I think had a double-double last week with significant pieces of legislation.

We are debating this motion because we love this place. There is sort of a bizarre way in which it all works. As Churchill said, parliamentary democracy or democracy in general is one of the worst of all forms of government until we look at the alternatives. That is the context of this debate.

Mr. Keith Martin (Esquimalt—Juan de Fuca, Canadian Alliance): Mr. Chairman, I compliment the government member on his eloquent suggestions.

My question is really quite simple. Will his government listen and implement the constructive solutions that he just spoke about?

Mr. John McKay: Mr. Chairman, I thank the hon. member for his concise question. I think the government is moving incrementally along the path of parliamentary reform, but the essential problem is that no ministers, no members of government, can ever convince themselves that parliamentary reform is in their own interest.

Because members cannot convince themselves that it is in their own interest, there is no great enthusiasm to do what they need to do. If this system works, and it seems to work very well from the government's standpoint, why bother with change?

Ministers and the government in general need to rethink their position. My view is that good opposition makes good government. My view is that opposition comes not only from over there but back here. In our caucus a lot of the most significant opposition to government initiatives come from its own members. They refine legislative initiatives as much as they can.

• (2155)

I think certain ministers have seen the light, have reacted positively to suggestions from both sides of the House and are prepared to strengthen legislation. Let me take a controversial example of that.

In the last parliament the Minister of Justice, prior to dissolution, amended the youth justice bill based upon testimony before the committee. She introduced voluminous amendments which have now found their way into Bill C-7. Frankly I thought that was quite courageous on her part. The consequence regrettably was that she has been stonewalled by certain members of the opposition and it is very difficult.

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Do I think the Minister of Justice will be persuaded in the future to amend her own bills after listening to testimony on the justice committee? I think I will have a tough sell. In that respect, if in fact we open those kinds of things there has to be a corollary that members of the opposition and our own backbenchers have to behave in some sort of responsible fashion. It has to be recognized at some point that debate finishes.

I cannot answer the question with great precision, but I offer as a response that government and government ministers need to be convinced that this is in their own interests. I think ultimately they can be convinced.

Mr. Keith Martin: Mr. Chairman, I would love to have my friend from the government define incremental, but I will not ask.

The current government House leader in 1992, along with a number of other former cabinet ministers who are not here today, put out a document that was an unbelievable tome on specific solutions on how to reform the House. It contained everything from voting procedures and committee structures to how people are selected to sit on committees. It was a fantastic piece of work and an expression of the frustration that the current government felt when in opposition.

I ask my friend from the government whether he will ask the current government House leader to resurrect the document he wrote in 1992 so eloquently describing changes to democratize the House and implement the changes in that document.

Mr. John McKay: Mr. Chairman, I cannot specifically refer to the report of the House leader, but I think there is some element of good will on the part of the House leader to respond to some of those issues.

I will suggest in defence of the House leader that there has been more than incremental progress since January until now, frankly under the chairmanship of you, Mr. Chairman. One area was in terms of getting electronic voting. Our caucuses voted on that issue and I think it will move forward. It is pretty significant reform.

On the issue of first reading, I think we will see more and more bills leave the House earlier and get into committee for longer periods of time, with which I think all of us would agree.

On increases to the budget of the Library of Parliament, \$1 million has been put toward that. Any time there is more money in the Library of Parliament, it gives all of us an opportunity to be better prepared.

• (2200)

Meetings such as this, committees of the whole, I think give more opportunities for, how shall I say it, less partisan interaction. I have to commend the House leader for that kind of initiative.

One of the things that has been discussed is more opportunity for first time members to meet the candidates for Speaker and to give speeches on those candidates so that people who are in this House for the first time get to know the people who are offering themselves as candidates.

I understand that for things like closure debates, et cetera, there may be time issues that are coming up. As well, I believe concurrence issues are being discussed, with a reduction of the time that the government has to respond to parliamentary reports.

On one level I could argue this is happening at just a snail's pace. On the other hand I might also argue that from January to now, the House leader, with the co-operation of the committee chaired by the Chairman here, has made significant progress. Regrettably all votes are equal on the committee and frankly he can only make as much progress in this Chamber as he is able to make in the committee with all five members.

Again, at this point I am not prepared to be overly critical of our House leader. I think we all have our shopping lists, our wish lists. He was good enough to publish his in 1992.

Mr. Keith Martin (Esquimalt—Juan de Fuca, Canadian Alliance): Mr. Chairman, it is an honour to speak on this topic. I will preface my remarks by saying that if we looked at all the problems we have in the country today, if we talked about health care, about jobs, what is the one that is the most prominent, the one that is actually the most important, the route that actually can effect change and help the people of our country? That problem is the problem of democratizing this House. In my view, there is no challenge or problem in our country today greater than that of making this parliament a democracy.

In 1993, like many members of the House here today, I was elected. We came here motivated by largely the same reason: to improve the health and welfare of Canadians. What motivated us to come here, to leave our personal lives aside and to maybe take a financial hit, was to improve the health and welfare of the people we dealt with on a daily basis.

Maybe we saw people living in their cars because they were homeless. Maybe we were struck by individuals who needed health care and were waiting months to get a test to determine whether or not they had cancer, waiting for far too long. Perhaps we saw the conditions that aboriginal people live in, squalid conditions in many cases, that are unthinkable in a country like Canada. Perhaps we saw an education system that did not provide the education our children need. Perhaps we saw an economy that was declining and slipping far below those of our competitors.

Whatever our motivation, every person, to a man or to a woman, came here to make our country a better place. We came here with that in our hearts. We knew this was not a democracy. We came to

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change that. We came with hope. However, instead of finding a House of Commons we found a house of illusions. With the large change in the numbers of people that we had in 1993 and the hope that engendered in all of us, rather than making the changes which we had a narrow chance of doing, we saw this place, rather than getting more democratic, becoming less democratic.

This speech is not for the members in the House but for the public out there. It is for the few hearty souls out there who I hope are tuning into CPAC and listening to what my colleagues are saying here today, and I hope they bring it forward to their MPs, to the Prime Minister and to every single elected person that they know in this institution.

• (2205)

For those changes required in the House are changes that will enable us to help them. Those changes will enable us to reform our health care system, to improve our economy and to make this a land of opportunity, a place where we could start to achieve our potential rather than being hit below the belt.

The public may or may not understand that the House of Commons is not a democracy. It is a place that is controlled with a viselike grip, where the members from political parties are controlled by leaderships, where they are used as little more than voting machines and as bodies that attend committees, and hopefully we have a palpable pulse when we do that.

What a waste. What an abysmal waste of the incredible talent that exists within the House, for every man and woman in the House has talent, skills and passions that they came here to apply for the betterment of the people in their communities.

Can it be done? Absolutely. What needs to be done? First of all, let us look at the structure. Bills basically come in a standard form right into committees. Minor changes are made and they are rubber stamped all the way through.

In regard to private members' business, the public would find it extraordinary that an MP puts forth a bill and works very hard on it but only if his or her name is selected out of a big vat with 300 other names in it will he or she be lucky enough to be able to introduce that bill. Whether it is votable or not is the jurisdiction and the choice and the decision of a number of fellow committee members. Why we have private members' bills that are not votable is extraordinary and completely absurd. That is what is happening now.

MPs are not allowed to innovate because innovation is called freelancing, freelancing being a pejorative term to suggest that the individual who is trying to use his or her skill to build a plan is a maverick, a lone wolf, a rebel, not part of the team. When a member is accused of not being part of the team, a member unfortunately becomes polarized in regard to his colleagues. A

member who tries to work with members from different political parties is again frowned on as being perhaps not one of us.

At the end of the day, how do we make change? How do we actually do our job? The most important aspect of that job is to help the people on the ground who may not have a home, who may not have health care, who may be unemployed, who are not eating well or who live in squalid conditions. The only way we can change that is if we reform this place so that we can use the collective talent in the House and apply it to those areas.

Why have we seen the death of innovation, particularly over the last two years? Why has this place been so restrained and constricted that individual members are frowned on if they work together? It is frowned on if they try to innovate, if they try to step ahead, if they lead from the front. Why do we have a structure like that?

Why do we not tap into the extraordinary potential that we have in the people in our country who are not members of parliament? Few of us in the House are experts on anything, just as I am an expert on nothing, but all of us are wise enough to find the best people in the country and find the best solutions not only within Canada but outside Canada and apply them to the problems of the nation.

When I spoke to my constituents a week and a half ago about this, they found it extraordinary that there were so many obstacles to trying to innovate and bring ideas to bear on the problems that are important at their dinner tables.

We need to allow innovation in the House, so what can we do? First, and I am probably repeating things that have been said before, free votes have to take place. Second, free votes have to take place but if the government loses a vote it should not be a vote of non-confidence in the government. That would require a very simple rule to be implemented by the government. It could be done overnight. No bill, other than a money bill, should be matters of a vote of confidence in the government. On all other bills if the government loses a vote, then the government had a bad bill and it can take it back and fix the problem. It should not have to lose power.

In regard to committee structure, I was at a committee meeting about the free trade of the Americas and spoke to a person who was putting forward a very heartfelt intervention on the free trade agreement. She asked me why the committee was studying the free trade agreement weeks before the actual meeting in Quebec City. I said to her that surely she did not expect the committee meeting to have any meaning. I told her that her assessment was perfectly right. The purpose of the committee was to keep MPs busy. That was what it was for. It was not meant to use her considerable talents in a meaningful way. What a tragedy.

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• (2210)

It breaks my heart, as I am sure it breaks the hearts of all members in the House, to sit on a committee listening to brilliant suggestions and solutions and heartfelt interventions on the part of members of the public in regard to fixing an important problem in our country and to know full well that it at best will become a report that will get one day of press coverage and then be tossed on a shelf with thousands of other reports to collect dust.

Health care is a case in point. We are to study it again after having studied it in 1995. Nothing has happened since then. There was a blue ribbon panel in 1995 that studied this most important issue affecting Canadians, a matter of life and death, and what happened to it? Nothing.

In regard to aboriginal affairs, there was an eloquent, lengthy \$60 million study with umpteen constructive suggestions to help the group in our society that is most impoverished. Has anything been done about it? Nothing.

A solution would be to give committees more independence and get parliamentary secretaries who are really whips for the government off committees. Bills should go to committee in draft form so that the public making interventions can actually mould and craft the bill into something effective and reasonable. They should do this along with members of parliament from across party lines. We could use our collective talents and collective wisdom to build a really effective bill rather than having bills come from the ministry and made by the minister's lawyers. That would make a good bill. The bill would go back to the minister and he or she and his or her people could carve it up. However, ultimately in this process the bill would be superior because it would have tapped into a greater potential within our country and within the House.

All private members' business should be made votable. Every individual MP should have at least one bill votable per term, bar none. Each MP should also have one private member's motion votable, although that is of less importance. Also with respect to private members' business, why has the government gutted our legal tools? We have only four lawyers compared to the more than 80 provided to the government to deal with bills. The 250 plus MPs who are not in cabinet need more than four lawyers to help them with private members' business. We need to invest in this so individual MPs can have access to these legal tools. This would do much to improve the House of Commons.

In closing I can only ask the members of the public who are listening tonight to please get involved in this process. I can only ask them to come to the front of the House of Commons and demand change, demand that we make the House a democracy. With the same vigour and zeal, in a non-violent way, that people protested the FTAA in Quebec, although that was misguided, Canadians should be coming to the House and demanding that we make private members' business votable.

I challenge members of the public to do that because if they work with us then we will make a change that will benefit not only the people of Canada but will certainly benefit the House and make it a nimble, vigorous institution that will make our country in the 21st century much better than it is today.

Mr. John McKay (Scarborough East, Lib): Mr. Chairman, I do not want to turn this into a debate for members from Scarborough, but I want to ask the hon. member about his bargain, some might say Faustian bargain, the bargain that every one of us made when we came to this place, and that is that we all ran under a party label. I ran under the Liberal Party label, which was in my case a particularly good choice and I did very well. If I am brutally analytical about that vote, almost all that vote was attributable to the fact that I was a Liberal, running under the leadership of the Prime Minister. I know the member opposite has had some awkward moments of late, with respect to his party.

• (2215)

The bargain that I make, as a government member, is that I support the team. The quid pro quo is that I have virtually unlimited access to ministers and to the Prime Minister. I can voice my views on an issue or a bill in private in a very direct fashion and literally influence the direction of government. I have seen that among a great number of backbenchers.

The corollary is that no one will ever know about it. That is the government backbencher bargain, that on issues of concern to me I will be able to influence government direction. I can give a variety of examples. The homeless issue was of significance in my riding. I and a few others had a great deal to do with the 180 degree change in direction by the government. However the understanding is that once that change in policy is made, I will support the team in other areas.

I ask the hon. member, in the context of what is a parliamentary democracy and in the context five parties in the House, how would he see the whole issue of free votes, freelancing and all that the member considers to be pejorative to operate, when in fact we are all here as part of one party or another.

Mr. Keith Martin: Mr. Chairman, there is constructive discourse and destructive discourse. I support freelancing.

Freelancing implies that an individual, at least in the terms I used, is putting forth views, ideas and solutions that will be beneficial to the people of his or her community, the country and perhaps even the world.

Why should members not be allowed to do that? Why is it discouraged? Why has rigor mortis set in in terms of innovation? Why are cabinet members not allowed to innovate? What a tragedy for individuals who have perhaps hoped through their professional career as a politician to get into the Holy Grail of cabinetdom. If they get there, they might be lucky to get a cabinet post that is

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commensurate with their talents. Why not allow talented individuals to move forward to push for ideas and changes that will enable that ministry to function better for Canadians?

We do not have that right now. People are scratching their heads and asking: why are we studying the health care system again; why have we not dealt with the environmental problems which are significant yet are untouched; why are we not dealing with endangered species legislation; and why is the tax system not more efficient, effective, reasonable and user friendly?

I could go down every single cabinet member's post, as any other MP could, think of some big problems and some solutions, which the minister I am sure knows, to address those problems.

• (2220)

Why are these problems not dealt with? It is May 1 and we have a situation where the government is trying to keep the opposition fractured. It is a political game. The Liberals will not raise their heads and do something innovative, so no fire is drawn to them.

What is the point of having power if it is not used for the public good? If one wants to sit on the government benches and not use it then it is useless. We may as well go home.

What a tragedy for the members of cabinet and members of the government, or anyone in that position, to be forced and shoe-horned into that kind of behaviour. What a tragedy for us. What a tragedy for the people in Canada, particularly those who are really hurting in our society.

We have only made a Faustian bargain, if we allow ourselves to make that bargain. We can do much to change that. We can make a bargain with our souls and with our community that is far better.

Mr. Paul Szabo (Parliamentary Secretary to Minister of Public Works and Government Services, Lib.): Mr. Chairman, I know you have an important role to play with regard to the committee that the House has charged to look into the modernization of parliament issue.

I find it very fascinating the work that has been done and the proposals which have been presented, for instance the leadoff debate by the government House leader. Much of that was discussed at committee and unanimous consent is mandated for any changes. I understand there is very good progress so far.

Interestingly enough though, the entire debate has split into two channels. The committee as I understand it is dealing with the procedures of the House such as how to make it run smoothly, how to deal with filibustering and report stage motions which are frivolous and how do we make it more efficient? All those points are very characteristically how does this place work.

The other stream that has taken a life of its own has to do with the premise that there is a question as to the relevance of members of parliament and how do we engage the public and convince them that they have a role to play and a say? That is the citizen engagement issue.

The member talked about the public as if they were a homogeneous group but they are not. Across the country very few members of parliament had more than 50% of the vote in any riding. So the views of constituents in a particular riding are going to be divergent. There is going to be a bit of everything.

There are certain things that go beyond partisan purposes or objectives. Members of parliament on committee and when they do special work seek items that can go beyond the partisanship. We have an official Opposition and other opposition parties, and their role is to be the opposition. The government's role is to implement its mandate. Its democratically elected government has a constitutional obligation to deliver a program under which it was elected.

The members of the governing party are considered to be sheep because they support the platform on which they ran. How ironic, of course they have to support the plan on which they ran. There are issues that are not specific in the platform but certainly are specific in a party's policy such as a long standing policy background. It is clear that the thrust of most of the voting here probably is reflective of either the platform or the policy of a particular party.

The member who just spoke raised some issues. There are issues related to the environment, reproductive technologies, some cloning and stem cell harvesting and other issues which could go way beyond partisanship. These are things I can study and get into. We can hear witnesses, come up with good reports and help government fashion a legislative and regulatory framework which could guide some of these things that are evolving in our society. This is where the participatory democracy comes from, when we can find those ways to set aside the partisanship.

• (2225)

I will take this opportunity to suggest three or four items that I would like the committee to look at in trying to provide some guidance in shaping some of the things that happen in this place.

The first one is the concept of relevance. I must admit there was one member who spoke earlier who said that if there was time to speak, he always got up because he loved to speak. We have to exercise personal discipline. The Chair has some discretion to impose or to raise the question of relevance when members rise and tend to ramble on or repeat themselves et cetera. The efficiency of the operation of the House, if enforced judiciously, would encourage members who like to speak for the sake of speaking to check themselves periodically.

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The whole aspect of debate within the House, and it would spill over to committees, is to make it much more relevant and crisp. In the British parliament the speeches of ministers on very important bills are very rarely more than 10 minutes long. There are certain points to be made and many of them have been well debated, but when we get down to it, a minister does not need 40 minutes to speak on a bill. Quite frankly, it is very difficult to fashion a good speech to last 40 minutes and keep everybody there.

The issue of relevance should not be overlooked in terms of the principle that the members should try to discipline themselves on that. However the Chair should also encourage us to keep on point and ensure that we do not act in a partisan way simply to repeat or to somehow stretch the envelope into areas that are not terribly relevant to the matter before the House.

The issue of question and comment is an area which leads to a lot of abuse in the House in that regard, simply from the standpoint that comment generally lends itself to members speaking for some time and raising new issues which were not in a member's speech. It tends to sidetrack the focus on the comments of a previous speaker.

I am hoping that the relevance issue will play an important role in shaping a signal for discipline by all members. Personally imposed and with the assistance of the Chair, I think we could be more efficient within the House.

I was fascinated to learn the longstanding tradition in the British parliamentary system, and I have not seen written rules on this, is that speeches should not be read in the House unless they are quoting from some references or providing detailed technical information. One member responded very quickly by saying that he had a lot to say, that he had 10 points to get across and he could not do it by memory.

I am not suggesting that members should not have any paper in front of them. Certainly they could have one page which would have the themes to which they were speaking. However imagine what would happen to the quality of the speaking within the House if members had to address the House rather than read to the House?

It would be very important for us to consider whether or not members should come here with their piles of papers. As the cameras film them giving their speech all that would show would be the tops of their heads. I have often thought, when watching CPAC and the proceedings of the House, that those members who address the House have eye contact. They can sense whether or not they have lost people or whether they are grumbling. There can almost be an interactive dialogue going on simply by checking the mood of the House.

It is important that we consider the great orators of parliamentary tradition. That skill has been lost.

• (2230)

Why is it that people can come in here with canned speeches and read them. If the paper were taken away from them and they were asked to carry on, they would probably say in many cases that they could not because they do not know very much about the subject they were in the House talking about. It would be terribly embarrassing for some members.

I hate to say this but, if that is the case, what is the relevance of a member standing up here? We might as well simply circulate the speech to all members or put it on their ParNet. If a speaking spot opened up on a subject on which the member was not too familiar he or she could just read the speech.

I think the relevance of speaking in the House has to reflect the fact that these people have evidentiary knowledge or have done their research because the subject matter is something that is important to them. Debate is to try to sway opinion. I do not think many people are moved by looking at the top of someone's head as they read a speech prepared for them by somebody else.

Much has been said about committees. Committees have a very important role to play if they can get their act together. Fortunately we have some committees that do extremely well. I would think the finance committee has an excellent reputation. The foreign affairs committee has quite a good reputation. The environment committee to some extent has a pretty good reputation because it has strong leadership, et cetera, and I think the people on it are very interested. They continue to educate themselves and champion important initiatives.

One of the big problems we have with five official parties, and the need to put members on different committees—I think it is 16 members—is that it spreads us very thin. Members who have served on two committees know what I am talking about. I know of a number of cases where members are on two committees and the committees happen to meet at exactly the same time.

How can a member properly prepare let alone keep up with committee work? It is unfortunate that we are in that situation but there is not much we can do about it because we have five official parties. It was a lot different when there were three parties. We could have 10 members or maybe even 8 members on a committee and still do some good work. Quite frankly, more work would get done on committees if there were fewer members.

One of the committees' principal responsibilities is to deal with government bills. In committee today we went through clause by clause of a bill and some 30 amendments were proposed by the government. I would think by and large that most of those amendments were housekeeping in nature. No major changes were made to the thrust of the bill. The committee took a long time to deal with the bill which created a lot of frustration among the

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members, particularly those in opposition. They did not like the idea that the government was ramming through a bunch of changes.

It was very clear though, by watching the opposition members' growing frustration, that they were not quite aware of the way in which bills are dealt with at committee, particularly at clause by clause, and in fact did not know their rights as committee members. They could have put forward their own amendments and called for recorded votes. They could also have stood clauses for later consideration while they consulted with someone. This tends to support the suggestion of one member that an MP school might be important.

When I became a member of parliament and we received orientation in early 1994, the one day orientation was sadly lacking. There was more information than could possibly be absorbed. It certainly did not prepare us for what we had to do. We were just told to fend for ourselves and hopefully we would learn a little bit.

Interestingly enough, this time around after the election, there were, I believe, 17 new members of our caucus. I penned a 10 page typed letter on a potpourri of items just as a heads up. I probably could have gone on a lot longer.

It strikes me that some of the day to day ordinary activities of members of parliament do not get communicated to MPs. I think we do a terrible job, quite frankly, on orienting MPs on the day to day activities.

• (2235)

What is duty? What are votes? What are motions? What does it mean when the Speaker says "on division"? Those things are not written in too many places unless we start using enormous textbooks. We should probably start building a pragmatic manual for members of parliament so they can better understand budgeting, House duty, House hours, private members' business and where they can get help. They do not realize that they do not need a legislative assistant. The library of parliament is there with a large number of people with PhDs who are prepared to do all kinds of work for them.

The resources we have are enormous. I can look around this place at members who have been here particularly from the class of '93 or earlier. I can point to each one of them and tell exactly the niche they have found for themselves in this place and the contributions they have made. Regardless of partisan stripe, I know that each and every one of them looks for a way to make a contribution and find their niche, usually related to either their riding or their own personal experience or expertise.

I have no sympathy for members who just whine about things and say they do not get this or that. There is an onus on each

individual member of parliament to take up the challenge and to understand that the best way to get an item past the chair, whether one is a government member or an opposition member, is to get a bill or a motion before the House, to have it voted on by the members and passed. The very best outcome is to do the best job possible to garner consensus, to get public support and to convince the government that it should take on the item and introduce it, just as the member for Sackville—Musquodoboit Valley—Eastern Shore said. He had an idea on the blood issue but it did not go the way he wanted. Good ideas should bypass partisanship.

The last thing I want to talk about has not been mentioned yet. I hope the House will take this in the spirit in which it is given. The premise is that Canadians do not feel engaged or they do not seem to understand parliament. I told the member from Scarborough what my agenda is. A lot of people were amazed. They did not know what I did.

It seems to me that we are not doing a very good job of explaining to Canadians at large the scope of activity that goes on. More important, I do not think Canadians feel connected to this place. They can watch CPAC if they can get away from work but that means sitting in front of a television.

I am hoping there is a way to do this. I am wondering why I as a member of parliament or a constituent of mine cannot tune in to a radio band and listen to the proceedings of the House of Commons of Canada. Why can I not follow the debate unless I am not in front of a television? Why do my constituents need to be in front of a television to hear me speak on an issue that concerns them or to hear the questions I am asked or the answers that I give?

How hard could it be for the Parliament of Canada to communicate to Canadians the activities in the House? Question period is not a good reflection on members of parliament and the quality of work in this place. The debate on bills, motions, opposition day motions and the like are very interesting and very important to a lot of people out there.

I raise that with you, Mr. Chairman, in the hope that you will bring it to the committee to find out if there is a possibility for Canadians to listen to the House of Commons when there are matters of importance they would like to hear rather than waiting for *Hansard* to be published or going to the library if they do not have access to the Internet.

• (2240)

If it is important enough to be debated in this place it is important enough for Canadians to be aware of it and to be aware of it on a timely basis. The broadcasting angle may be a way to address that need and to connect with Canadians about the important work in this place.

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The Chairman: I would like to remind my colleagues that we have approximately 20 minutes left. I understand there are yet a few members wishing to speak. We will begin with the member for Elk Island and I will leave it to the three members who wish to speak to share the time.

Mr. Ken Epp (Elk Island, Canadian Alliance): Mr. Chairman, I will ask some questions of the hon. member who just spoke. We have had some good times together on the finance committee. I will ask him the questions, but I will not give him an opportunity to answer because I am now speaking myself.

He may want to consider this. He said he ran on a party platform, as we did. There is certainly a lot of truth to that. The fact of the matter is that we deal with many issues in the House that are not the object of debate during an election campaign. It is incumbent on us, then, to make sure that we as individual members of parliament have the ear of our constituents so we can represent them in this place.

I have a very curious question for which I have never been able to get a decent answer, that is, how come we, on our opposition day, chose word for word a paragraph right out of the election platform of the Liberals which all of the Liberals on command then voted against? To me that contradicts what he said, but that is getting partisan and the whole tone of tonight is very non-partisan.

I already stated my case on private members' business earlier today during questions and comments. I also spoke when we had the debate some time ago. I would like to add a few things that I do not think I spoke about previously and that I think are relevant to your committee, Mr. Chairman.

With respect to committees, I have some really important points. I have enjoyed working on the finance committee. We have a good working relationship in the committee, but there are some real frustrations. First, the majority the government holds on the committee and the presence of the parliamentary secretary, who seems to direct the votes, are very frustrating.

I do not mind if I present my ideas and the people hearing those ideas reject them because they are not valid or I do not have a strong enough argument or I do not express them well enough. Then I lose that debate and the vote goes against me. That is fine.

However, when I present something in committee and can tell by the body language that the people agree with me—I taught for 31 years and learned when my students were with me and when they were not—but the parliamentary secretary opens his mouth and basically suggests to the members that they should vote against me and then they all do, I find it very frustrating. I do not know whether our standing orders can be changed to accommodate this frustration, but I certainly would echo what some of the other

members have said and that is that perhaps the parliamentary secretary should not be on the committee acting as whip.

I found the process of the election of chairs very frustrating. I do not think it is right that all we get is a motion that so-and-so be elected and then we vote on that. Usually in elections there is a list of candidates. In meetings which we conduct under *Robert's Rules of Order*, we open the floor for nominations and accept all the names. Then there is a vote based on all of the names on the slate.

What happens too often in our committees here is that the instant the clerk of the committee, who chairs the committee until the chairperson is selected, says the meeting is constituted and we are accepting nominations, whoever yells the loudest gets recognized. I have noticed in the meetings I have been in that the clerk of the committee always has her face to the right so that she is looking at the Liberal members, whereas we on the other side are ignored.

● (2245)

As a matter of fact the last time we elected the chair of the finance committee I was prepared to nominate the person who won. That would have been a wonderful non-partisan effort to show that we were working together as a committee. We should have a slate of candidates and there should be a ballot, perhaps a run-off ballot. I would like it to be a secret ballot. The choice of the chairs of the committees should not be orchestrated from on high.

I am concerned about government control with its majority on committees. Some may say that the government has to have the ability to promote its agenda. That is true to a certain extent. I have had several experiences in my seven years where the committee chair has in my humble unbiased view made an error. I referred to this once or twice.

I brought one to the House as a point of order. A motion actually passed and the chairperson of the particular committee said that it had failed. I pointed out to the chairperson that only two people had said yes, that nobody had said no and that therefore the chairperson saying the motion had failed was the opposite to what it should be. Then we got into a bit of a shouting match because I did not accept the chairperson had the right to say that a motion had failed when in fact it had passed. Eventually in this case he went back to the rules and said that was his decision. Then he said "Shall the decision of the chair be upheld" and the majority on the government side said yes, the decision should be upheld, and so it was.

One cannot do that. One cannot do something that is against the rules of procedure in committee and then somehow justify it by getting other people who happen to be on one's side to back it up. I would like to see something in our standing orders which would allow an appeal for things like that to the Speaker or to the procedure and House affairs standing committee.

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Committee travel was mentioned earlier. Sometimes our party, as the official opposition, has denied the right of committees to travel. I recognize that it is important for committees to travel, but very often the official opposition uses that as a bargaining chip when it wants something else. Often it is the recalcitrance of the House leader of the government that changes that.

I wish to say a little about free votes in the House. It is something that we should do. Even though the government ran on a platform, there are sometimes amendments which are needed to improve legislation. To always wholesale deny a motion, because it comes from opposition without in my view proper thought being given to it, is an affront to me as a member of parliament.

I would like to say something about the parliamentary calendar. I would like to see MPs have more days in the riding. I am one that is in this place way too much. I do not know why it is. Maybe I have a problem and should go to see a psychiatrist about it.

It reminds me of this lady that I have in my riding who is always watching CPAC. I asked her one day if she had any other medical problems. The parliamentary calendar should be changed because I would like to have more days in my riding, but I feel when the House is in session I have an obligation to be here. That is how it ought to be. Consequently I would like to see some change to in calendar to allow members of parliament more days in their ridings.

I would also like to suggest that we improve attendance in the House. I really would like to see members actively engaged in debate in the House, instead of just a token number of people. With committees running at the same time we are in committee and then we get a phone call in the committee room which says to get down here and make a speech. We come down here and make our speech on the topic, and we have not heard what other people have said. It is not a true interaction. It is not a true debate. It is a monologue that we deliver and then rush back to our committees. I would like to see some changes in that area.

I want to say one thing about time allocation and closure. The government holds the record on the number of times it has been used. That defeats what parliament is about. Parliament is about words. We use words to spread ideas. The clerk will know that I have stated to him some time ago that one of the flaws of this place is that we do not know how to use the language.

• (2250)

Language is the embodiment of the ideas that we have in our heads. I would like to see the rules on closure changed. The government should not be allowed to introduce closure or time allocation until a certain minimum period has been spent on a bill at each level.

On a number of occasions the government has moved time allocation at the report stage of a bill saying that the bill will go

through all the remaining stages and will be finished at the end of the day. That is not adequate. We should have a minimum of one day to debate each stage of a bill, although I would like to see more.

I want to comment on bills going to committee before second reading. I find that unsatisfactory. It sounded at first to be so good, but we need to debate the principal of a bill before we send it to committee.

Finally, I have some question with respect to all the disallowed words. We as members of parliament should use our discretion and should be very careful when we condemn other members. However I personally find it an affront when other people do something and I am called out of order for having pointed it out. I resent the restriction on the words that we can use. Nevertheless, we should still be very honourable all the time.

The Chairman: In the 10 minutes remaining, I will recognize the member for Yukon. The hon. member for Elk Island on a point of order?.

Mr. Ken Epp: Mr. Chairman, I would not have any objection if we went five or eight minutes longer to give other members an opportunity to speak.

The Chairman: As this is a new format and in the spirit of co-operation I hope members will be mindful of the late hour. The understanding was that everyone would have completed their remarks by 10:58. Trusting that members will not abuse the latitude the Chair will exercise, I will begin with the member for Yukon.

Mr. Larry Bagnell (Yukon, Lib.): Mr. Chairman, I appreciate your flexibility and I will try to make the few points that I have as quickly as possible. These comments have come up during the debate tonight.

There are 301 of us in the House and we will not always get our way. In any job that any of us have had I am sure there were some frustrations. Before people out there line up to break down the doors of parliament, as was suggested by the member from Esquimalt—Juan de Fuca, I would like to make contrary arguments to some of the points that he made which I feel are a bit of hyperbole.

He said that this was not a democracy. In my adult life as a spectator viewing parliament, whatever government was elected by the people or whatever party was elected by a majority, it seems to have been able to make the laws of the land, to promote programs and platforms that it wanted and to implement them in a democratic fashion. It seems to be working relatively well in that respect.

The member went on to ask why we were dealing with taxation issues or endangered species. The point still puzzles me. This is a democracy and times have changed so that there is a surplus and a

more competitive world. We need to make tax cuts and that is why we made the biggest tax cut in Canadian history.

People in parliament and across the country are unified in their beliefs that we need to solve child poverty or work to reduce it. That is why we brought in the child tax credit, the largest recently started, social program. The people of Canada and the majority of parliamentarians wanted this so the government implemented it. That is democracy and that is exactly what should be happening here.

• (2255)

The hon. member talked about the major huge reports on health care and on aboriginal affairs. Again I think it is hyperbole to say that nothing came out of them. It is never a loss to do study. It is never a loss to do education.

There was a major health accord this fall between the provinces and the federal government that had all sorts of innovative things in it. I assume that some of those things and other progress in health care that has happened since that report came from that report. The people who work in the field refer to those reports and use what knowledge they can.

Of course in the aboriginal affairs field there has been “Gathering Strength” and a number of very progressive items in the throne speech. It is not productive to say that nothing comes out of the studies.

I appreciate the member for Elk Island being here tonight. We have shared many late night debates. I want to say that sometimes party positions change, in all parties, because the circumstances change. A member would be doing the wrong thing if he or she did not change. That relates to the taxation item I mentioned.

One of my frustrations in the parliamentary system is that we cannot be here all the time when there are debates because we have so many other events to attend, such as committee meetings or dealing with constituents. We come into a debate having missed half of it, so how can we be knowledgeable when it is our turn to speak on that topic? I do not know how this is solved. I want to table this as one of my frustrations.

I will elaborate on something one of my colleagues said earlier on the pincer between the judiciary and the executive. At least it is not there without our own doing or causing. A strong executive and also a first past the post system allow us to have a strong government that can work fast to solve the problems. That is more important in this rapidly changing world. We have elected to have government work in that way. As to the judiciary, the only reason it can make decisions is that we make laws that are unclear or we give it the latitude to make decisions. If we want to prescribe it so that the judiciary does not have an effect, we can do that. Once again, that limit on us is through our own doing.

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I agree with the idea that came up earlier of explaining things better to the public and to ourselves when bills are coming forward on the legislative agenda. Perhaps we could have a one page summary for parliamentarians and Canadians. Perhaps CPAC could play it. I appreciated the reception that CPAC gave today, because it explained some things I did not understand in regard to people knowing what bills were before the House. I congratulate the *Hill Times* for doing this. I was reading it today and I kept that aside. There is not a lot of that information out in the public so that people know what bills they might comment on and what the intent is of those bills.

One of my last points is on private members’ bills. There has been a lot of discussion on this, with several debates this session. If people want more respect for this, they also have to remember how legislation is normally arrived at: through a large bureaucracy of professional expertise that has studied and has been expert in that area for years. Private members’ bills might come forward from members who have not taken advantage of that expertise and the knowledge of how it fits into the present environment. Then they expect the bills to be taken seriously. If that procedure is ironed out it would help to give this more credibility.

My final point is on question period. Someone asked during the debate what would happen if we eliminated question period. One comment is that I think it would be good if we eliminated discussion in question period that relates to individual members of parliament. There are issues in the country that are a lot larger than that. In the last several months, part of question period has been taken up with discussion on members from virtually all the parties in the House. To me that has not dealt with the major issues of the land and our time is limited.

My last quick point is that if we did not have question period, which is the 45 minutes a day that the press is in the gallery and everyone is here, I wonder what would be covered.

• (2300)

Mr. John Bryden (Ancaster—Dundas—Flamborough—Aldershot, Lib.): Mr. Chairman, I congratulate the hon. member for Yukon for taking part in this debate because these are important debates. The hon. member for Yukon is a new member to the House and it takes a lot of courage to just plunge into this kind of thing. I will try to be brief because I appreciate that it is late and the staff are staying here, waiting for us to finish.

I have listened to most of the debate and have been here for much of it as well. I make the observation that particularly a lot of it dealt with private members’ business. The theme that ran consistently through the debate tonight was the whole idea that private members’ bills needed to be made votable, but lost in all of that, in my opinion, is that it is not a matter of whether private members’ bills become votable automatically or whatever. It is a matter of whether private members’ bills succeed.

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The problem is this whole idea of backbench MPs bringing in legislation. The real message we want to get out to the public is that these bills that we do introduce actually do become law eventually.

You well know, Mr. Chairman, with all your long experience, that in fact the government holds all the cards when it comes to legislation going through the House, whether it is government legislation or private members' legislation. That is not wrong. The government is elected to govern. The government has the resources and the absolute duty to make sure that no legislation succeeds through the House that actually does not work or that is inconsistent with the interest of Canadians.

The difficulty with private members' business is, as we have heard tonight, that we get focused on our own ideas. We get focused on the interests of our own constituents. We will see a piece of private members' legislation as the be-all and the end-all. It may be selected. It may be deemed votable. It may go to committee. We as individuals will defend that legislation, even if that legislation in fact may have a very negative impact out there.

Indeed in private members' business, as I have discovered because I have been a great champion of expanding it, the reality is that we are all politicians here. We all act with the sort of self-interest of our constituents, but a self-interest nevertheless of politicians.

The classic example is all those backbench MPs who submit private members' bills with no intention of them ever becoming votable, who submit them for first reading debate for the sole reason that they can get the quick hit in the newspapers. I have seen members submit six, seven, eight or ten private members' bills and motions, all for the short political advantage that they might get in their riding or with their constituents, or just to say something about a faint hope cause.

One of my first recommendations in private members' business would be that we restrict the number of first reading motions and bills that a member can put forward. As you well know, Mr. Chairman, it is one of the things that so occupies those members of staff who are responsible for drafting private members' bills or all those, shall we say, dilatory bills that members never intend in the first place to ever go anywhere.

The second point that has come up, and I think it is a very good point, is the proposal that has been bandied about to get around the subcommittee on private members that we all agree we do not like. It works by consensus and it determines whether bills are votable or not votable. It is not a satisfactory arrangement.

What has been proposed is that every member of the 301 MPs has the opportunity during a mandate to have one bill deemed votable and that the draw would only determine the order in which the members have their bills appear on the order of precedence.

That is very good, but it still has a problem. The problem is that there are still 301 MPs in the House. We cannot deduct the parliamentary secretaries because they only serve for a short time and they need to have their turn at their own private members' legislation, but if we deduct the frontbenches and the ministers we still have 280 members of parliament, all with a votable bill. We would never get through them all.

I would propose that in a mandate every MP had the choice of having one bill deemed votable that he can put forward and still be subject to a draw, or that he be given the choice of having three non-votable motions or bills so that he can have three hours of debate on things that he does not want to go forward but he wants a debate on. In that way there will be less votable bills overall going to committee.

● (2305)

When a bill comes forward to debate I think it is very important on private members' bills, if we really do believe that they should succeed and they really have merit, that there be genuine debate in this House. I have heard one member say that if it is a votable private member's bill there only needs to be two people who speak on it and then it should go to the committee.

That is wrong. What we really need when it is private members' business and when it is a votable bill are questions and answers. What we have now is three hours of debate in which there are token speeches or there are real speeches but there is no debate. I think if we really believe in private members' bills, that they should have merit and they should go the whole distance, then we need to have debate.

I would also extend the hours of debate for private members' business. Again, if we really believe that it should succeed, then we have to have opportunities for that debate.

There are a lot of MPs that would rather spend less time here than more. I can tell you, speaking for myself, Mr. Chairman, I believe so passionately in this place and in private members' legislation that I would be quite happy to stay an extra week or an extra two weeks or stay extra hours in the day in order to have the private members' debates that we need.

I think it is very important that we consider formulas, ways in which we can have extended debate on a Friday, for example, or extended debate on a Monday, or even a special period for private members' business, maybe a couple of weeks even during the break in January or in June. I think it is a mistake if the House leaders rule on private members' business on the basis of those MPs who are not interested in the business of the House. I think it is very important that we serve those who have legislative initiatives that they want to put forward.

Just very quickly, I have four other points related to the general business of the House. I would like to see reports from committees when they are tabled by the committee chairman. I would like to

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see some words of debate with respect to them because what happens is today the chairman of the finance committee tabled the report of the finance committee. I do not know what it says and it just disappears. I really think it is important that something be said with respect to that.

On minutes of the committee, I would like the minutes of the committee to be properly hansasded and put on the Internet. It is not enough just to televise. It is very, very important to have the minutes of committees moved into the public domain as quickly as possible.

Finally, I would just say that like private members' business I think committee activity needs to be extended. As I proposed

earlier tonight, I think there is much to be said for striking special committees that can sit when the House is not sitting and even pay those members to sit on those committees if necessary.

The Chairman: I thank the hon. member for his co-operation and all members for their participation throughout the evening.

It being 11.08 p.m., pursuant to the order made earlier today, the committee will rise and I will leave the chair.

The Deputy Speaker: This House stands adjourned until tomorrow at 2 p.m. pursuant to Standing Order 24(1).

(The House adjourned at 11.08 p.m.)

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