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OFFICIAL REPORT
(HANSARD)

Thursday, September 21, 1995

Speaker: The Honourable Gilbert Parent

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HOUSE OF COMMONS

Thursday, September 21, 1995

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

[*English*]

INTERPARLIAMENTARY DELEGATIONS

Mr. Bob Speller (Haldimand—Norfolk, Lib.): Madam Speaker, pursuant to Standing Order 34, I have the honour to present to the House the report of the Canadian branch of the Commonwealth Parliamentary Association concerning the Canadian regional conference from July 23 to July 28 in Halifax, Nova Scotia.

* * *

CRIMINAL CODE

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.) moved for leave to introduce Bill C-348, an act to amend the Criminal Code (mines).

He said: Madam Speaker, it is a pleasure to introduce this bill that will ban the production, export and import of land mines and anti-personnel devices within Canada.

There are over 100 million land mines and anti-personnel devices seeded throughout the world. The world produces over a million of these land mines and anti-personnel devices every year and over 100,000 people are maimed or killed by these devices every year, 40 per cent of whom are innocent women and children.

The purpose of this bill is to have Canada take a leadership role in banning these devices which have no place in modern warfare.

If we can pass this private member's bill which I know has a lot of support from across this floor, we will be able to send a clear message to other countries that it is unacceptable for these devices to continue to be produced, wreaking havoc in so many areas of the world and rendering millions of acres uninhabitable for decades.

I hope we will be able to have some cross-party support for this private member's bill so that Canada can take a leadership role on this very important issue.

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

* * *

BILL C-310

Mr. Clifford Lincoln (Lachine—Lac-Saint-Louis): Madam Speaker, I would like to withdraw private member's Bill C-310, which relates to resumption of work by certain workers at the ADM mill in Montreal.

The reason for the withdrawal of this bill is that the matter has now been settled. Therefore, the bill, for all intents and purposes, is now not necessary.

The Acting Speaker (Mrs. Maheu): Does the hon. member have the unanimous consent of the House to withdraw the bill?

Some hon. members: Agreed.

(Order discharged and bill withdrawn.)

* * *

QUESTIONS ON THE ORDER PAPER

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

The Acting Speaker (Mrs. Maheu): Is it agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

CORRECTIONS AND CONDITIONAL RELEASE ACT

The House resumed from September 20 consideration of Bill C-45, an act to amend the Corrections and Conditional Release Act, the Criminal Code, the Criminal Records Act, the Prisons and Reformatories Act and the Transfer of Offenders Act as reported (with amendments) from the committee; and of Motion No. 1.

The Acting Speaker (Mrs. Maheu): Is the House ready for the question?

Some hon. members: Question.

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The Acting Speaker (Mrs. Maheu): The question is on Motion No. 1. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 76(8), a recorded division on the motion stands deferred.

We are now debating group 2.

[*Translation*]

Mrs. Pierrette Venne (Saint-Hubert, BQ) moved:

Motion No. 2

That Bill C-45, in Clause 34, be amended in the French version by replacing lines 15 to 19, on page 13, with the following:

“n’est pas admissible à la libération conditionnelle totale avant d’avoir purgé, à la fois, depuis le jour où il s’est vu infliger cette peine supplémentaire:

a) le reste du temps d’épreuve relatif à la peine que le délinquant purgeait déjà lorsqu’il s’est vu imposer la peine supplémentaire;

b) le temps d’épreuve relatif à cette peine supplémentaire.”

• (1010)

Mr. Patrick Gagnon (Parliamentary Secretary to Solicitor General, Lib.) moved:

Motion No. 3

That Bill C-45, in Clause 39, be amended in the English version by replacing lines 13 and 14, on page 17, with the following:

“(b) serving a life sentence imposed otherwise than as a minimum”.

Motion No. 6

That Bill C-45, in Clause 40, be amended by replacing lines 41 to 46, on page 18 and lines 1 to 3, on page 19, with the following:

“(6) Where an offender receives a sentence to be served in a provincial correctional facility and fails to earn or forfeits any remission under the Prisons and Reformatories Act and is transferred to penitentiary, otherwise than pursuant to an agreement entered into under paragraph 16(1)(a), the offender is not entitled to be”.

Motion No. 8

That Bill C-45, in Clause 42, be amended by replacing line 15, on page 21, with the following:

“(6) Subparagraph 129(5)(c)(ii) of the Act is replaced by the following:

(ii) referred to the Chairperson pursuant to paragraph (3)(b) after the statutory release date has passed.”.

(7) Subsection 129(9) of the Act is re-”.

Motion No. 12

That Bill C-45, in Clause 44, be amended in the English version by replacing line 13, on page 26, with the following:

“subsection 130(3) or paragraph 130(3.3)(b).”.

Mrs. Pierrette Venne (Saint-Hubert, BQ) moved:

Motion No. 13

That Bill C-45, in Clause 45, be amended in the French version, by replacing line 25, on page 27, with the following:

“pertinents dans leur évaluation du risque que le délinquant”.

Mr. Patrick Gagnon (Parliamentary Secretary to Solicitor General, Lib.) moved:

Motion No. 18

That Bill C-45, in Clause 52, be amended by replacing line 10, on page 34, with the following:

“52. (1) Paragraph 140(1)(b) of the English version of the Act is replaced by the following:

(b) the first review for full parole pursuant to subsection 123(1), including the review conducted pursuant to subsection 126(4), and subsequent reviews pursuant to subsection 123(5);

(2) Paragraph 140(1)(c) of the Act is”.

(b) by replacing lines 10 and 11, on page 36, with the following:

“propriate that an inquiry under subsection (1) be held or where an inquiry must be held by virtue of subsection (1.1) a judge, supernumerary judge or former”;

(c) by replacing line 46, on page 37, with the following:

“member’s office.”; and

(d) by replacing line 3, on page 38, with the following:

“the due execution of the member’s office, or

(e) has recommended conditional release for a violent offender and the violent offender has committed a violent offence while on that conditional release.”.

Motion No. 20

That Bill C-45, in Clause 66, be amended by adding after line 6, on page 42, the following:

“(b) subsection 108(2);”.

Motion No. 21

That Bill C-45, in Clause 67, be amended by adding after line 21, on page 42, the following:

“(a) the definitions “day parole” and “full parole” in subsection 99(1);”.

Mr. François Langlois (Bellechasse, BQ) moved:

Motion No. 22

That Bill C-45, in Clause 68, be amended in the English version by replacing line 28, on page 42, with the following:

“68. The French version of the following provisions are”.

Motion No. 23

That Bill C-45, in Clause 69, be amended in the English version by replacing line 21, on page 43, with the following:

“69. The French version of the following provisions are”.

He said: Madam Speaker, the motions grouped for debate are essentially for linguistic clarification purposes. In my view, these motions do not require extensive debate, but only some explanations.

I myself will only deal with Motions Nos. 22 and 23, which I had the honour of submitting and which were seconded by the hon. member for Saint-Hubert.

Motion No. 22 seeks to clarify clause 68 of the bill. The beginning of the current English version of that clause reads as follows:

[English]

The following provisions are amended by replacing the expression “sans surveillance” with the expression “sans escorte”.

[Translation]

The idea is to replace the expression “sans surveillance” with the expression “sans escorte”, which is deemed more appropriate in French.

It would be more logical to say that, in the French version, the expression “sans escorte” replaces the expression “sans surveillance”, so that the introduction to clause 68 would read as follows, should the amendment be passed. The new merged version would read:

[English]

The French version of the following provisions are amended by replacing the expression “sans surveillance” with the expression “sans escorte”.

[Translation]

The same logic is applied as in the case of the two preceding clauses, where it is said, in regard to the English version, that:

[English]

The English version of the act is amended.

[Translation]

The same goes for clause 66. The logic is the same as that which prevails throughout the bill.

The other amendment which I tabled, namely Motion No. 23 dealing with clause 69, is for the same purpose. I will spare you the reading of the merged text which, albeit short, could nevertheless be boring. However, the objective of that amendment is the same, that is to say the French version.

I respectfully submit these amendments to the House. As for the other amendments, I do hope that they will be accepted without a long debate.

• (1015)

Mr. Patrick Gagnon (Parliamentary Secretary to Solicitor General of Canada, Lib.): Madam Speaker, regarding the motion tabled by the hon. member for Bellechasse, I wish to underline his active involvement in the committee. I think it is

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in everyone’s interest to know how much the hon. member cares about his work. He is always striving for perfection. The government and especially the members of this House would do well to recognize what an excellent job the opposition member did, in my opinion, in this committee.

But I must stick to this text. We in this government support the motion as tabled by the hon. member for Bellechasse.

Mrs. Pierrette Venne (Saint-Hubert, BQ): Madam Speaker, I was not here but I imagine we are still debating Group No. 2.

I wish to repeat that the Bloc Québécois understands and shares the solicitor general’s goal of reassuring the public about conditional release, given the enduring climate of public scepticism toward the federal parole system.

In particular, Motion No. 6 tabled by the government is aimed at correcting a drafting error. This provision deals with the calculation of the automatic release date of an offender sentenced to a jail term in a provincial correctional facility who is then transferred to a federal penitentiary.

As it now reads, clause 40 of the bill excludes those offenders who were serving prison sentences on or before November 1, 1992. The government’s motion is aimed at correcting this oversight and we support this motion.

[English]

The Acting Speaker (Mrs. Maheu): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mrs. Maheu): The question is on Motion No. 2. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

(Motion No. 2 agreed to.)

The Acting Speaker (Mrs. Maheu): The next question is on Motion No. 3. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

(Motion No. 3 agreed to.)

[Translation]

The Acting Speaker (Mrs. Maheu): The question is on Motion No. 6. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

(Motion No. 6 agreed to.)

The Acting Speaker (Mrs. Maheu): The next question is on Motion No. 8. Is it the pleasure of the House to adopt the motion?

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Some hon. members: Agreed.

(Motion No. 8 agreed to.)

The Acting Speaker (Mrs. Maheu): The next question is on Motion No. 12. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

(Motion No. 12 agreed to.)

The Acting Speaker (Mrs. Maheu): The next question is on Motion No. 13. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

Mr. Gagnon: Madam Speaker, could you remind us which motion we are voting on?

The Acting Speaker (Mrs. Maheu): The vote is on Motion No. 13.

All those in favour will please say yea.

Some hon. members: Yea.

• (1020)

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the nays have it.

Some hon. members: On division.

(Motion No. 13 negatived.)

The Acting Speaker (Mrs. Maheu): The next vote is on Motion No. 18. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

(Motion No. 18 agreed to.)

The Acting Speaker (Mrs. Maheu): The next vote is on Motion No. 20. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

(Motion No. 20 agreed to.)

The Acting Speaker (Mrs. Maheu): The next vote is on Motion No. 21. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

(Motion No. 21 agreed to.)

The Acting Speaker (Mrs. Maheu): The next vote is on Motion No. 22. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

(Motion No. 22 agreed to.)

The Acting Speaker (Mrs. Maheu): I therefore declare Motion No. 23 carried.

The Acting Speaker (Mrs. Maheu): We are now debating the motions in Group No. 3.

[English]

Mr. Myron Thompson (Wild Rose, Ref.) moved:

Motion No. 4

That Bill C-45, in Clause 40, be amended by adding after line 6, on page 18, the following:

“(1.1) Subsection (1) does not apply to any offender who is serving a sentence for the commission of an offence involving violence.

(1.2) For the purposes of subsection (1.1), “offence involving violence” means any offence set out in Schedule I.”

Motion No. 5

That Bill C-45, in Clause 40, be amended by replacing lines 33 to 40, on page 18, with the following:

“(5) Notwithstanding any provision in this or any other Act of Parliament, no offender whose parole or statutory release has been suspended or revoked under section 135 is entitled to be released again on statutory release before the expiration of the offender’s sentence according to law.”

[Translation]

Mr. Patrick Gagnon (Parliamentary Secretary to Solicitor General of Canada, Lib.) moved:

Motion No. 7

That Bill C-45, in Clause 41, be amended by replacing lines 15 and 16, on page 19, with the following:

“41. Subsections 128(2) and (3) of the Act are replaced by the following:

(2) Except to the extent required by the conditions of any day parole, an offender who is released on parole, statutory release or unescorted temporary absence is entitled, subject to this Part, to remain at large in accordance with the conditions of the parole, statutory release or unescorted temporary absence and is not liable to be returned to custody by reason of the sentence unless the parole, statutory release or unescorted temporary absence is suspended, cancelled, terminated or revoked.”

Motion No. 10

That Bill C-45, in Clause 43, be amended in the English version

(a) by replacing line 32, on page 24, with the following:

“(3.1) An order made under subsection (3)”;

(b) by replacing line 36, on page 24, with the following:

“subsection (3) has been made, an offender”;

(c) by replacing line 39, on page 25, with the following:

“to an order made under subsection (3) or”; and

(d) by replacing line 2, on page 26, with the following:

“subsection (3) or paragraph (3.3)(b) not to be released”.

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[English]

Mr. Myron Thompson (Wild Rose, Ref.) moved:

Motion No. 11

That Bill C-45, in Clause 43, be amended

(a) by replacing lines 25 to 35, on page 25, with the following:

“(2) Subsection 130(4) of the Act is repealed”; and

(b) by deleting lines 1 to 9, on page 26.

Motion No. 17

That Bill C-45, in Clause 51, be amended by replacing lines 40 to 44, on page 33, and lines 1 to 9, on page 34, with the following:

“139. Notwithstanding any provision in this or any other Act of Parliament, where an offender who is subject to a sentence that has not expired receives an additional sentence, the offender shall serve the total of the unexpired portion of the sentence the offender was serving at the time the offender received the additional sentence and then shall serve the full term of the additional sentence.”

He said: Madam Speaker, the majority of our amendments in this section will address violent offenders.

Once again we see in Bill C-45 that there has been an effort by the government to do something to address violent offenders, that those guilty of child abuse, child aggravated assault or child sexual assault should not be released. No one can disagree with that.

Once again here is an example of a government saying it will move in the direction Canadians want, but it does not go far enough.

Who is a child? If the child is 15 and is assaulted, does that count? Do they have to be under 14, according to the age of majority? What are the guidelines? Are we to say in the case of the Bernardo trial to the French and the Mahaffy families that their daughters were in their upper teens and therefore were not children, and that Mr. Bernardo could be released some time in the future? If that is what it is saying, it is totally wrong.

● (1025)

Aggravated assault on anyone, I do not care what their age, when violence is shown by these offenders in that fashion there is absolutely no reason in the world they should be released at any time until we are absolutely certain they will never do it again. If that means we have to wait until they are 90 years old, so be it.

What the Canadian people want more than anything else if they are to feel safe is to be assured by the government that dangerous violent offenders will not be on the streets because of the bleeding hearts of this country who say we cannot keep them behind bars forever.

Let us make a separation. A lot of people in penitentiaries are non-violent. Many of them should not even be in there. Let us start separating these two categories. Let us help those who genuinely made mistakes, who did no harm to individuals.

If they are non-violent let us treat them as such. Let us look at what we can do to rehabilitate them back into the community. Maybe we need to look at some alternative measures that would prevent them from going there in the first place and let communities deal with these problems, people who are closest to the scene.

When it comes to individuals who hunt down children or women or any kind of a victim with ball bats just to kill them, those are the kinds of people we do not need in this country, certainly not on our streets. If the best solution we have is to keep them behind bars, for heaven's sake let us do it.

I am not certain how accurate some reports are. Recently I read a report by Diane Francis who claimed she received her information from the solicitor general's office, that 78 individuals were released from penitentiaries and went on to murder. It did not say how many people they murdered but if 78 people committed murder, it was definitely no less than 78.

I remember a year or two ago when we first came to the House I asked the solicitor general about a list we had compiled. Our little research group had managed to find 46 individuals who had been released who were violent and killed again.

In one of those instances I remember a quote in the newspaper from the convict, and it was the first time I have been able to agree fully with a convict: “The only thing crazier than me is a system that would let me out to do what I did”. Finally the whole truth is spoken. It is plum crazy.

Special interest groups are running around all over the country. They have the ear of the solicitor general and the ear of the justice department. They simply will not accept that locking them up and throwing away the key is the answer.

Probably 90 per cent of Canadians would agree with me when I say for some individuals that is the only answer. There is a better answer for some of these individuals. It is called capital punishment. It is my opinion that should apply to some individuals.

Clifford Olson may be eligible. He will be heard in 1995, I believe. Under section 745 of the Criminal Code he could be considered for release, although I am quite certain he will not be. I have a little more faith in our justice system than that, that they would not let him out. Nevertheless, he can apply, and will because he has been complaining and moaning and groaning over the last few years.

● (1030)

It saddens me that we even have to consider such a thing, that we have to go to the trouble of having a trial and the expense of paying individuals to sit and listen to the likes of these individuals.

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He killed once, then he killed twice, then there were three, four, five, six. As far as we know, he killed about a dozen times. This individual killed once and got life and 25 years. He killed 11 or 12 more times for free; it did not cost him anything.

Then he goes to our justice department and makes a bargain. Give me \$10,000 for every body I lead you to, put it in a trust fund, and I will start telling you what I did with these children I killed. And we fell into this bargain. We bargained with an individual like that.

I dare anyone in the House to go to any community or any town in the country and stand on a street corner and ask any Canadian what he thinks of our justice system that made a bargain with Clifford Olson to the point where he now has \$100,000 in a trust account for his family because he told us where to find the bodies of the people he murdered. That is an example of what people do not want.

The message should be loud and clear to individuals of that type, these highly dangerous, violent offenders: You are not a welcome segment to our society; we do not want you; we do not need you. For heaven's sake, let us make our communities really safe. Make the streets safe for our children who are walking home from school.

Why should we have to worry about the mother who has to work at eleven o'clock in the evening in a convenience store and who was kidnapped and murdered? We have to consider whether it was a planned murder. Maybe it was just second degree or maybe even manslaughter. It was a violent act, which is not acceptable in this society. But the government will not show through its legislation that it is not acceptable. It makes it look acceptable.

The motion is going to try to send a message to all Canadians that we parliamentarians in the 35th Parliament are a little more serious than they have been in the past about doing something with those who commit a crime. We will continue our prevention programs and do as much as we can. We will continue to try to rehabilitate those who can be rehabilitated. We will do all the right things. But when push comes to shove and there are individuals such as Clifford Olson and Paul Bernardo, let us put an end to it. Never again should those kinds of things happen. Send the message and let us do it with these types of motions.

Mr. Patrick Gagnon (Parliamentary Secretary to Solicitor General of Canada, Lib.): Madam Speaker, this is a very delicate question. Obviously it will entail probably going into a very thorough debate. I think we have had the occasion to do so in committee.

I would like to remind the hon. member that all those witnesses who appeared before the Standing Committee on Justice and Legal Affairs in regard to Bill C-45 and Bill C-41 expressed the view that statutory release plays a fundamental

role in the protection of society. This period of gradual and carefully planned and supervised release is essential for assisting an offender to reintegrate into the community and is preferred over an offender's abrupt release at warrant expiry.

• (1035)

I should also add that there is a process in place. It takes a required amount of time to serve. We should also keep in mind that we do not automatically release people as the opposition likes to contend.

The provisions in Bill C-45 and the Corrections and Conditional Release Act already provide a balanced response to the concerns posed by repeat offenders. The new sentence calculation model would ensure that an offender who receives a new custodial sentence for an offence committed while on conditional release would be automatically returned to custody. New consecutive sentences would always result in the offender serving a minimum of one-third of the new sentence in custody before parole eligibility.

I think we agree here in this House and I would imagine many members in the opposition benches would agree that we need to constantly seek ways of improving public protection. That is why the government continues to focus its efforts on more effective methods, which involve better identifying, assessing, and treating violent offenders on a case by case basis. However, a blanket abolition of statutory release for certain offenders would ultimately harm rather than improve public safety.

In conclusion, the Standing Committee on Justice and Legal Affairs recognized the value of statutory release when it voted down a similar motion to abolish statutory release for all offenders.

I would also add that we will be opposing not only Motion No. 4 but also Motions Nos. 5, 11 and 17 as presented by the opposition.

Mr. Randy White (Fraser Valley West, Ref.): Madam Speaker, I just heard that the member of the Liberal Party opposite is opposing Motion No. 5 which deals with the revocation of parole.

Having been in many parole hearings and listened to all the cases I have listened to, I wonder why this government would not be prepared to back this. Let us say a prisoner is in for a crime that was undertaken while on drugs or a crime related to drugs. This individual gets out of an institution today and is caught in another facility while on parole using drugs. His parole is revoked. He comes back in and they say he has to serve more time. Today that inmate is entitled to again go to a parole board and get out and do his thing in the community.

We are saying that if a person is incarcerated for a crime and gets out and does something such that parole is revoked, the person should serve the full term. That to me makes obvious common sense. If we are letting somebody out of prison today

and he is going to go out and commit another crime, he obviously has not got the message.

As examples I will give a couple of instances where I have been in parole hearings. One individual was incarcerated in excess of two years for very serious fraud crimes. This individual was allowed to go out under UTA, unescorted pass, and he was found to be in the middle of a fraudulent exercise, milking someone out there out of their money. What did the parole board do? It brought him in and told him: "That is not a good thing. You have taken anger management courses in here. You have taken courses and by now you should know that is not the right thing, so we will leave you locked up again".

• (1040)

What happens? He says "Well, I guess I have not learned the lesson, so I am going to stay in here, but I will be back here to apply to get out again". This is obviously a serious problem. The fact is the individual has not learned his lesson, and that individual should be reincarcerated for the full term of his sentence.

Now to some more serious problems. I have been involved with several cases. I am not a lawyer. I am an average guy who tries to help out a lot of victims in an area where I have seven federal institutions around my riding. I have seen people incarcerated for rape. I spoke about this last night. Wayne Perkin is an individual who got a young lady from Aldergrove, British Columbia, coerced her into her garden shed, beat her over the head with a hammer, taped her hands behind her back, injected her with cocaine and raped her. He gets all of six years for this heinous crime. This young lady will never be the same again. He gets six years for that, and is eligible for parole after two years.

What do they do? They let him out at around three years. He goes right back at it again and gets another unsuspecting victim, injects her with cocaine, but this time he does not just beat her over the head with a hammer, he stabs her 20 times and kills her. The family and the family's friends will never again be the same.

The system in this country does not work. For a Liberal government that brought a lot of this mess upon us to stand here and oppose Motion No. 5 is despicable. There are too many victims out there. We do not have to talk about Clifford Olson or this Bernardo fellow. There are all kinds of them across this country, like those three guys who did their thing in McDonald's in Sydney, Nova Scotia. Those are the ones who get national attention, but there are all kinds of them.

I could talk about Jose Mendoza. I have talked about him more than enough in this place. That little creep had 12 criminal convictions in my community, including what they call sexual assault but I call rape. He is escorted out of the country back to El Salvador at our cost so we are rid of him, right? No. He says: "I like the Canadian penal system, the Canadian criminal justice

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system; it treats me pretty good". He got out early too, by the way, on parole.

He comes back in illegally, past Guatemala, Mexico, the United States, shows up at our door and says: "Now I am a refugee, I am not an immigrant, so take me back". Just before that happened he raped another woman, an 18-year old in my community.

Mr. Thompson: Shame. Who is responsible?

Mr. White (Fraser Valley West): This government has to understand that this parole system works for some, but what we are trying to tell this government is if an individual is incarcerated and if they are allowed out under escort or unescorted and if they commit another crime while they are out, they are obviously not the best apple in the barrel. They should be brought in, their parole should be revoked, and they should be in to the end of their sentence, obviously.

There is good old Karel Kral, again in my community. Is this a case of "I have all these isolated incidents", or is this just common around the country? After speaking here last night I received calls, letters and faxes from Ontario people saying that the same thing was happening in their communities.

• (1045)

Let us talk about Karel Kral in my town. Good old Karel, up on cocaine, has been in and out of prison for about 14 years on different occasions. Karel was hyped up on cocaine one night not too long ago and attacked Joan in Langley, British Columbia. He was charged with sexual assault with a weapon and convicted. Joan is 65 years old. He used a needle with cocaine as the weapon. This is a common weapon to use now, because if the victim is injected with cocaine and the criminal is on cocaine it might be a good excuse for the damage being done.

Karel has been out on parole time and time again: out, back in, out, back in. Joan would not have been assaulted had somebody said: "Wait, there is a message here. This guy is a bad apple. His paroles are being revoked. He is in and out, in and out. Stop it. Put him in for a long term, give him a heavier term or call him a dangerous offender".

In the name of God, we have to listen to reason. The government is listening to the very few Liberals in cabinet who want to push a Liberal agenda. How much more can we say on behalf of victims?

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.): Madam Speaker, I will make a few preliminary remarks before I directly oppose the motions we are dealing with.

I am very concerned that as we sit in the House we do not feel for the victims, for the people who are suffering from the crimes being committed outside this place. We need to take more responsibility for the laws we pass. I realize a lot of people are possibly watching this debate on television, but we need to focus

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more on what we are putting through the House. I am very concerned with what is happening here.

We are giving the impression to people out there that Bill C-45 will fix what is broken in the criminal justice system. It will not. It is one small step in the right direction. Why do we not have the courage to do it right, right now? That is the problem we have.

Let us look at the things we are doing here. I look at a motion we just put through. It was tinkering and playing with words. People may look at this and say that the words life sentence are being changed to imprisonment for life. It may seem innocuous at first; it may seem like no big deal. However there is a difference. Imprisonment for life is always 25 years and a life sentence can be as low as 10 years. The Liberals are going soft with the amendments they are making, which is not right. People ought to know it is not just playing with words. We are dealing with people's lives. As the hon. member for Fraser Valley West just pointed out, these criminals are being released when they should not be released.

• (1050)

I support Motion No. 4 which the hon. member for Wild Rose put forward because it will prevent an offender convicted of a violent offence from getting statutory release. We must enforce full term sentences for violent offenders. That has to be the bottom line. The message must go out that we will not tolerate this kind of thing.

The Liberals believe in harsher sentences. They gave that impression with Bill C-41 in which they made hate crimes more punishable than other crimes. They give the impression that they believe in harsher sentences and then they come up with this stuff. It is inconsistent. Why should violent criminals not get harsh, full term sentences?

What is the most basic function of government? What is the primary function government should be performing? It is to provide for the safety of its citizens. It is simply that. We are not here to create huge programs, tax people to death, and do all this wonderful stuff that gives the impression government is taking care of its people. The basic function of government is to provide for the safety of its citizens. That is why it is so important for us to debate the bill.

We were here yesterday for the entire afternoon and I only heard Reformers dealing with the substance of the bill. Are we the only ones who care about the safety of people? Surely to goodness there must be enough compassion in this place that we would begin to seriously debate what should be the direction of our criminal justice system.

Like I said before, it is not our job to create and run big social programs and all kinds of other wonderful things. That may be something people will ask us to do from time to time, but the big

picture is that government should first and foremost provide for the safety of the citizens within its borders. We need to pay more attention to crime, not just big crime but all crime.

On Motion No. 5 which the hon. member for Wild Rose put forward, we do not support statutory release in general but some may consider it for non-violent offences to be all right. The amendment still allows some form of non-violent statutory release but forces the offender to serve the full sentence if the statutory release is revoked or suspended.

The hon. member for Fraser Valley West has made the point, and I will make again. If a person receives a sentence for a crime and then commits another crime when on parole, not only should that person complete the first sentence but the next sentence the person gets should be tacked on. It should be consecutive.

Too often our courts do not add two and two to make four. For them two and two equals two. What is that? Is it Liberal mathematics? I am not sure. In my books two and two should equal four and that is what such people should be serving. For every single crime they commit they should be punished. They should not be able to commit five crimes and be punished for only one.

I strongly oppose the motion previously put forth in which offenders serving time at a provincial institution are transferred to a federal institution and can be released from the federal institution on the day they would have been released from the provincial institution. Why should they get out early just because the federal government is now paying the bill? That should not happen. They should not be able to play within the system. It is not right.

We oppose Motion No. 10. The amendment will not allow full term sentences for sexual offences against an adult female. The point has been made previously that there should not be a great distinction about whom someone commits the crime against. A crime is a crime and it is serious no matter whom it is committed against. We do not want statutory release.

• (1055)

I have made the point already that sentences need to be consecutive. If criminals recommit crimes they should serve those sentences plus the full sentences for the crimes committed previously.

We are moving in the right direction but we need to take more seriously what is happening in the House. We need to deal with these things and make sure we get them right. We need to provide for the safety of our citizens so they can feel safer in this great country of ours.

The Acting Speaker (Mrs. Maheu): Is the House ready for the question?

Some hon. members: Question.

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The Acting Speaker (Mrs. Maheu): We are voting on Motions Nos. 4, 5, 7, 10, 11 and 17. Is it the pleasure of the House to adopt Motion No. 4?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

The next question is on Motion No. 5. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

[*Translation*]

The vote is on Motion No. 7. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the yeas have it.

And more than five members having risen:

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 76(8), a recorded division on the motion stands deferred.

[*English*]

The next question is on Motion No. 10. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the yeas have it.

And more than five members having risen:

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

The next question is on Motion No. 17. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the nays have it.

And more than five members having risen:

• (1100)

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 76(8), a recorded division on the motion stands deferred.

The next question is on Motion No. 11. The question will be put if Motion No. 10 is negatived. We will now debate group 4, Motion No. 9.

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[Translation]

Mrs. Pierrette Venne (Saint-Hubert, BQ) moved:

Motion No. 9

That Bill C-45, in Clause 43, be amended by replacing lines 27 to 29, on page 24, with the following:

“an offence causing the death of or serious harm to another person or a sexual offence involving a child”.

She said: Madam Speaker, we keep hearing that ignorance of the law is no excuse. Still it should be intelligible. Bill C-45 is already a very complex piece of legislation as far as calculating the period of sentence and eligibility for parole is concerned. So if even the drafters stumble over words and sentence structure, it will take a clever person indeed to understand.

As the Barreau du Québec indicated in its brief on Bill C-45 submitted to the Standing Committee on Justice, and I quote: “In fact, although we brought together the varied expertise of a number of professionals from academia, the prisons and private practice, they were not able to conduct an exhaustive review of clause 34 of the Bill and the related provisions because both the methods of calculation adopted and the wording used seemed so reconditte”.

Clause 34 of the bill is the key element of the methods for calculating sentence and eligibility for parole. If experts have a hard time making out what it means, how is a judge expected to benefit from a reform that is far from being as crystal clear as requested?

Motion No. 9, which I just moved, is not designed to amend clause 34, which will serve as an example however, but to complete in clause 43 of Bill C-45 the information that is missing in the French version. I do not know if the drafters were making fun of us or not, but there is a limit.

Francophone readers must refer to the subsections listed in order to know what it is all about, while the English version mentions the subsections and goes on to describe the offences in extenso.

Either the drafters assumed that francophone readers know by heart the sections referred to in Bill C-45 and their content or they were trying to make the clause difficult to understand in the French version.

Either way, this is adding insult to injury. I will not stand for this kind of abuse any longer, for myself or francophones in general. There is a plethora of instances where federal legislation makes a mockery of the language of Molière. Drafters are misusing the French language under the pretext of simplifying.

The new section 120.1 proposed in the bill is another example. In English, this section sets a basis for the computation of the prescribed time, yet this information is missing in the French version. It will be easier for an anglophone judge to understand what it is all about. At any rate, in either language, the bench is not likely to be able to make head nor tail of it.

That is why it is important to set a start point, this point being the day on which the additional sentence was imposed. This correction is essential. However, this will only be a partial solution to an endemic problem.

● (1105)

The following is typical of Bill C-45, and I am referring to the wording of clause 34. Let me first get my breath, because there are no commas in the next paragraph, which is a simple sentence. And I quote:

Le délinquant dont la peine d'emprisonnement n'est pas expirée et qui est condamné à une peine d'emprisonnement supplémentaire à purger à la suite de l'autre n'est admissible à la libération conditionnelle totale qu'à la date à laquelle il a accompli le temps d'épreuve requis à la fois sur la partie de la peine non encore exécutée au moment de la condamnation et sur la peine supplémentaire.

If you understand this, Madam Speaker, congratulations. The point is that the additional sentence was consecutive. In the English version, however, we read:

[English]

“Commencing on the day on which the additional sentence was imposed”.

[Translation]

We do not find these words in the French text. So in English, an individual can find out when he is eligible for parole, while a Francophone cannot because he does not know where to start counting.

A judge who cannot interpret a legal text will have to judge in equity and ignore the text, which is so convoluted that the results would be absurd. That is how the rule of law ends up at the bottom of the culture gap.

Another striking example may be found in clause 45 of the English version, and I quote:

[English]

“Any factor that is relevant”.

[Translation]

The French version says, and I quote: “tous les facteurs utiles”. This must be corrected. The use of the word “utiles” in the French version is not appropriate. This is about the relevance of the information concerned, not about its usefulness.

For years I have tried to tell this House that respect for Francophones starts with respect for their language. I find this bad habit editors have of making their French translation a carbon copy of the English extremely annoying. When will they realize that the French language is not well served by a translation from a text originally written in English? When can I expect to see federal legislation drafted in correct French? Certainly not before October 30.

I have been a member of this House for nearly seven years, and there have been few occasions when I could say that both the English and the French versions of a bill were drafted with the same care. Aside from awkward syntax or grammatical errors,

there is also the fact that the law may be interpreted in such a way that the intent of the legislator is obscured by semantics and our work here in the House will be for naught.

[English]

Mr. Thompson: Madam Speaker, I rise on a point of order. I would like some clarification. Is the hon. member speaking to the motions in group 4 or has she moved to group 5? I am a little confused.

The Acting Speaker (Mrs. Maheu): The hon. member is debating motions in group 4.

[Translation]

Mrs. Venne: To continue, Madam Speaker, it is we who are the legislators. In answer to my colleague who wonders where we are up to—I imagine he had had to absent himself—we are indeed still in group No. 4. It is our duty therefore to see that our intentions are respected. The best way to do this is to make them intelligible.

In conclusion, I have a piece of advice to give those drafting texts: they should take a look at the Quebec civil code and our code of criminal procedure in order to learn how to write in French. These are both bold pieces of legislation, the Quebec civil code in particular, whose legislative texts have been able to stand the test of Quebec's changing times, customs and habits without becoming outmoded, ever since 1866. If only out of respect for the francophones of this country, I am therefore requesting that this House support Motion No. 9.

• (1110)

Mr. Patrick Gagnon (Parliamentary Secretary to Solicitor General of Canada, Lib.): Madam Speaker, the hon. member for Saint-Hubert is obviously raising an issue beyond the technical scope of this motion. We have covered the role of French here in the House of Commons, within the federal government. I would like to point out to the hon. member that everyone tries to speak and write proper and correct French.

What I am saying to you could certainly apply directly to English speakers. Sometimes I myself go over and correct texts that have been given me by anglophones, and that are full of mistakes. There are syntax problems, and I often find these texts completely incomprehensible as the hon. member for Saint-Hubert claims happens in French. Unfortunately it seems to be the case for both official languages.

However, I am keeping to this text and to the motion as such. I do not think this is the time to politicize the debate and I do not think this motion has anything to do with the probable results on October 30, which will be, as we know full well, that a majority of Quebecers will vote no.

By deleting the words “serious drug offence”, the motion would exclude serious drug offenders from the effect of the provisions on detention. It would defeat Parliament's purpose

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in expanding the scope of the provisions on detention to include serious drug offenders.

The aim of this measure was to calm the growing concerns of the public over the persistent problem of drug trafficking. In short, this is to some extent what the work of the legislator is about—making society as we know it safer. The measure is one of the initiatives in the national anti-drug strategy.

Under section 232 of the Corrections and Conditional Release Act, the provisions on detention shall be subject to a comprehensive review by a committee of the House of Commons three years after coming into force—which was November 1992. So, very soon.

This review will be more appropriate for the consideration of an amendment of this scope. I therefore invite the hon. members to vote against this motion and I would like to remind the hon. member that we are always careful in our use of French.

[English]

Mr. Myron Thompson (Wild Rose, Ref.): Madam Speaker, I have a couple of comments. The previous speaker was talking about the confusion in these bills, how they are written and how they are having a difficult time trying to get the same meaning in two languages.

There is one thing on which I can agree with the hon. member. Not only with this bill but with every piece of legislation I see coming from the government, whether it is the Income Tax Act, GST rebates, transportation or whatever it is, it makes sure it words these bills in such a way that a common, ordinary guy like myself is not going to be able to understand everything. We have to hire legal minds to give the proper interpretation. That is one thing to which I certainly object. If we are going to make laws for ordinary Canadians it would not hurt to put them in language that ordinary Canadians can understand.

I have a comment as well for the Parliamentary Secretary to the Solicitor General who made the comment that now is the time not to politicize. I would like hon. members from the Liberal Party to realize one thing. What they are really saying is: “Let us not get these things on the floor any more than we have to because Canadians might realize what the devil we are doing”. Not only do we want to confuse them on how we write laws but let us conduct the business of the House in a manner that anybody watching television really does not know what is happening.

• (1115)

I will take every opportunity I can to try and illustrate what is happening so the people out there will know what is happening. Reformers are the only ones willing to do that. The little puppets in the back row in the Liberal Party wait until the cabinet barks so they know who to bite. We do not operate that way. There are things happening with documents coming through like Bill

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C-45, things the Canadian people need to know. No, let us dazzle—dazzle them with several hundred pages of a law and then we will pass it off as doing our job.

We and the Liberal backbenchers will then go to our constituencies and will be asked what we did in Bill C-45. Most of them will be like me, struggling because we really do not know. They will be able to pick up a few little things here and there but they really do not know.

Are we living in a country where the whole idea is to confuse ordinary Canadians so we can really run this show? If that is the case it is time to change. What a shame to say we are trying to politicize.

Motion No. 9 is dropping off drug offences. It states we should keep dangerous offenders and murderers behind bars but let us drop off the drug offenders. It so happens that drug dealers are a serious and major problem in our country. We do not know how to treat major problems.

What we want to do is take this member's motion and drop those kinds of things off because the government is attempting to get a little tougher. I applaud the government for its attempt. If it needs some advice it should talk to Canadians. They will tell the government what to do with drug offenders.

Listen to the old guy from Wild Rose, the old backwoods kid who was born yesterday. He is not smart enough to pick up legislation and say: "My, my, is that not pretty". All my little lawyer friends over there in the justice department or the solicitor general's department have put this wonderful document together that nobody can understand. Try reading the Income Tax Act some time if members want some fun.

Back in the 1960s I used to teach how to do income tax. By the middle 1970s I had to hire somebody to do my own. They are doing a good job if they are trying to confuse people.

One thing that is really confusing is why the member who is introducing this motion would think for a second that serious drug offenders are not a problem and should not be classified in some of these areas.

We will be opposing this motion.

The Acting Speaker (Mrs. Maheu): Is the House ready for the question?

Some hon. members: Question.

[*Translation*]

The Acting Speaker (Mrs. Maheu): The question is on Motion No. 9. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the nays have it.

Some hon. members: On division.

The Acting Speaker (Mrs. Maheu): I declare the motion lost on division.

(Motion No. 9 negatived.)

• (1120)

The Acting Speaker (Mrs. Maheu): We are now moving to Group No. 5, which includes Motions Nos. 14 and 15.

Mrs. Pierrette Venne (Saint-Hubert, BQ) moved:

Motion No. 14

That Bill C-45, in Clause 45, be amended by replacing line 36, on page 27, with the following:

"(iii) reliable information from recognized and dependable sources demonstrating".

Motion No. 15

That Bill C-45, in Clause 45, be amended by replacing line 1, on page 28, with the following:

"(b) reliable information from recognized and dependable sources about the offend-".

She said: Before we start debating Motions Nos. 14 and 15 as part of Group No. 5, Madam Speaker, I think you would find unanimous consent to debate Group No. 8 immediately after Group No. 5.

[*English*]

The Acting Speaker (Mrs. Maheu): Does the hon. member have unanimous consent to go to group 8 after we debate group 5?

Some hon. members: Agreed.

[*Translation*]

Mrs. Venne: Motions Nos. 14 and 15 deal with a very important clause of Bill C-45. Clause 45(3) of the bill amends section 132 of the Corrections and Conditional Release Act by adding subsection (1.1) regarding the determining by the Correctional Service and the National Parole Board of the likelihood of the offender committing a sexual offence involving a child.

Under the current legislation, a dangerous sexual offender can be maintained in detention if he is likely to commit, at the

expiration of his sentence according to the law, an offence causing death or harm to another person, harm being described as serious physical or emotional injury.

With Bill C-45, clause 42, the National Parole Board would not be required to establish the existence or likelihood of injury, in the case of a sexual offence involving a child. It would need only be satisfied of the likelihood of the commission of a sexual offence involving a child before the expiration of the sentence according to the law.

In other words, where the board believes the risk is too high, the prisoner remains behind bars. The onus is substantially reduced.

The message is clear: when in doubt, do nothing.

In the case of sexual offenders in particular, it seems to me that the rule is sometimes applied in reverse. Release should not be statutory; it should always be based on the absence of any likelihood that a prisoner convicted of a sexual offence involving a child will commit a further offence.

There is no sexual crime more contemptible and loathsome than one involving a child. The very thought of it disgusts me.

Bear in mind that an individual who is eligible for parole or statutory release was properly tried and found guilty by a court of law and has exhausted all possible grounds of appeals.

This is an offender who has been jailed for the monstrous things he has done. We are not talking about a defendant at this stage. This is an individual serving time for the crimes he committed. He is paying his debt to society and to his young victim. As far as I am concerned, this is not high enough a price to pay; he could rot in jail.

The role of the parole board was questioned on several occasions. I myself disputed in this House the validity of certain decisions made by commissioners.

Repeat offenses must be denounced as unacceptable. The board is duty-bound to make the right decision concerning those convicted of sexual offenses involving children who are likely to re-offend: keep them in jail. The safety of the public, and children in particular, prevails over any right a prisoner may have if he or she poses too great a threat.

• (1125)

However, and this is the reason I tabled Motions Nos. 14 and 15, it is necessary to specify the admissible sources of "reliable information" which can be taken into consideration by the Correctional Service and which are referred to in clause 45 of the bill.

Police forces, prosecutors and probation services are examples of "recognized and dependable sources", as suggested in

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Motions Nos. 14 and 15. If the bill is not specific in that regard, there is a risk that mere allegations could turn into conclusive evidence and create a despotic regime or, conversely, and this is what I fear most, encourage an interpretation which greatly favours the suspect and which could therefore result in a premature release. This is why I ask the House to support Motions Nos. 14 and 15.

Mr. Patrick Gagnon (Parliamentary Secretary to Solicitor General, Lib.): Madam Speaker, before presenting our position on the motion as it was tabled, I want to stress the good work of the hon. member for Saint-Hubert, and her colleague from Bellechasse. Indeed, the hon. member attaches a great deal of importance to details, and I often agree with her on those details.

However, as regards her motion, I maintain that the word "reliable" implies that the information comes from sources which are recognized and dependable. Moreover, the proposed wording is not in line with that used elsewhere in the Corrections and Conditional Release Act. Consequently, we feel that Motions Nos. 14 and 15 serve no useful purpose, and they will not be supported by the government.

The Acting Speaker (Mrs. Maheu): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mrs. Maheu): The question is on Motion No. 14. Is it the pleasure of the House to adopt the motion?

Some hon. members: Yes.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the nays have it.

Some hon. members: On division.

The Acting Speaker (Mrs. Maheu): I declare Motion No. 14 lost, on division. Therefore I declare Motion No. 15 lost.

(Motion No. 14 negatived.)

The Acting Speaker (Mrs. Maheu): Since there is unanimous consent, we will now move on to group 8, which includes Motions Nos. 24, 25 and 26.

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Mrs. Pierrette Venne (Saint-Hubert, BQ) moved:

Motion No. 24

That Bill C-45, in Clause 72, be amended

(a) by replacing line 16, on page 44, with the following:

“741.2 Notwithstanding subsection”; and

(b) by deleting lines 7 to 12, on page 45.

Motion No. 25

That Bill C-45, in Clause 83, be amended

(a) by replacing line 14, on page 52, with the following:

“743.6 Notwithstanding subsection”; and

(b) by deleting lines 34 to 39, on page 52.

Motion No. 26

That Bill C-45, in Clause 83, be amended

(a) by replacing line 45, on page 52, with the following:

“743.6 Notwithstanding subsection”; and

(b) by deleting lines 17 to 22, on page 53.

She said: Madam Speaker, the motions I am submitting to this House for approval are simply aimed at repealing subsection 2 in section 741.2 of the Criminal Code as amended by Bill C-45.

It is surprising, to say the least, to see that incarceration is the preferred way to deal with delinquency. But it is ridiculous to suggest that society's denunciation and deterrence should be the only guiding principle for sentencing.

To understand Motions Nos. 24 through 26, one must first understand the guidelines set out by legislators to help judges decide whether or not to suspend application of the usual parole regulations.

• (1130)

In 1992, legislators gave extraordinary powers to judges imposing prison sentences of two years or more. In fact, section 741.2 of the Criminal Code as it now stands makes it possible to disregard section 120(1) of the Corrections and Conditional Release Act. Section 120 of the Corrections and Conditional Release Act sets the usual period after which an individual becomes eligible for parole. This period usually amounts to a third of the sentence. Thus, if the judge is convinced by the circumstances of the offence, the character and specifics of the criminal and the degree of denunciation by society, he may order the criminal to serve half of the detention time imposed before being eligible for full parole.

It may seem normal for inmates to have to serve half of their sentence before being eligible for parole. It must be kept in mind, however, that the sentencing judge has already taken into consideration all of the circumstances surrounding the offence and the criminal's individual and social characteristics, as well as a presentencing report with a victim impact statement.

Thus, if he sets a four-year sentence for sexual assault for example, he has already weighed the aggravating and attenuating circumstances in imposing this four-year rating. Judges know very well when they sentence an individual that he will

become eligible for parole after a third of the sentence has been served.

This factor is therefore taken into consideration by the judge. He does a little mathematical calculation before sentencing, in order to know how much real penitentiary time the accused who has been found guilty will serve. If he considers that the real time might be ridiculous in light of the offence committed, he will increase the period of incarceration imposed and thus the length of time actually spent behind bars.

In giving greater powers to trial judges, the legislator has provided them with an important tool for setting a dissuasive example. That tool must, however, be used with discretion and on an exceptional basis. Section 741.2 should not be used as a matter of course, as a sop to the frustration felt by most people when they see individuals released on parole who are not ready for rehabilitation.

By expanding the role of the trial judge and letting him go beyond the procedure that is customary in dealing with the inmate, the legislator is trying, and I say trying, to strike a balance between the judicial power to judge and sentence and the powers of the board in the parole process.

The exceptional character of section 741.2 has been pointed out a number of times by the Quebec Court of Appeal. In 1993, in the Dankyi judgment, the judges of the highest court of the province stated that the range of sentences for trafficking and possession for the purposes of trafficking was normally adequate to cover both minor and more serious cases. The trial judge did not have to resort to section 741.2 of the Criminal Code to hand down an exemplary sentence. Ordering the inmate to serve half of his sentence can only be justified in exceptional circumstances.

In the Leblanc judgment in 1995, the Appeal Court maintained its position and said this was an exceptional measure, to be used only in specific cases that warranted such measures.

• (1135)

Not long ago, in February 7, 1995, the Quebec Court of Appeal reiterated its position, stating that the trial judge should have formulated separate and distinct grounds for imposing a severe but fair sentence while ordering the inmate to serve at least half of the sentence before being eligible for full parole. The judges of the Appeal Court decided that the trial judge's reasons for imposing a sentence of 13 years in the penitentiary for robbery were based on the same grounds as his order that at least half the sentence was to be served. According to the judges, this was an error in law. Grounds and reasons should be distinct, which is what the legislator had in mind in section 741.2.

In Bill C-45, as amended and reported by the Standing Committee on Justice and Legal Affairs, the present section 741.2 appears on page 44, where the committee added subsection (2) which reads as follows: “For greater certainty, the paramount principles which are to guide the court under this

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section are denunciation and specific or general deterrence, with rehabilitation of the offender, in all cases, being subordinate to these paramount principles”.

The Bloc Québécois could never support such principles. The Bloc members on the committee did not support them, and today, I wish to reiterate our position on the use of these archaic principles to deal with crime.

On the whole, Bill C-45 formulates principles and objectives for sentencing that are supported by the Bloc. Nowhere in the bill does it say that society's denunciation and deterrents are the paramount principles which are to guide our courts. On the contrary, Bill C-45 tries to strike a balance between rehabilitation of the offender and protecting society.

If new section 741.2 remains in its present form, Bill C-45 will no longer be consistent. On the one hand, the legislator asks the judge to consider the rehabilitation of the offender, while on the other hand, he tells him to ignore it.

If this House sends ambiguous signals to the courts, we should not be surprised to see a number of absurd decisions that will become part of our jurisprudence. Therefore, subsection (2) of section 741.2 should be repealed, and I ask this House to support motions 24, 25 and 26.

Mr. Patrick Gagnon (Parliamentary Secretary to Solicitor General of Canada, Lib.): Madam Speaker, the motion proposed by the hon. member would delete from the provision an amendment adopted by the Standing Committee on Justice and Legal Affairs.

The provision to the effect that deterrence and society's denunciation are principles and, in my opinion, fundamental principles, guiding the courts and that rehabilitation of the offender is subordinate to them was added to clarify Parliament's intent in the matter of the courts' application of section 741.2 of the Criminal Code.

As the hon. member for Saint-Hubert so rightly pointed out, the thrust of Bill C-45 is to ensure that these individuals' return to society is done in a balanced manner, and of course the aim of the bill is to ensure greater public safety. However, I must unfortunately advise you that the government cannot support Motions Nos. 24, 25 and 26 as presented by the hon. member.

[English]

Mr. Myron Thompson (Wild Rose, Ref.): Madam Speaker, once again we are seeing some proposals we cannot support.

Bill C-45 is an attempt by the government to try to show Canadians that it is going to look at deterrence and punishment as kind of paramount to rehabilitation. It was a feeble attempt I might add, but at least it was an attempt.

• (1140)

Then along come the separatists and their ideas. Believe me, if we think the Liberals are left wing or bleeding hearts or whatever else we want to call them, the Bloc far exceeds that. This is another example of these kinds of motions. How dare us in Canada make such a scene over heinous criminals and crime. Deterrence and punishment is not how we operate in Canada; it is rehabilitation and prevention. Agreed, but let us make them paramount.

When one crosses that line of breaking the law, it is time to punish. I hope the punishment will cause a deterrent, because a deterrent is one of the best methods of prevention.

I congratulate the government members a bit. The reason I congratulate them a bit, only a bit, is because that is all they have attempted to do, only a bit. Tinker around, make the people think we are really going to do something about this, that we are going to get tough, and then along comes the Bloc saying: “No, no, no, we cannot be so cruel and harsh to our criminals”.

I am at a loss for words for people with that attitude. I sure would like them to come to my riding of Wild Rose and stand before crowds there, anywhere they want to go, and announce these wonderful new ideas. They will not sell.

Mr. Gagnon (Bonaventure—Îles-de-la-Madeleine): I will go.

Mr. Thompson: I will welcome the parliamentary secretary. I welcome him to come out. It is an invitation. Does he want to sell my people in Wild Rose all his wonderful solutions to crime? He is, welcome and good luck. If he thinks I am loud, wait until he gets out there.

The whole point is we have to get the message out to criminals that they will be punished severely if they commit these kinds of heinous, violent, dangerous crimes. We have to get that message out. That is what Canadians are asking for when we see capital punishment polls all across the country, all in favour, everywhere we go, 70 per cent to 75 per cent everywhere. But no, we cannot get the message. Besides, we are Parliament, we know better. We are smarter than the rest of Canadians. Hogwash and baloney. They do not know what they are talking about.

The Acting Speaker (Mrs. Maheu): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mrs. Maheu): The question is on Motion No. 24, which will include Motions Nos. 25 and 26.

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

Some hon. members: Agreed.

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Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the nays have it. I declare the motion negatived. I therefore declare Motions Nos. 25 and 26 negatived as well.

(Motion No. 24 negatived.)

The Acting Speaker (Mrs. Maheu): We are returning to debate on group 6, which is Motion No. 16.

Mr. Myron Thompson (Wild Rose, Ref.) moved:

Motion No. 16

That Bill C-45 be amended by adding after line 19, on page 28, the following new Clause:

“45.1 The Act is amended by adding the following after section 132:

“132.1 Where the Board, under section 130 or 131, orders the statutory release of an offender who was convicted of a sexual offence involving a child, the Board shall provide the offender’s name and date of release for inclusion in the registry referred to in subsection 132.2 (1).

132.2 (1) There shall be kept in the automated criminal conviction records retrieval system maintained by the Royal Canadian Mounted Police, in a registry kept separate and apart from other criminal records, a record of every conviction for a sexual offence involving a child, which record shall include

(a) the name of the person convicted of the offence and the person’s address, if any, at the time of the conviction;

(b) the section of the Criminal Code under which the person who committed the offence was convicted;

(c) the details that describe the manner in which the person convicted of the offence committed the offence;

(d) the date that a person convicted of a sexual offence involving a child is to be released on statutory release pursuant to an order made by the Board under section 130 or 131; and

(e) any other information that may be prescribed by regulation.

(2) All the information included in a record kept in the registry referred to in subsection (1) shall be made available to a peace officer who is investigating a sexual offence involving a child where the officer requests such information.

(3) Where a person is convicted of a sexual offence involving a child, the police force responsible for the investigation of the offence shall provide a record of the offence, which shall include the information referred to in paragraphs (a), (b), (c) and (e), for inclusion in the registry referred to in subsection (1).”

He said: Madam Speaker, here we go again. Welcome to law and order land.

• (1145)

I know most of the members of this Parliament know or remember a certain person. They will remember her from the past. Her name is Monica Rainey. She worked hard for a group called CACE which had to fold because it was not supported by government funds like some other bleeding heart societies are. She could not afford to keep going.

A major aspect of her fight was to do all she could do in Canada to protect the children in this country, the youth, from sexual assaults, abuse, et cetera.

Monica Rainey came to this building a number of times with armloads of petitions calling for the government to do such things as create a registry of all violent dangerous individuals so when they were released and on the streets people would know who they were.

She packed wheelbarrow loads of petitions and letters. All members received letters supporting what she was trying to do. I will be willing to bet a dollar to a doughnut that when we finish explaining why there should be a registry the old Liberal strings will be pulled and the backbenchers will be like puppets and jump up and oppose it because it is something we do not do in Canada. We could not dare put a child molester or a dangerous violent offender who hurts children on a list so the public would know who this person was. He might happen to be a nextdoor neighbour. We do not do that. Perhaps the charter of rights will not allow us to.

There have been other documents from the Liberal government that have caused more chaos. I am not sure which ones but some have caused all sorts of things not to happen to protect people. There is only one explanation for not wanting a registry of individuals who are a threat to our society. It should not be limited to children. However, my party and I will settle with that for now although we would like a lot more. Why in the world should the parents of our young children not know who these people are?

I am a grandfather and I have some little ones. I am disgusted with a government that does not try to help me protect them. The bleeding hearts over here sound like nothing more than cats—psst, psst—which is all they are good for.

Mr. White (Fraser Valley West): They would rather spend time talking about separation.

Mr. Thompson: They would rather spend time talking about separation than protecting children. That is more important to them.

Canadians are fed up. The Liberals do not think so but I know so. Talk to any parent who has lost a young child. They would like to have known that neighbour or that fellow at the end of the street had the potential to do that. It might really have helped.

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We are steadily losing more and more faith in the justice system. I will be perfectly honest. If anyone hurts my little child please let me have them, do not give him to the bleeding hearts.

Mr. Dhaliwal: Vigilante.

Mr. Thompson: No, that is not being a vigilante. That is being a grandfather who really cares for the security of his grandchildren. I would like to see some kind of action from the government that will say yes, let us make sense. Why not help parents and grandparents to protect the young people of our country? No, that interferes with the rights of criminals. I am sick and tired of hearing about the rights of criminals. That is all we ever hear. Not once do we hear about the rights of victims, only about the rights of criminals. It is so far outweighed it is sickening.

• (1150)

I hope when these bleeding hearts get back into their constituencies the people will send them a loud and clear message for such things as setting up a registry of people who are on the streets and have the potential to hurt our kids. Setting up that registry makes perfectly good sense and would help make our country a better, safer place to live, a good old red book promise.

Come on, get with it. Quit being a bunch of deadheads and start thinking about what is really right. Is the cabinet pulling the strings and will members be jumping up and voting no against this motion as well?

Mr. Gagnon: Madam Speaker, I was no fan of the Grateful Dead.

Mr. Hanger: Is that supposed to be funny?

Mr. Gagnon: I think the language used in the House has been at times unparliamentary and the people from Wild Rose expect more from their member.

The Acting Speaker (Mrs. Maheu): In the past we have heard many comments on decorum in the House and many comments that the public is tired of seeing the House reacting in this manner. I ask that we have order, please.

Mr. Gagnon: Madam Speaker, I appreciate your intervention. This is a civil forum and it allows elected members from various parts of Canada to exchange in a civil and correct manner.

I also thank the hon. member for Wild Rose for his kind invitation to his constituency. I would be more than pleased to have a civil exchange with the hon. member and with his constituents on various issues of concern to the people.

The motion, which we will oppose, was raised during a clause by clause review by the Standing Committee on Justice and Legal Affairs. The motion was ruled out of order because it entailed expenditure of funds and I believe cost saving measures are in order.

However, the hon. member failed to recognize one of the major accomplishments of the government, the establishment of the Canadian police information centre, CPIC, announced in November 1994. I assure the hon. member and his constituency and all Canadians that CPIC basically provides a comprehensive registry, including an offender's entire criminal history and additional information such as whether an individual has a restraining order, a peace bond or is prohibited from working with children.

We have had a number of cases in which in minor hockey leagues or when certain adults are called to supervise children, the organizations have access to this information. We encourage all volunteer service organizations in which children are involved to contact CPIC to make sure the people willing to lend their help are within the law and would not pose any danger to innocent children.

• (1155)

The motion in question is unnecessary. It would otherwise be inappropriate for inclusion in a bill which deals with corrections and conditional release.

Mr. Randy White (Fraser Valley West, Ref.): Madam Speaker. I will speak to Motion No. 16.

It is interesting that my colleague from the Liberal Party spoke about ruling one of the motions out of order for lack of funds. This is the government in the process of spending \$6 billion on infrastructure. This is the government which allows convicts, regardless of their conviction, to pick up old age security, the Canada pension plan and GST rebates. The government wants to move the motion out of order because it calls for an expenditure of funds. That is laughable.

On a registry of sex offenders, the amending motion of my friend from Wild Rose is right. I would have the registry circulated throughout the country to all individuals, not just enforcement officers. It is about time we did that.

I know Germaine is watching this. She is from my riding. If Germaine were in the House she would likely not hold back on a lot of the comments she has. Germaine was involved with a victim of Alan Winter. He molested, as far as we can find out in my riding thus far, in excess of 30 children over a number of years. They were young kids. He undertook the most heinous activities with these kids, which I shall not describe in the House.

What do we do with Alan Winter? After Germaine took him to court a number of years ago we put him in prison and labelled him a dangerous offender. That means he should stay in prison for quite a long time. Along came more victims of Alan we did not know about and they tried to press charges, only to find out that after five years Alan Winter was let out unbeknownst to anybody. We also found out Alan Winter was on unescorted

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passes while labelled a dangerous offender. No one knew the predator was crawling through the streets of our communities.

Where did he go? Good old Alan, courtesy of Canada, went to Britain. Interestingly enough a deal was made and he has dual citizenship and can return to Canada. There is no registry. Very few people know what he looks like. We have pictures of him. They are up on my office wall and they may well go in my household.

I want to read a letter from John Denham, an MP of Southampton, England, about this case:

I am grateful for the assistance which you have given in providing details of the parole conditions attached to the release of Mr. Alan Winter.

As you may know, we in Southampton recently became aware that Mr. Winter was living in our community. People in Southampton were appalled to learn that he has served only a small part of a lengthy sentence imposed for appalling acts against children. They were equally concerned to learn that those agencies responsible for child protection had no knowledge of his presence in this city.

The information which you have provided confirms that Mr. Winter was released from prison on condition that he leave Canada and that he would be in prison once again if he returned to your country.

That is actually not the case. He is a citizen of both countries and can return to Canada. The letter continues:

I will of course be raising this matter with the British government's home, foreign and commonwealth offices. I will be asking them to make strong representation to the Canadian government to ensure that a situation like this can never arise again and that there is a clear agreement between two countries on the international application of parole conditions.

I would be grateful if you could make every effort to raise my concerns and those of my constituents in the Canadian Parliament. I believe that if Mr. Winter was not fit to be released into Canadian society he was not fit for release into my country either and I hope that you can express this view in the appropriate way.

• (1200)

No one in this country knows really what he looks like. There is no registry. This guy is filthy scum. He has ruined the lives of countless young men and women. Today they are around the age of 40. I have met with six of them in a room. Their lives are ruined. There is not even a registry on this guy.

Some people are doing some things. Sandra Cunningham looks after the tri-city child care guide. I have spoken with Sandra many times. She has taken it on herself to put in this child care guide the pictures and MOs of these predators, these pedophiles. She is doing it at her own cost, her own risk.

Mr. Hanger: That is something the government should be doing.

Mr. White (Fraser Valley West): That is right. My colleague from Calgary says that is something the government should be doing. It is opposing a motion that says exactly what so many people are trying to do. They want sex offenders on some form of registry. They want the registry to be available to everyone. They want to know who is living next door. It does not much matter if only the police know about it.

I do not have access to CPIC. It is a police system. If I have children in my home I want to know who is living next door, if they are serious sexual offenders. Today in this country we are not permitted to know that, courtesy of this government.

An hon. member: And the parliamentary secretary over there is laughing.

Mr. White (Fraser Valley West): Yes, it is unfortunate, we even get laughs at this kind of stuff here.

Let us take the matter away from the political sphere for a moment. Let us see what CAVEAT has to say about this, Canadians Against Violence Everywhere Advocating its Termination. Its members met and talked about this. In fact they have quite an interesting document from recent meetings which people from right across the country attended.

One such group that met with CAVEAT is the Community Standards and Child Exploitation Committee. Its chairs included people like Justice John McGarry, Ontario Court of Justice, General Division; the London police were represented; the London family court; the president of a group against pornography and so on.

What did these groups say about it? Is it just the Reform Party talking here? They state: "We recommend the creation of a national child abuse registry. Such a registry would work in the same way as bonding at a financial institution. In order to work with children in a position of trust, such as teacher or babysitter, the onus is upon the prospective employee to produce an updated recent certificate from the registry to prove that the individual has no previous convictions for sexual offences against children. We acknowledge that those who sexually offend against children are highly likely to recidivate. Accordingly we recommend that if such offenders are to be released in the community, measures be undertaken to inform the community of the offender's release".

It is not just the Reform Party. This is across the country. If we are to err in areas of criminality we must err on the side of caution. We must take the route of protecting our young at all costs. We cannot afford to debate whether or not such things are as important as the other. What we must do is protect our young.

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• (1205)

Therefore, can any Liberal in this House stand up and say that a national registry for sex offenders against children and others is not necessary for everybody? I keep hearing that we have one. CPIC has one. Members opposite do not understand. That is a police registry system. People do not have access to it. We must know who are the child offenders and who perpetrates these offences. We must know who they are, where they are and what their MOs are. It is critical.

To listen to rhetoric like I just heard is just so Liberal. I cannot think of anything else. They got us into this mess and we are still in the mess. Notwithstanding CAVEAT, Victims of Violence, Citizens Against Violence Everywhere, the Melanie Carpenter Society and on and on, they do not listen.

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, I too would like to think the government would realize the importance of bringing in a child sex offender registry.

We have had the parliamentary secretary tell us this morning that it is out of order because it will cost money. Surely the rights of the innocent deserve a little bit of money. We seem to spend millions and millions of dollars and all kinds of effort by the police to try to convict people after the crimes are committed.

As we have heard the previous speaker tell us, even those who are convicted of dangerous offences and should be in jail, not only for a long time but perhaps as long as they live, are out on the street. Perhaps it is not a Canadian street but the street of another country, in order for them to continue to perpetrate these horrible and horrific crimes to destroy innocent young children who are the most precious people we have.

The government is totally and absolutely opposed to trying to protect and help the innocent, not the criminals but the innocent, our young and vulnerable. The government is not prepared to spend any money whatsoever to help these people before they are victimized, before their lives are ruined and before they are turned perhaps into criminals themselves. The government would far rather keep the money and spend it on recycling prisoners through our jail system. They are out the door as soon as they are in to continue on in their awful ways.

In the last little while I have been hearing about Gustafsen Lake on the television and the fact that we now have the criminals in that situation behind bars. It is said this is going to be the largest police investigation in history. No doubt millions and millions of dollars will be spent building a huge case against people who are obviously guilty. It is going to drag through the courts for months and perhaps years while the government says it has no money whatsoever to protect our young.

In this House we have had debates covering weeks on setting up a registry for guns and other firearms. The Minister of Justice is prepared to spend by his own admission up to \$200 million of taxpayers' money to set up a national gun registration system so that law-abiding citizens can be registered, fined and penalized if convicted of not following the rules. This is \$200 million of taxpayers' money. The innocent law-abiding citizens are going to be put through hoops time and time again. If they fail to register their guns they are going to be subject to the Criminal Code, imprisoned and everything else.

• (1210)

These are not people who have committed a crime. They are not people who by and large will commit a crime. Yet the Minister of Justice says it is perfectly A-okay to spend \$200 million on the effort. However there is no money to protect our young, our innocent and our vulnerable.

Where is the government coming from? I cannot understand the logic of the \$200 million, the imposition of all kinds of rules and regulations on law-abiding citizens. Yet the Minister of Justice absolutely and completely refuses to take the worst criminals in the country and put their names on a list to let people know who they are, where they are, what they have done and what they could do to children in our neighbourhoods.

An hon. member: Shame.

Mr. Williams: It does not make sense.

The charter of rights and freedoms is hauled out every time somebody accused of a crime ends up in court. It is the criminals who always seem to benefit from it. However the charter of rights says we have the right to live free from fear, free from persecution, free of assault by someone else. We have these rights and freedoms and we should be able to enjoy them in a civilized society.

Presumably the government is committed to protecting the charter of rights and freedoms and the rights and freedoms of the innocent individuals but it is not. It would far rather spend the taxpayers' money creating all kinds of rules for law-abiding people and not for those who have abused the privileges, assaulted our young, destroyed the vulnerable in society. The government is not prepared to spend any money on the law-abiding people whatsoever.

As I said at the beginning of my speech, the parliamentary secretary ruled this motion out of order because it will cost some money. That speaks for itself and for the Liberal government that has its priorities totally and absolutely wrong. I think the Canadian people would agree with the Reform Party when we stand up and say we want to protect our children. We want to protect our vulnerable, protect the innocent people in the land. If it takes a few dollars—not \$200 million—to do so then it is money well spent.

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I suggest that Mr. Rock cancel his gun registration program and use that money, if necessary 10 times over, on a program that will produce a child sex offence registry and the country will be far better off.

The Deputy Speaker: We are all recently back in the House. I would ask all members not to refer to ministers by their surnames, family names or first names, but by the name of the ministry.

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, I listened to the debate on the amendments and I felt I had to say something on behalf of Canadians, particularly those in my constituency whom I met with over the summer and Canadians in Atlantic Canada whom I met with recently.

Canadians are saying they want our justice system changed to give more protection to its citizens. They never talk about changing the system to give more protection to the criminal. They do not want that. They are not particularly concerned about spending more money to rehabilitate criminals although most want rehabilitation to take place where possible. Canadians want a justice system that protects the people.

The amendments presented by the hon. member for Wild Rose provide more protection at least for a certain group of people, in this case children. The amendment should certainly be supported by all members of the House. I just do not believe that all members of the House are not willing to put in place an amendment which would allow more protection for children. I find it hard to believe that they would not pass this amendment.

• (1215)

Specifically these amendments would put information on a police computer system, CPIC. It would allow information to be entered in the computer system on the modus operandi used by sexual offenders who commit sexual abuse on children. That is what the amendment would provide. It would make this information available to all peace officers across the country.

In that way, if police were investigating a sexual offence against a child, they would have quick and ready access to information across the country which would point out if a similar type of a crime had been committed in another part of the country in the past.

Also the amendment would give information to peace officers again on CPIC. Specifically it would give the location of the prisons in which offenders are imprisoned and the date of release of any offender who has committed a sexual offence against a child. Because the information would be on CPIC it would be readily available to all police officers across the country.

Therefore it is very difficult for me to understand why the amendment would not be supported by all members of the House. For that reason too I thank the hon. member for Wild Rose for bringing the amendment forward.

There is much more that can be done. It is necessary to clearly redefine the priorities in our justice system. Through a conscious effort made by Liberal governments starting in 1972 with Solicitor General Goyer, the priorities of the justice system were shifted from a system that put the highest priority on the rights of the people in the country to be safe and to feel safe to the rights of the victims. They shifted the priorities to a situation where the top priority has become the rights of the criminal, the poor criminal; we have to do everything we can to protect the criminal, the rights of the criminal and the rehabilitation of the criminal. I do not think most Canadians believe the criminal should be the top priority in our justice system.

The amendment proposed by the hon. member for Wild Rose will do something to shift the focus back again to the victims. For all the talk I have heard across the country about the need to care for the victims, I have not seen legislation in the House that has done much in terms of giving the victims more say, making them a higher priority within our justice system.

The parliamentary secretary to the solicitor general has said that the amendment cannot possibly go through because we cannot afford it. We have to always be very conscious of spending. The Reform zero in three plan which we presented across the country during the 1993 election campaign laid out in some detail a plan which would lead to a balanced budget in three years. In that plan we allowed for spending in the justice area. If we are to have the deterrents in place and the deterrents sometimes are longer prison sentences—other deterrents can be used as well—it costs money. It is a matter of prioritizing spending. In our zero in three plan we did that. Justice is such a high priority that we allocated money to it.

In our taxpayers' budget presented before the finance minister's budget last February we put aside money to put in place systems like the one proposed by the member for Wild Rose.

• (1220)

We are always conscious of spending money but we also know how to prioritize. It is important to know where Canadians are willing to spend money and where they are not. In most cases the government has those priorities completely turned around. It does not know what is important to Canadians and it does not know in what areas Canadians are willing to spend money and what areas they are not.

It will take a continual reminder by us on this side of the House for government members of what is important to Canadians. It seems the government is out of touch. Perhaps I am being a little unfair when I say that all members of the governing party are out of touch, because I believe it is mainly the cabinet, the old boys who have been around for years that are out of touch.

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Unfortunately in the old party system that is all that really matters. If the leader of a party wants it done this way it will be done this way. We have seen party discipline that is way beyond democratic. It is anti-democratic. We have seen party discipline used in the House over and over again, to the extent that the members of Parliament who know what the people want are completely ignored and are not even allowed to vote for what their constituents want.

The system is in collapse and it must be fixed. Until the system is fixed I suspect the legislation in the area of justice will do very little to improve the system.

Positive proposals like those presented by the member for Wild Rose will continue to be ignored in spite of the fact that many members across the floor, those who are still in touch with their constituents, know they should be passed. The Prime Minister says that they are not going to support it, the whip cracks the whip and those members have no voice.

I do not care much that members of Parliament have no voice, but I do care that their constituents have no voice. It is time that was changed. The changes to the justice system that we need, the changes that Reform has proposed in the House over and over again, will not happen until the system is fixed. We have to fix it. We have to fix it quickly, but I am afraid it will not happen with the government that is in place.

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

Some hon. members: Question.

The Deputy Speaker: The question is on Motion No. 16. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Deputy Speaker: Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

We will now deal with group 7

Mr. Myron Thompson (Wild Rose, Ref.) moved:

Motion No. 19

That Bill C-45, in Clause 56, be amended

(a) by adding after line 8, on page 36, the following:

“(1.1) An inquiry shall be held to determine whether any member of the Board should be subject to any disciplinary or remedial measures where the member has recommended conditional release for a violent offender and the violent offender has committed a violent offence while on that conditional release.”;

(b) by replacing lines 10 and 11, on page 36, with the following:

“proprietethataninquiryundersubsection(1)beheldorwhereaninquiry mustbe held by virtue of subsection (1.1), a judge, supernumerary judge or former”;

(c) by replacing line 46, on page 37, with the following:

“member’s office,”; and

(d) by replacing line 3, on page 38, with the following:

“the due execution of the member’s office, or

(e) has recommended conditional release for a violent offender and the violent offender has committed a violent offence while on that conditional release.”.

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, Motion No. 19 concerns a difference of opinion about whether or not there should be or may be a mandatory review of parole board decisions if someone who is out on parole commits a crime.

Our belief is that there should be a mandatory review of parole board decisions when it makes errors. I will give some examples. I have mentioned it twice but I have to mention the Wayne Perkin case again because it is so close to the real problem. This fellow went into a home, coerced an individual in my community into her garden shed, beat her over the head with a hammer, raped her, taped her hands behind her back, injected her with cocaine and left her for dead. He got six years, which is light, was put out on parole and while on parole murdered Angela Richards.

• (1225)

I always wondered in that particular case as I attended the sentencing hearing where the parole board was. What responsibility and what accountability are on the parole board for the absolutely disastrous error it made? Had Perkin not got out on parole the first time for such a terrible crime, Angela Richards would be alive today. I have talked with Corrine and Ron about it, Angela’s sister and brother-in-law. That is one of the significant questions they have.

Why is the parole board that made this terrible decision going on with more decisions? Why is it not held accountable? Why was it not brought in to listen to the whole court case? Surely we need to have better answers.

This is what the motion is talking about. It wants a mandatory review of its decisions. I am for the termination of employment of those people when they make such drastic decisions. What we

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are asking for seems realistic. It seems the Liberal government should agree that there be a mandatory review.

Let us talk a bit about parole for a moment. Most of us are aware that we have a legal system and not a justice system in Canada. It is fraught with lawyers who have made it so convoluted, so difficult to understand and so complex that the average person has lost his or her way throughout the system.

Since 1975, 240 murders have been committed by parolees. They say 70 per cent of those on full parole are successful, but it is the 30 per cent who are the problem.

Not too long ago I received a call from a parole board member who was upset at my making these kinds of comments. He said that in his region there was an 87 per cent success rate. I said: "While that is nice, I wonder if the victims take much consolation in the 13 per cent failure rate". We cannot tell Corrine and Ron that everything should be a bit better for them because we have an 87 per cent success rate. They are a part of the 13 per cent failure rate, and that is what we have to concentrate on.

In 1977, 85 per cent of parole board members had experience in the justice system; in 1988, just 10 years later, 53 per cent. It went down. Why did it go down? It was because that party and the other party from Jurassic Park started appointing their friends to parole board positions. How do I know? In 1993, 16 of 22 full or part time members were either defeated or failed politicians.

What kind of decisions do we get from them? They are their friends. They are party hacks. They collected money for your campaigns. The cost of doing that business results in people like Angela Richards being stabbed 22 times and murdered unnecessarily. This is not much consolation for Corrine and Ron, or Mrs. Richards.

• (1230)

Do we have any solutions? What do we do when they let these people out and they ruin the lives of thousands of people? There is no question that parole board members need more training. If the Liberals are going to run this country by a majority and they are going to put all their friends into these important jobs, then they should at least have the courtesy to the rest of us to train them.

I was in a parole board hearing not too long ago and received some information from an administrator who said that the psychologists' reports, which are relied upon for decisions by parole boards, were going to be given to them in a précis. That is just a short capsulation by a civil servant who makes a judgment as to what a psychologist says on five or six pages.

I can say that when people like Wayne Perkin go up before a parole board I would really like them to have a full psycholo-

gist's assessment and not a précis. Listen to what we are saying. The safety of the public is the number one concern.

While the heads are down and they are all quiet over there I cannot understand why they would oppose a mandatory review. Just exactly what is wrong with a mandatory review of a parole board and its members for making bad decisions?

It is understandable why we stand here in frustration and say this is absolute common sense. What is the problem? To whom are you not listening?

I would like to give some recommendations from another group.

The Deputy Speaker: The member has approximately two minutes left, but when he says you and looks across the Chamber the poor Speaker is left thinking that nobody cares whether he or she is here at all. I would ask the member to please look this way when he says you.

Mr. White (Fraser Valley West): I will talk through you, Mr. Speaker. It is difficult enough talking about this over here, because it does not register.

We have to bite the bullet and remove bad decision makers. The bad decision makers were in part responsible for a young lady losing her life by allowing a terrible criminal out on parole, and they walked away unscathed. They did not even get a reprimand on their job performance sheets. Nothing happened. Maybe one said: "I am sorry". A hell of a lot of good that is to Corrine, Ron or Angela.

Some day either they are going to have to listen over here or they are going to be replaced. The time is coming because these Liberals are not listening to a major groundswell in this country.

Since I only have a minute, I am going to give one recommendation from CAVEAT, Canadians Against Violence Everywhere Advocating its Termination. "Allow discipline of parole board members short of termination to be carried out by the chairman of the National Parole Board, a procedure akin to the Federal Inquiries Act, allowing for private or public inquiries. A mandate for a maximum five-year term of appointment for parole board members". They are not going to listen.

• (1235)

The Deputy Speaker: I must tell the member that his time has expired.

Mr. White (Fraser Valley West): I wish I had an hour.

Ms. Catterall: Mr. Speaker, on a point of order, I was watching the debate on television outside the Chamber and heard the member who just spoke use unparliamentary language. I would like to draw it to your attention and to his and request that you ask him to withdraw the comments he made and refrain in future from using that kind of language in the House.

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The Deputy Speaker: I thank the hon. member. Perhaps we should all remind ourselves that there are certain words that are unparliamentary. We all know which ones they are. There is a fairly short list now.

The first test is that the language does not cause an uproar. I did hear the expression the member referred to and I noticed that there was no uproar caused by the expression. Frankly, I was surprised by that. I would ask all members that since we are starting afresh this fall to please, if they hear something offensive, get up and put the objection on the floor immediately rather than waiting.

I am sure the hon. member will take note of what has been said. I would ask then if we are ready for the question.

The member is entitled to reply.

Mr. White (Fraser Valley West): Mr. Speaker, on a point of order, I would like to know what I said that was offensive.

The Deputy Speaker: It is a phrase we have all heard many times involving a word that begins with *h* and ends with *l*. I do not think the Chair should string this thing out.

Is the parliamentary secretary to the solicitor general rising on a point of order or on debate?

Mr. Gagnon (Bonaventure—Îles-de-la-Madeleine): Mr. Speaker, it is on a point of order and it could very well lead to a debate.

The Deputy Speaker: I am afraid the hon. parliamentary secretary has to choose. If it is on debate, it is the turn of the Liberal Party and the hon. parliamentary secretary.

Mr. Patrick Gagnon (Parliamentary Secretary to Solicitor General of Canada, Lib.): Mr. Speaker, we are discussing the last motion raised by the opposition, Motion No. 19.

We heard a number of things here this morning and indeed most of yesterday afternoon about Canadians having a constant worry about the apparent rise in criminality in the country. I think we should keep in mind that criminality in Canada has been somewhat stable for the past 20 years. The statistics are there. A number of cases were brought to the attention of the public and many of those were in heinous crimes and very disturbing. That is why the government and we on this side of the House have done considerable work to try to reduce criminality and make Canada a safer place.

I found it interesting when I heard a number of members claim that the federal government was not putting any money whatsoever into trying to protect Canadians and especially our youth. I would like to point out that the Ministry of the Solicitor General

of Canada is one of the few departments that has seen a slight increase in its expenditures.

Mr. Thompson: Mr. Speaker, on a point of order, a while ago we were talking about finances. Now we are on Motion No. 19 dealing with parole. I would like the member to stick to the subject.

The Deputy Speaker: All hon. members will understand the relevance rule. It is even more important since we are discussing motions and perhaps second reading. I am sure the hon. parliamentary secretary will make his remarks relevant very quickly.

• (1240)

Mr. Gagnon (Bonaventure—Îles-de-la-Madeleine): Mr. Speaker, we have heard from the opposition on Motion No. 19, on Motion No. 16 and on all the other motions. I think we have been patient enough on this side of the House by giving these people the chance to express themselves. What we have heard all day is a well founded concern about the safety of Canadians. However, after hearing a number of those debates it is my opinion and that of most members of the House that often the information that was introduced by the opposition was not entirely correct.

We have the obligation to explain to these people, as it concerns Motion No. 19, that we have done a number of things to make Canada a safer place. I will make this point very briefly. I think that members sitting on the opposition benches should know that money has been put into the system. We are out there protecting Canadians. We are now spending considerable amounts of money building new facilities. That was a concern raised by the opposition. Five new facilities are going to open in the short term in Canada in order to accommodate the incarcerated members of our society.

There was also talk about CPIC, the screening mechanism we now have in place. We should also inform hon. members of the opposition that they have the right through various service and volunteer associations, for instance the brownies, the scouts, minor hockey and what not, to screen volunteers in these organizations for a previous criminal record to avoid endangering the lives of many young innocent Canadians. We have instituted that. It is a tangible benefit from the Liberal government. We are concerned about the safety of the younger members of our society.

We also spoke about gun control. If opposition members are concerned about the rise in criminality, why did they oppose gun control? That is a fundamental issue. Most crimes committed in Canada are committed with guns and rifles. Often these weapons are acquired illegally. We are trying to make Canada a safer place, and this is all we have heard all day. The opposition benches are supposed to be the law and order side of government, but we have done the tangible thing. We have done the

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right thing. We pushed through the gun control law because it was the will and the wish of the Canadian public, as numerous polls have suggested.

I could continue. We have made amendments to the Criminal Code to tighten up the intoxication defence. We were referring to cases where someone was under the influence of certain drugs and alcohol and had committed a crime. That will no longer be admissible in court. That is very tangible. I think the ministry and the Government of Canada should be applauded for their efforts.

We have set up the task force on high risk, violent offenders. We are reviewing that with our provincial and territorial counterparts. We have experts in the field looking into this. Of course more can be done, but we do have the commitment of the government. We have the commitment of the Solicitor General of Canada and the Minister of Justice to do something about it.

There was also Bill C-37. They made no mention of it. We have tightened up the Young Offenders Act. We are making it more difficult for youngsters to come out. We are imposing different rules and regulations in order to make Canada a safer place. The public should know that. The public has a right to know what we are doing, instead of going on with these debates and these unfounded arguments, which are not based on fact. Factually, I think we have done a commendable job.

We have also created a national crime prevention council. The Government of Canada, after two years, with its so-called liberal values as members opposite like to call them, has proven to the Canadian public that it is taking these concerns very seriously.

Another one is the DNA legislation.

Mr. Thompson: Yes.

Mr. Gagnon (Bonaventure—Îles-de-la-Madeleine): Exactly. I am happy to see that the hon. member for Wild Rose is approving our initiative. We are trying to do what was never done in the past. The previous government did not measure up and that is why it was soundly defeated.

• (1245)

We on the government side after two years in the House are starting to show Canadians we are taking very seriously these concerns. That is why I have a duty as a parliamentarian and we have a duty as a government to explain this to the public, to explain this to, I must admit, the misinformed and ill-informed members of the opposition.

Another private member's bill came to our attention, the witness protection program. Again we are trying to encourage Canadians who in some cases are in difficult situations. We are asking for their help in trying to find the criminal elements in Canada and to bring them out to public view in order to try them in a court of law.

What we have done over the past two years is quite commendable. There are a number of instances where we can do more, no doubt. The various accomplishments of our most competent Minister of Justice and the Solicitor General of Canada prove once again the Liberal government is taking Canadians' concerns very seriously.

This is all within the purview of Motion No. 19. Why we are opposing the hon. member's motion is that in our opinion, and given these recent accomplishments by the Government of Canada, there is sufficient inquiry powers under the Inquiries Act and Corrections and Condition Release Act to address instances where a conditionally released offender commits a serious crime. The disciplinary inquiry should not be misused for that purpose.

In all fairness to the government, in all fairness to the people of Canada, we are very concerned about their security. I regret to say the opposition benches have not been paying much attention to our accomplishments. That is why in Reform country and in other parts of Canada we are trying to reassure Canadians we are taking their concerns in a most serious sense.

I am very pleased the hon. member for Wild Rose has invited me once again to his wonderful riding. I have never had the privilege of going to that part of Alberta. It is one of the most beautiful provinces in Canada, especially with the Rockies. During the referendum debate this is an issue we would like to bring up.

However, we will not support this opposition motion and I would gladly like to debate this a little further with the hon. member for Wild Rose in his constituency.

Mr. Myron Thompson (Wild Rose, Ref.): Mr. Speaker, quite a bit was said by my colleague from Fraser Valley in terms of giving examples of why Motion No. 19 is on the floor, why we want this review in place when there has obviously been something that did not go right. Simply asking for a review makes sense.

If we parole a killer and he kills somebody again, it is only common sense that we look at the results that brought us to that decision. How many times do we have to say that? It is called accountability. It is time all of us became accountable for that for which we are responsible.

We have the charter of rights and freedoms. We really need a charter of responsibilities. It should apply to everyone, including members of parole boards.

I believe in this past year there have been some improvements. One improvement was the firing of the previous chairman of the parole board and the hiring of the new one. I compliment the present chairman. I have had many visits with the present chairman. He wants to ensure to the best of his ability that the most competent people, the most able, the most knowledgeable are placed in those positions.

• (1250)

The biggest fear I have for him is that patronage goes on and on, another patronage appointment. I read not too long ago that 11 people were put on the Queen's bench across the provinces; failed Liberal candidates, party hacks and fundraisers to fill the benches across the land. The justice minister and his 11 disciples are now in place.

Making patronage appointments is not the way to fill these positions. The present chairman of the board wants competent people. He is very knowledgeable. If we allow him the authority to run it the way he feels appropriate it will be better. Nevertheless, regardless of whether they are judges or whatever else, everybody has to be responsible for what they are expected to do.

Mr. Speaker, being from Edmonton you will remember Daniel Gingras, good old Daniel Gingras, the guy who was awarded a birthday pass. Remember how it blew everybody's mind that this killer, this dangerous offender, could be awarded a birthday pass. He had been in for a long time and the parole board decided he should have a birthday pass. Not only that; it allowed him to pick the guard to go with him because it was supposed to be a supervised day.

I do not have to say he sized the guard up. He did not pick the most powerful, biggest one he could find. He picked the one he thought he could overcome, and he did. How many women died that day, two or three? And nobody is accountable.

Surely with something like that it would make sense to review the whole thing to make sure it never happens again, which is all this motion is asking for. It will not create a huge expense. It will not do anything except accomplish one thing, an effort to make sure we are accountable to the people of Canada when we are drawing money from them and filling our pockets with paycheques. If we are being paid by the people we should be accountable to them. This motion will allow that.

Once again it blows my mind how anybody can oppose such a common sense motion. I heard rhetoric a few minutes ago by the parliamentary secretary about all the wonderful things this genius of a justice minister has done. He has not done anything. There has been nothing accomplished. Wait, he fixed the Young Offenders Act. No, he did not. Wait, let us talk about guns, remember? He has fixed that. He has gone after duck hunters, deer hunters and rabbit shooters. Give me a break.

I forgot about Bill C-41. Now we have done it. We will get tough on those who commit crime based on hate. We will let them have it. However, if we ask them to get tough on all crime they say that is not the Liberal way. They talk out of four sides of their mouths. Sometimes I do not know what they want.

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I have one last appeal. It is time people who are paid by Canadians are held accountable for the decisions and the jobs they do. This motion would help that happen.

• (1255)

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

Some hon. members: Question.

The Deputy Speaker: The question is on Motion. No. 19. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Deputy Speaker: The motion stands deferred according to the standing orders.

The House will now proceed to the taking of the deferred divisions.

Call in the members.

And the bells having rung:

The Deputy Speaker: A request has been made by the deputy whip of the governing party. Divisions on the matters before the House stand deferred until Monday, September 25 at 6 p.m.

* * *

[*Translation*]

CANADA-UNITED STATES TAX CONVENTION ACT, 1984

Hon. Sergio Marchi (on behalf of the Minister of Finance) moved that Bill S-9, an act to amend the Canada-United States Tax Convention Act, be read the second time and referred to committee.

Mr. David Walker (Parliamentary Secretary to Minister of Finance, Lib.): Mr. Speaker, I welcome the opportunity to speak in support of Bill S-9 to ratify the recently-signed revised Protocol to the Canada-United States Tax Convention.

This is work-a-day legislation that addresses the dual issues of fair taxation and good international relations. In fact, Canada currently has double-taxation conventions in force with 55 countries, including the U.S.

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This particular agreement was originally signed in 1980. The protocol being ratified under S-9 will be the third formal modification enacted over a 15-year period.

A substantial amount of the protocol deals with technical issues of definition and clarification of existing rules regarding taxes on income and capital. But there are also a number of important changes which should deliver real benefits to Canada and Canadians, or that enhance the fairness of the two tax systems as they apply to non-residents.

One of these important elements is that the protocol reduces or eliminates the rate of withholding tax that each country will apply to interest payments, direct dividends and certain royalties.

Canada and the U.S. already enjoy the most extensive trade relationship of any two industrial nations in the world.

• (1300)

And our exports to the U.S. are a critical component of Canada's 1994 economic growth, which was the best in the G-7.

[English]

By reducing tax withholding rates this protocol should ease and encourage the continuing growth of trade and investment between our two nations. I should mention that it brings these rates into line with those provided in the OECD model tax convention, rates accepted by a majority of the 25-member countries of that organization.

Let me outline the specifics of these changes. Under the protocol the general rate of holding tax on direct dividends will be reduced to 5 per cent by 1997 from the current 10 per cent. In consequence, the protocol also drops the rate of the branch tax to 5 per cent again by 1997.

Regarding the withholding tax on interest payments, the protocol will see the rate reduced to 10 per cent from the 15 per cent rate that applied under the previous 1984 protocol. As well, the new agreement ensures that interest paid between a buyer and an unrelated seller will continue to be exempt from the withholding tax in the source country, even if the indebtedness has been transferred to a third person.

Finally, this agreement will eliminate completely the withholding tax on royalties on computer software and on patent and technological information. Let me remind the House that bilateral relief will have very beneficial effects: first, by reducing the cost to Canadian companies of accessing technology and know-how from the U.S.; and, second, by enhancing the ability of Canadian high tech firms to sell their products and services in the U.S.

Let me move to another area where Bill S-9 will have a beneficial impact. It will restore fairness regarding the impact of U.S. estate taxes on Canadians holding property there. I

should acknowledge right off that there have been some concerns raised about this aspect of Bill S-9. Let me be blunt. Anyone who thinks that this is an unwarranted tax gift to the wealthy is mistaken and clearly does not understand the legislation and the changes in U.S. law it addresses.

Under current U.S. law enacted in 1988, Canadians who die holding U.S. property valued at over \$60,000 U.S. may be subject to U.S. estate taxes. This is a much lower threshold than American citizens face. Once the protocol is ratified by our two nations, however, Canadian residents will be entitled to treatment that is not less favourable than that available to our American neighbours. In other words, this means Canadians will generally not be subjected to estate taxes unless the value of the individual's worldwide gross estate exceeds \$600,000. In addition, a special marital credit will be available with respect to property transferred to the spouse of the deceased.

There is a further change, again to enhance fairness in the way our two tax systems operate, involving U.S. estate taxes and their Canadian equivalent. Under the protocol our government has agreed to provide a credit against Canadian taxes on U.S. source income to the estate of a Canadian citizen in those cases where U.S. estate taxes are also levied. The United States will grant a reciprocal credit for Canadian income taxes levied on a deceased American.

Incidentally, it is also important to note that this provision is effective retroactively for death occurring after November 10, 1988 when the major changes to the U.S. estate taxes affecting Canadian residents were introduced.

Let me reiterate that these changes do not represent a gift of any sort to any Canadian. Given the fiscal challenges facing our government, we have no interest in helping the affluent escape paying their fair share of taxes. But fairness equally demands that no Canadian, whatever their means, should be cavalierly subject to the bane of double taxation. This is what this tax treaty protocol works to do, eliminate double taxation.

• (1305)

The changes agreed to by our nations recognize that while both Canada and the United States impose taxes regarding death, these take two separate forms. The U.S. applies an estate tax, but in Canada the levy takes the form of an income tax on any appreciation of a deceased's property over his or her lifetime. These different forms of death tax have created a problem.

Canada, like most countries, has rules to prevent double taxation. However, these rules do not cover a situation like this where the taxes are imposed in different forms. As a result, unless the dilemma is corrected cases could arise where the estate of a Canadian with U.S. property would face combined

Canadian and American taxes conceivably exceeding the property's value. Obviously, that is absurd.

Our revised Canada–U.S. tax treaty corrects the problem. It does so by allowing Canadians to credit U.S. estate taxes against Canadian income taxes on U.S. income. In parallel, it allows Americans to credit Canadian income taxes against the U.S. estate tax liability.

I have covered the two most important areas of the tax treaty change that this legislation will ratify. There is another aspect to the protocol that I would like to review briefly. It deals with social security payments made by one country to someone who is now a resident of another country. Under the existing convention, such payments are not taxable in the source country. In other words, an old age security or Canada pension plan payment to someone who now lives in the United States is not subject to Canadian tax and only one-half of the benefit is taxable in the other country. Once the protocol is ratified, however, social security benefits paid from one country will be taxable exclusively in that country. They will no longer be subject to tax in the other country.

I should point out that once the protocol is ratified our government will be proposing amendments in the Income Tax Act to apply the non-resident withholding tax to these payments. These should take effect next year.

The issues I have highlighted represent the most important and substantive changes to the existing tax convention between Canada and the United States. Now let me flag some of the more technical amendments the protocol also addresses.

There is a provision allowing for a better working of the rules concerning charitable contributions to tax exempt organizations of the other state.

Another provision covers an arbitration mechanism for the settlement of difficulties over the interpretation or application of this convention.

The protocol also introduces an article providing for assistance in the collection of taxes of the other state and to improve the exchange of tax information between our two countries.

These are small but useful steps for improving our country's ability to collect taxes owing, something the Minister of Finance pledged loud and clear in the February budget.

In conclusion, Bill S-9 is the result of carefully considered negotiations between Canada and the United States and I ask the House for its support as soon as possible.

[*Translation*]

Mr. Pierre Brien (Témiscamingue, BQ): Mr. Speaker, as far as Bill S-9, whose purpose is to amend the August 31, 1994 tax convention between Canada and the United States, is concerned, we do not see any major problems with these amendments to a

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tax convention that was first signed with the U.S. in 1980, if I am not mistaken, and then amended in 1983 and again in 1984. So this is the third time we are amending this tax convention to make it better with time and facilitate trade between Canada and the U.S. to the maximum extent possible. I will get back to these trade relations between Canada and the U.S. and between Canada and its other trading partners toward the end of my speech.

Of course, since this is my first speech in this House since Parliament reconvened, I cannot help but point out that our legislative agenda is extremely modest. The bills we are reviewing are anything but controversial or would have very little impact in the short term. In other words, we are trying to dispose of our leftovers.

• (1310)

We might have expected, upon returning to the House, to be able to debate the reforms announced by the government that are late in coming with respect to unemployment, the old age pension plan, the human resources investment fund as well as the long-awaited GST reform that the Liberal Party promised in the election to carry out within two years. Time is running out; we are almost there. We now realize that this will not happen. There is absolutely nothing on the table indicating this can be done within the next two years.

Since these matters are not on the table, we are debating those bills that were tabled. However, we can deplore the fact that a government which claims to be concerned with job creation and the real problems has put so little on the table for the people of Quebec and Canada to enable us to discuss the economic and social future of this country as seen by this government. Instead, we are debating other important issues. There is no denying that tax conventions are important, but we would have liked to be able to discuss other topics as well.

Coming back to this convention and the subject of tax conventions in general, the purpose of tax conventions is to avoid double taxation, that is to say the levying of taxes in two different countries on foreign investments. This fosters the free movement of capital without putting tax barriers in the way of investing in other regions. And this fits in with the strong world-wide trend towards free capital flow. This is a good thing in that it allows resources to be directed where they will be the most useful to make better use of often scarce resources. In time, this will enable us to improve our economic system, provided of course that we manage to incorporate the other factors.

So, avoiding double taxation and ensuring that fiscal constraints are not created foster trade between countries. Bilateral trade between Canada and the United States is constantly growing. As well, trade between Quebec and the U.S. is also on the rise, particularly since the free trade agreement, which received strong support from Quebecers, came into

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effect. In fact, Quebecers were the instigators of this agreement. Therefore, we are dealing with a strong tendency.

We know that a north-south pattern, that is commercial trade between the U.S. and Canada or Quebec, is often much more natural than an east-west movement.

We often overlook the fact that it is very appealing to trade with several northern U.S. states, given their huge potential market, both for Quebec and for Canada. The same is true for western provinces in particular, but also for Ontario. There is a huge market out there and this is why we must ensure the best possible movement of capital, goods and services between the two countries.

I am pleased to see that the Liberal Party finally changed its tune regarding international trade. As you remember, the Liberals were strongly opposed to the free trade agreement. Even during the election campaign, they still had some reservations. However, once they came to office and saw the benefits of that treaty, common sense prevailed. I am glad to see that when the government is confronted with economic reality, common sense prevails. And this will always be the case in the future.

I am also pleased to see that the Prime Minister's views on international trade, which seemed so irresponsible to me during the election campaign, have now been adjusted in light of reality.

Sure, we can criticize someone who says one thing during the election campaign only to act differently once in office. However, that irresponsibility is not related to what is said or done once in office: rather, it has to do with the promises made to Canadians during the campaign and the resulting expectations.

The government's attitude is now much more responsible. And that is true in the case of international trade. We are pleased to see that Canada is prepared to accept Chile as a party to the North American Free Trade Agreement. Indeed, we are glad to see that when there are real opportunities to promote economic trade, the government leaves politics aside and strives to promote the development of new markets.

• (1315)

All this leads me to believe that, if Quebecers decide, as they will be asked to do very shortly, to opt for political sovereignty and be in charge of their own political agenda, their tax system and their economy, logic and common sense will prevail. I think Quebecers realize that. My riding is right on the border with Ontario, and I think people are well aware of the day-to-day reality of this when they go and buy or sell goods outside the province. So the economy is one thing and, in many cases, the interests of partisan politics are something else altogether.

As far as tax treaties are concerned, I must say that although it is not the first time we have discussed tax treaties since the beginning of this session—there were a number of other occasions—we never really tackled a problem mentioned by the auditor general, when he said that tax treaties were a very good way to avoid double taxation but that in some cases, when tax rates differed substantially in each country, they could lead to a tax haven. It could be very attractive for some people to put their profits on the books of a foreign branch instead of letting them be realized by parent corporations which are often located in countries with higher tax rates.

This is quite a problem. The auditor general gave 16 examples which could be considered tax havens, to varying degrees. Some very slight changes were made in one of the finance minister's two budgets, but they were not more than that. There have been no further discussions on the subject since that time, but we will have to do it sooner or later.

Trade is expanding between countries throughout the world. The free trade movement is spreading and covers all of North America. If you go to South America, each country has its own tax system. Increasingly, multinationals are using the so-called butterfly system, in which certain components are manufactured by one company and other components by another company. They are all connected to the same corporation which, in the process, manages to pay the lowest possible tax rate.

Companies do that, they hire tax experts to check the various tax rates and best locations for booking losses and profits. These companies sell goods to each other, to their various branches, and they can often artificially change their prices so as to channel their profits to the country with the most attractive tax rate and their losses to another country. Furthermore, in Canada, interest payments on loans are tax deductible.

So a company can decide it is attractive to borrow money here, to use our tax system to deduct interest costs, and then try to channel profits to another location. We must not forget that capital losses are also deductible in this country, which is normal, so they can declare their losses here, take advantage of the deduction on interest payments and channel their profits abroad. This is quite a problem.

It is less of a problem with our biggest trading partner, the United States. But that does not mean it is not a problem in the 16 cases listed by the auditor general. As I said, we must not necessarily assume that the same degree is involved in all 16 cases, but an extremely thorough analysis would need to be done, looking at each situation closely.

The government has undertaken no action in this connection. The finance minister has even been questioned on this matter on several occasions and has never even admitted that it was a

problem for him. Under such circumstances, we have a long way to go. It is like denying reality. As you know, in solving problems the first step is admitting there is a problem. I therefore hope that my colleagues in the government who are present will be able to make the minister aware that there is a major problem he will have to address. It is certain that our Parliament can pass tax conventions piecemeal, one at a time, as they are modified and adopted. Others will need to be adopted in future with other countries with which we might create economic ties.

There is much talk of Canada's turning its eyes to Asian markets. One day there will also be talk of agreements with them, and that will have to be looked into. It would therefore be rather appropriate for somebody, somewhere, who is concerned with real problems, and admits to being concerned with real problems, to say that this is something that needs further examination.

• (1320)

There is no denying it could become a financial problem, at a time when we are continuing to tighten the screws on society's most disadvantaged, claiming rightly that public finances are in a sorry state. Socially, however, it is becoming hard to accept, because the same people are always being hit.

I understand that these things are complex and not easy to explain to the public, but it is our job to follow them.

According to a newspaper article I was reading, there is even a Liberal member challenging this and other tax conventions and other government actions, on sometimes legitimate and sometimes debatable issues. So, as we can see, even within their ranks, things are not unanimous. It would be worthwhile discussing this seriously.

The Standing Committee on Finance would be an appropriate venue, but this must not become simply a matter of passing a hot potato on to the committee so the minister does not have to deal with it. We have to give some quick thought to the situation.

This bill is at second reading and will go to the Standing Committee on Finance between second and third reading. There is one aspect of this convention, which the parliamentary secretary talked about earlier and which we will be wanting clarification on. It has to do with the fact that an amendment in 1988 in the United States reduced the non taxable amount of estates for foreigners from \$600,000 to \$60,000. This tax convention re-establishes the non taxable amount of foreigners' estates at \$600,000.

As, today, we are correcting matters and returning to the 1988 figure, it appears that the amendment is retroactive. In a number of cases, therefore, it will mean expenditures, because at the same time a deduction will be allowed for amounts paid as taxes on estates.

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This point requires some technical clarification. I am not sure I have hit on the effects of the provision, but we would be happy to clarify this in committee and to have a better look at what it is about. I noted that the parliamentary secretary indicated this was a good thing to do. I know that the matter was discussed in the Senate as well. We in the finance committee can seek clarification from department officials and make sure that, if it is done retroactively, there is some logic behind it and that the government does not lose a lot of money to people who might be able to afford these taxes.

It is a sensitive issue. I have some problems with it. It is difficult to accept such changes on a retroactive basis. This is something governments are increasingly resorting to and it is a rather dangerous trend. It would be better if retroactive amendments were to the people's advantage, but that is not always the case. We have been through this before. I remember in particular the cool reception given to the rather important retroactive amendment made by the former government of the current leader of the No side in Quebec.

It is difficult because individuals are being asked to act more responsibly, to plan for their retirement, and so on, while the government can decide to change the rules of the game from year to year. The retroactive effect of one provision of the amendments to the convention is something that should be clarified in committee.

In conclusion, may I remind you that this tax convention is nothing new. These are simply amendments to a convention that was signed with the U.S. 15 years ago. This is the third time it is being amended. That is quite normal. Things evolve with time, allowing us to improve economic relations, especially since the 1988 free trade agreement with the U.S., which is an important instrument of future trade for both Quebec and Canada.

I am happy to see that when the government side does something concrete for the economy, common sense prevails over last year's electoral stand on the U.S. They must be pragmatic enough to make sure that businesspeople in both Quebec and Canada can do business and be as profitable and efficient as possible so they can contribute to the country's economic growth.

• (1325)

I hope they will take the same attitude during the Quebec referendum campaign, although I doubt they will because of their partisan politics. But common sense will prevail again the day after. The economy is one thing, but politics is something else.

[English]

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, I rise today to support Bill S-9 amending the Canada-United States Tax Convention Act, 1984 for a third time, as mentioned by the two previous speakers.

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For all intents and purposes the act is already a done deal as its contents were agreed on in a protocol signed by trade representatives from both countries on March 17, 1995. The protocol bill became Bill S-9 and the Senate subsequently approved it on May 3, 1995. That leaves it up to members of the House of Commons and specifically members of the Standing Committee on Finance to give it one last good look.

Basically tax treaties and their amending protocols have two main objectives, the avoidance of double taxation and the prevention of fiscal evasion. Since they contain taxation rules different from the provisions of the Income Tax Act they become effective only if we give them precedence over domestic legislation by passing bills like Bill S-9 through Parliament.

I want to make sure Liberal members opposite understand what that means. For Canada to simplify its tax rules with regard to trade with the U.S. its politicians pass bills like Bill S-9 that bypass the convoluted, complex and complicated Income Tax Act. With all due respect, what a treat that must be. Canadians sit at home trying to figure out their T4s and their T4As and phrases such as discernible loss while a few trade representatives sign a tax protocol not subject to any aspect of the Income Tax Act.

The primary objective of most tax treaties is the avoidance of double taxation. Bill S-9 makes a number of important changes in this area, including bilateral reductions and withholding tax rates on dividends, interest and royalties reflecting the rates now accepted in most countries, a complete withholding tax exemption for payments for the use of U.S. technology, relief for Canadian residents from the application of U.S. estate taxes, increasing the maximum estate tax exemption from \$60,000 to between \$600,000 and \$1.2 million U.S.

I wonder if the Minister of Finance will be bringing in estate taxes in Canada in his next budget, making this section of the bill an exercise in futility.

With regard to double taxation, Bill S-9 expands the exemption from U.S. tax for the income earned by RRSPs, RRIFs and the Canada pension plan.

In the area of fiscal evasion the bill gives authority to impose withholding on CPP and OAS payments made to American residents. The 1984 treaty only allowed the American state these former Canadian residents lived in to tax such payments. Now we can withhold the money at source if it is being collected illegally.

There is also a provision in Bill S-9 for a mutual assistance in the collection of taxes owed by a citizen of one country who resides in the other.

These are very positive measures which our party fully supports. However, what disturbs me is that we can accomplish these changes internationally but not internally, not domestical-

ly. For example, we can agree to chase tax evaders north and south of the Canada-U.S. border yet nothing has been done by the government to chase those who evade things like child support across our provincial borders. It is a double standard.

Another example of this can be seen in reductions and withholding tax rates on the dividends, interest and royalties held in Canada and the United States. What about the continuing double taxation of domestic dividends in Canada? This is a double standard. Our trade representatives seem to be able to negotiate what our domestic politicians and representatives cannot.

The question that begs to be asked is why. The answer is because bills like Bill S-9 take precedence over the Income Tax Act. They are not governed by it. Maybe it is time Canadians did not have to be governed by the Income Tax Act either. Maybe it should be repealed. Maybe it is time to get rid of it altogether, start from scratch and build up a whole new base to create a simple, visible and fair system of taxation such as the flat tax.

• (1330)

Philosophically, certainly it is in tune with the times. Practically, it would be keeping in step with what is going on in the United States. A protocol bill like this one seems to solve all our problems. Many Republican representatives in the United States are looking at a flat tax. They are looking to simplify their system. They are looking to make it more fair, where people who make the same level of income pay relatively the same amount of tax. They are looking to reduce the high compliance costs of tax collection.

What is frustrating to me is that the majority of Canadians have to hire accountants to do their personal income tax returns. Our corporations have to hire accountants to do their tax returns. Businesses have to figure out their GST calculations and submit them to the government. In other words, the private citizens and businesses are paying to keep track of taxation for the government, and it still costs Revenue Canada \$1.2 billion to collect our taxes. It still costs \$400 million to \$500 million for the GST revenues to add it all up. That is almost a cost of \$2 billion when the people in the businesses are doing the work. Implementing a simplified taxation system would reduce that cost. It would be in line with what we are doing with protocol agreements such as we have in Bill S-9.

It is so obvious and so clear that I do not know what the government has to fear. The Liberal member for Broadview—Greenwood is proposing a flat tax. He has been ignored for 10 years. I do not know why. What is it that makes politicians when they form government afraid to look at a new, clear and fair system of taxation? Why not send the trade representatives who negotiated the deal into the House and let them negotiate in the standing committees a new system of taxation? Businesses would be better off and individuals would be better off.

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We have to get rid of the intertwining of our social and economic programs through the Income Tax Act, separate them and have a system of taxation that collects the amount of money we need to pay for the programs Canadians want, be it child care, be it health care, be it education, or whatever it is they want. It could be a megaproject that we would cut but the government would probably continue. Then we would know what the rate should be. Then we would know whom to tax. Then we would know how much to tax. It would be there for us. It would be within our grasp. It is a system of taxation whose time has come; there is no question.

If we can agree on issues between two nations such as how to avoid double taxation, why do we not look at an internal system that would avoid double taxation within our own country? Why are we being so foolish in keeping the burden and the cost of calculating income tax and in keeping the burden and cost of high taxes?

More bills will be coming up later today and tomorrow that concern excise taxes. Some will be decreased; some will be increased. Bill C-90 will increase taxes all over the place. We do not need that. We need tax reduction, not tax increase. I will be talking more about the flat tax in future speeches, so I will drop the analogy of the good things in Bill S-9.

I see the parliamentary secretary to the finance minister. I am encouraged he is somewhat willing to look at what the flat tax has to offer. He has made no commitments, but it is a start in the right direction because it will benefit all Canadians.

In conclusion, once again I repeat that we are in favour of Bill S-9. However we are opposed to the fact that the government will not negotiate the same type of deals at home as it does abroad. Our government cannot continue to smile at the neighbours, make good deals with them and not make the same good deals at home. It is engaging us in fights at home. The separation fight is all about power. It is all about taxation, who should be taxing and at what levels, and getting rid of the double taxation system and the duplication of services. Why not tell the province of Quebec that it can handle x , y and z , that the federal government will get out of that business and that it can collect the taxes for it? That is something which shows that federalism works, but no, the government would not do that.

• (1335)

People in Canada need change in a big way. As we have seen today, positive change can only come about through bypassing, ignoring or disregarding the Income Tax Act altogether. If we had to continue to abide by the rules of the Income Tax Act to negotiate with other countries, we would not get anywhere because no one would understand it.

We have tax lawyers and accountants in this country who are intelligent and highly educated. They give advice to individuals and corporations and at the end of the day sign a disclaimer: "Notwithstanding all the advice I have given you, everything in here might be true or might not be true. My interpretation should be accepted by Revenue Canada, but if it is not it is not my fault". They do our tax returns. If it is in a grey area, Revenue Canada says: "No, you cannot have that". Then the department charges us and we have to pay. If we do not pay we end up having to pay double interest. A person has more rights as a criminal—and I do not want to go back to Bill C-45—than one who misses the filing date of the income tax return.

The government goes after us. It is arbitrary. It leads to conflict between citizens and the bureaucrats. We do not need that. We do not need the department to be frowned on, to be cursed at, to be sworn at. We can simplify the matter and make it better by having a simple system of taxation that everyone understands. Then we would not have taxpayers fighting the department over appeals, over treatment or over rulings. We do not need that.

In conclusion it is time that we start giving Canadians in Canada the same types of rules and rates governing Canadians outside Canada.

Mr. Nelson Riis (Kamloops, NDP): Mr. Speaker, I was going to let the matter go to a vote but I was encouraged by the previous speaker to say a few words.

It is clear that Bill S-9 is a result of a complex process flowing from a tax treaty signed between Canada and the United States in March 1995. The Senate quickly got on to this important matter in its judgment and decided to give it top priority over a number of other pieces of legislation. As far as the Senate is concerned it requires top priority. The bill passed in May before the summer recess. Now, in the first few hours of this session of Parliament, the government also says that this is a priority. This tax measure has taken priority in Parliament over all kinds of other initiatives.

I can talk about the high levels of unemployment that are not being addressed. I can talk about all sorts of social, economic and cultural issues that are simply being ignored. The government is saying that this is a priority, that we must bring in a tax provision changing the Income Tax Act to benefit basically a handful of the wealthiest families of Canada.

That is what we are talking about. Let us be perfectly clear. This tax measure will not benefit many people in the constituency of Kamloops or the constituency of Okanagan—Shuswap. I could go through the entire country.

The legislation has been written, drafted or designed to assist the financial concerns of a handful of very wealthy Canadian families.

As the Parliamentary Secretary to the Minister of Finance has argued, it is a matter of equity. I suspect that is true in the

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government's eyes. Changes are required in the Income Tax Act so that they are not double taxed on U.S. investments and the fact they live in Canada. The whole matter of tax protocols, tax treaties and the resultant changes in the tax act is something anyone would support.

It is the process that troubles us. We are talking now about the principle of the bill. This is second reading. We are talking about the principle of the bill, that the government and the Senate feel that the matter is of top priority and that we have to do something to facilitate the financial concerns of a handful of very wealthy Canadian families. I doubt it. I doubt if Canadians would recognize it as a top priority.

● (1340)

I find it surprising that my friends opposite, including the Parliamentary Secretary to the Minister of Finance, would have the courage to stand in the House of Commons to say that we have to spend hours today, if necessary, to help a handful of wealthy Canadian families get a better financial deal on their tax bills. There is something cynical about that.

No wonder Canadians are cynical about the government. It is the same members who said to all Canadians not many months ago that if they elected the Liberals they would abolish the GST. That was said from coast to coast to coast, constituency to constituency throughout the lower mainland of British Columbia, throughout southern Ontario, throughout the province of Quebec, et cetera. Liberal contenders in the election said: "If you elect us we will abolish the GST".

The Deputy Prime Minister said that if the GST were not abolished within the first year she would resign her seat. To be fair, I wish we could believe these folks. Canadians are saying that they believe they are actually telling the truth. When my friends from Toronto said to their constituents: "You elect me and I will abolish the GST", they believed them; they said yes.

Bringing some financial tax pain relief to every Canadian is not a priority. As my friend says—and I believe what he says—we will eventually get to it. I suspect that rather than abolish the GST they will abolish the name GST and keep the tax. They might do a bit of harmonizing and so on to broaden it even more so that more items would come under taxation. We could refer to the province of Alberta. Albertans will now have all goods and services taxed as opposed to none.

Changing the GST is not a priority but Bill S-9 is. I wonder how many of my Liberal friends across the way actually know what is in the bill or how many Canadians will benefit from it. Those people that have \$600,000 or \$1 million in investments coming from the United States will benefit. How many Canadians does that account for?

Mr. Silye: One per cent.

Mr. Riis: My friend from Calgary says 1 per cent. I doubt it is 1 per cent. We should not be giving priority to tax policy that addresses the concerns of less than 1 per cent of the Canadian population.

My hon. friend from Calgary Centre made a point that was well taken. He said that most times when we are trying to change the Income Tax Act we use the normal process through the finance committee and various other subcommittees to look at tax exemptions and ask whether they are of benefit to Canada. My friend from Toronto will know about this; he has been working on them for many years. Do they result in some benefit? Often when we have done a cost benefit analysis we have found that they have not. From time to time the government has eliminated tax exemptions or what some of us call tax loopholes. Even the Minister of Finance is using the term tax loophole more frequently.

We ask ourselves how we got into this debt problem. I know it seems to be a jump from Bill S-9 to the debt problem. Let us recognize that Statistics Canada did us a great favour back in 1991 when it identified that 44 per cent of our accumulated federal debt was the result of tax exemptions over the years, the drainage of billions and billions of dollars through tax loopholes.

We might say that some of the tax breaks, tax loopholes or tax exemptions are beneficial. Some are absolute boondoggles and some are debatable. Do Parliament and government give priority to a process that would see the elimination of some tax exemptions and as a result take a major step toward reducing the accumulated debt and deficit? Is that where we devote our attention, energy and time? No. Time is given to Bill S-9 that will benefit a handful of the wealthiest families of Canada. We will send this off to the finance committee now for thorough study where its advantages and problems will be identified.

In summary let us acknowledge what we are doing today. We are taking up valuable House of Commons time at a crucial time in our economic history, when we have 1.4 million Canadians who are jobless, another 2 million Canadians who are underemployed, probably many more than that who are working in low paying jobs and are barely getting by. We are seeing that a priority for this government is to assist a handful of wealthy families with their tax problems.

● (1345)

What about the tax problems of every other Canadian? What about the tax problems that every small business person is struggling with today? My friend from Calgary Centre indicated that people are struggling through their tax returns and so on and need a tax accountant, a tax adviser, a tax lawyer for the simplest type of taxation situation.

It is with regret that we have this debate today, because of all the priorities facing the country this has to be almost at the

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bottom of the bloody list. However, the government says this is a priority, so to them it is and we have to deal with it.

Let me say that on the principle of this bill we in the New Democratic Party will be voting against it.

Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry, Lib.): Mr. Speaker, I commend the member for Kamloops for his commitment to total comprehensive personal and corporate tax reform. I too share with the member and the member from Calgary Centre the view—and there are many other Liberals on this side of the House who share their view—that this is an issue the people of Canada want us to address. Canadians are hoping we address this issue of personal and corporate income tax reform in the next little while.

The Minister of Finance over the next 90 days will be preparing a budget statement and preparing for a budget obviously early next spring. This will be our window. This will be the time for all of us in the House to deal with this very important issue.

I am not going to get into a long debate on this. I do not think that is where I am coming from today, but I would like to ask the member from Kamloops a very specific question. Over the next 60 days, could we count on the support of the member and the New Democratic Party to roll up their sleeves and work with us to see if we could, as a bipartisan effort in the House, come up with a package that deals with the whole notion of comprehensive tax reform, both on the personal and the corporate side?

Mr. Riis: Mr. Speaker, this could be one of the happiest days of my life, responding to this question.

If there is an issue facing the country right now, one of the top issues that is frustrating Canadians is the matter of our unfair, unjust, biased tax system at both the corporate and personal levels. A major overhaul is required. For us to go into the details of why that is the case, they are all well known. I suspect we have all had constituents lined up 50 or 60 deep some days explaining their problems with the tax system.

I can commit to my hon. friend from Broadview—Greenwood that there is nothing I would enjoy more than to sit down with him and others in a non-partisan effort to examine every tax provision that presently exists on a cost benefit basis to the people of Canada and come up with a comprehensive system of tax reform that would bring fairness back into the system. People would see the tax system as being fair to both them and others, where there would be nobody who would obviously benefit from that system.

• (1350)

I know some of my friends are very keen about the flat tax system. I am not sure what they mean by the flat tax because

there are all kinds of definitions of that, as my friend from Broadview—Greenwood has explained in his publication and others beyond what he said. However, it is something we need to look at among a whole set of alternatives and various proposals to have a fairer tax system so that the most popular book come the new year is not on how to avoid tax.

When we go into bookstores across Canada, no matter what bookstore it is, the front counter now has issues and issues and various publications on how to beat the tax man. The reason they are popular is because every single person and business person knows that the tax system is unfair.

I will use one example to measure the unfairness in how the tax system is being used. The audit division of Revenue Canada tells us that for every \$1 it invests in an audit procedure it collects \$6 back. It is not necessarily that people are all breaking the law, but they are certainly hedging on that. In other words, they are saying that this does not seem to be clear so I am going to make my tax decision in this grey area. As a result, the treasury of our country is losing billions of dollars that would normally be collected. However, because of a tax system that is so vague, so grey, so biased, so unjust and so unfair, people are revolting against it in a number of ways.

Let us not forget that the obvious way the people are revolting is by participating in the underground economy. What are the losses there? The experts will tell us that anywhere from \$40 billion and \$160 billion are lost each year because of transactions that are not registered and not taxed as a result of the underground economy.

Therefore, I say with enthusiasm, in response to my friend, yes, I will be willing, with my party very strongly behind me, to participate in any measure that will result in a fairer tax system than we have today.

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, I would like to ask the hon. member for Kamloops a question. If he believes that the current system of taxation is unfair, that the current taxation system is too high, what does he think about the current level of government spending?

Mr. Riis: Mr. Speaker, I want to respond to my friend. He might be playing a bit of politics here, but I think it is a question that deserves a serious answer on my part.

How has our accumulated debt occurred? Fifty per cent of our accumulated debt comes from the result of compound interest because of our high interest rate policy. Forty-four per cent of our compound debt is as a result of tax exemptions. Six per cent of our compound debt is as a result of government expenditures.

Let us recognize that in some areas we have overspent, but in my judgment in some areas we have underspent. There are some areas where we should be spending now to encourage people to find ways and means of getting back to productive work. Let us

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recognize that the best social program in this country is for someone to have a decent paying job.

The Deputy Speaker: The member's time has expired. Is the House ready for the question?

Some hon. members: Question.

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

Some hon. members: Agreed.

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

The Speaker: It being almost 2 p.m., pursuant to Standing Order 30(5), the House will now proceed to statements by members.

STATEMENTS BY MEMBERS

[English]

ALTERNATIVE FUELS

Mr. Andrew Telegdi (Waterloo, Lib.): Mr. Speaker, GFI Control Systems Inc., located in the riding of Waterloo, is the world's leading designer, manufacturer, and supplier of technologically advanced natural gas and propane automotive fuel systems. GFI holds the coveted ISO 9001 quality certification for its entire facility.

GFI products are now being exported to the U.S. and to over 10 other countries and to dozens of original equipment manufacturers that are moving to alternative fuels.

As a result of legislation in the U.S. and Bill S-7 in Canada, GFI is looking forward to additional sales and employment. In order to accommodate this growth, GFI is enlarging its facility. This expansion will produce several advantages. The new and improved facility will accelerate the development of leading edge technology for markets worldwide. It will allow GFI to operate an in house emissions control laboratory. It will also offer opportunities for more extensive training of dealers and technicians. The centre will create 50 new jobs.

The success of GFI is good news for the consumer, the environment and Canada. To all the people involved with GFI we send our congratulations and thanks.

* * *

[Translation]

SIMPLE MAJORITY RULE FOR REFERENDUMS

Mr. Roger Pomerleau (Anjou—Rivière-des-Prairies, BQ): Mr. Speaker, in July 1948, barely 52 per cent of New-

foundland voters taking part in a referendum agreed to join the Canadian federation. In November 1994, 52 per cent of Swedish voters supported their country's entry into the European Union. Two weeks later, 52 per cent of Norwegians voted against joining the EU. And in France, the Maastricht Agreement was approved by 50.9 per cent of voters.

In fact, the simple majority rule as applied to referendums is universal because it is the only democratic rule. The official opposition did the right thing by reminding the Prime Minister of this fact this week, as Robert Bourassa did in Washington yesterday. The only one who does not admit that Quebecers have this right is the Prime Minister of Canada, who should know this basic democratic rule.

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[English]

GOVERNMENT AGENDA

Mr. Ray Speaker (Lethbridge, Ref.): Mr. Speaker, I rise today to draw attention to the weakness of this government's agenda, an agenda so thin the government House leader's closest relatives would have trouble getting excited about it.

This thin soup agenda is creating a tremendous leadership vacuum. The provinces are losing faith in Ottawa as a force for social change. Individuals are losing faith in Ottawa as a catalyst for jobs and economic growth. The country is losing faith in Ottawa as a source of fresh innovative ideas.

Reformers are not going to wait for this government any longer. It is time to put some meat in the soup. Earlier today the Reform Party took the first step by outlining the national Reform agenda for Canadians.

From the day we arrived in Ottawa, Reform has acted as the de facto official opposition, but the Liberals' continued silence on important national issues has convinced us we have to act as the de facto government as well. As Canadians will see, that is the role we are prepared to play.

* * *

CANADIAN NATIONAL RAILWAYS

Mr. Bill Blaikie (Winnipeg Transcona, NDP): Mr. Speaker, yesterday CN laid off 266 people at the CN shops in my riding. How hollow the 1993 promises of the Liberals now ring about jobs and preserving Winnipeg as a rail centre.

Workers are being let go to improve the books for privatization purposes. The government now says it will not be trying to sell CN until after the referendum. Where I come from, we still say there is no need to sell it at all.

I can tell you what else is being said, Mr. Speaker. People wonder why Montreal is being guaranteed the headquarters of a privatized CN when all we seem to be guaranteed in Winnipeg is

more and more layoffs. In their view CN headquarters should be in western Canada where most of the traffic is.

At the very least the government should indicate that it will reconsider the way it has bound privatized crown corporations like Air Canada and soon CN to keep their headquarters in Montreal, especially if the vote goes the wrong way on October 30. I am sure that Canadians want privatized Canadian crown corporations to be headquartered in Canada.

* * *

• (1400)

TERRY PUHL

Mr. John Richardson (Perth—Wellington—Waterloo, Lib.): Mr. Speaker, I rise today to pay tribute to an outstanding Canadian athlete and the community that honoured him.

On September 14 the town of St. Mary's, the future home of the Canadian Baseball Hall of Fame, hosted 15-year major league veteran Terry Puhl.

Terry, a native of Melville, Saskatchewan, spent 14 of his 15 seasons with the Houston Astros and holds a .280 career batting average. Also known as a superb defensive player, Terry holds the major league record for the best fielding percentage in baseball, .993.

In six of his seasons he did not make a single error and he had only 19 in his entire career. Terry Puhl is the first player to be inducted into the new St. Mary's home of the Baseball Hall of Fame and Museum.

This visionary and enthusiastic community of only 5,000 people is undertaking to build an \$8.7 million complex to showcase Canadian baseball history and heroes.

I congratulate the people of St. Mary's for their hard work and dedication toward this goal. I wish them success.

* * *

HUMAN RIGHTS

Mr. Rey D. Pagtakhan (Winnipeg North, Lib.): Mr. Speaker, 16-year old Sarah Balabagan faces the death penalty in the United Arab Emirates for the stabbing death of her employer.

Last June she was given a prison term but was awarded compensation for the rape she endured at her employer's hands.

It was shocking that last Saturday her sentence was changed to death. This is reminiscent of the hasty execution six months ago in Singapore of another Filipino nanny, an execution deemed unjust on subsequent inquiry but too late.

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I therefore urge the House to intervene on Sarah's behalf to allow a full and impartial judicial review of her case.

Canada has long prized human life and championed women's rights worldwide, the theme of the U.N. conference on women held in Beijing. Canada's support may well be the saving voice for this young woman's life.

Canada's timely stand on this matter goes beyond the life of this one young woman to the lives of all women of the world.

* * *

INDIAN AFFAIRS

Mr. Elijah Harper (Churchill, Lib.): Mr. Speaker, last week I proposed the concept of a sacred assembly to consider aboriginal issues from a spiritual perspective. This assembly will bring together native and non-native spiritual leaders in the spirit of healing and reconciliation.

I am pleased to report to the House I have received positive responses from churches, spiritual leaders, communities, national groups and my colleague, the hon. minister of Indian affairs. We are now in the process of assembling a working group.

I envision this assembly as a forum for sharing spiritual wisdom on aboriginal issues and as a forum for promoting reconciliation between native and non-native communities in Canada.

This must happen if Canada is to heal and grow strong. I know many here have drawn on faith in our creator to guide and sustain us in our work in the House. In the spirit of this faith I call on all my colleagues in the House to offer their support on this initiative.

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[Translation]

QUEBEC REFERENDUM

Mrs. Maud Debien (Laval East, BQ): Mr. Speaker, the tour organized by women for the yes side in Quebec allowed thousands of women to find out about the choices in the upcoming referendum: on the one hand, a federal system in which unemployed workers and welfare recipients are seen as lazy and higher education is reserved for the rich; and on the other hand, a sovereign Quebec where women can help meet the challenges of a modern society attuned to their needs and priorities.

For the increasingly numerous sovereignist women in Quebec, history has clearly shown how federalism has become a barrier to collective growth. And this government's policies are not likely to make them change their minds.

What Quebec women want above all is a blueprint for society that will finally meet their aspirations. The side in favour of change is proposing such a blueprint. Women see sovereignty as

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an instrument of social change that will make it possible to fulfil all their hopes.

[*English*]

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AGRICULTURE

Mr. Jake E. Hoepfner (Lisgar—Marquette, Ref.): Mr. Speaker, farmers across western Canada are frustrated with the government's botching of the Crow buyout. Farmers who have diversified are being disqualified from compensation.

• (1405)

The FCC and banks are renegeing on giving a fair share of the buyout money to producers. The government has failed to bring efficiency into the grain handling and transportation system. Furthermore, organic growers are penalized for marketing and transporting their own grain. Domestic beef producers are constantly harassed by arbitrary offshore beef imports.

For two years we have been promised a special crops act without action. Instead of encouraging the industry the government is putting small seed cleaner plants out of business with more regulation.

While the government expends all its energy on the referendum question, farmers are forced to watch their problems being ignored. It has become clear they can expect no action from this thin soup Liberal agenda.

* * *

REFORM PARTY

Mr. Derek Wells (South Shore, Lib.): Mr. Speaker, I was surprised to read in this morning's *Daily News* that the member for Fraser Valley West will not be relocating to Atlantic Canada for in his own words "who the blank would want to run there?"

There are 32 members in the House who have worked hard every day for years to represent the real concerns of real Atlantic Canadians.

In his own words the member was "trying to be nice" because he knew he would be quoted in the newspapers. This proves once again Reform's only motivation is political expediency. The third party is trying to score points on the backs of Atlantic Canadians. The people in Atlantic Canada deserve better.

The leader of the Reform Party this weekend said he would keep the fishery on the national agenda. This is the same man who told Atlantic Canadians the fishery is dead. We are not fooled by the publicity mongering of the Reform Party. Getting on the front page is one thing; dedication to the issues we face in our regions everyday is another. That is where the Reform Party falls flat. Its agenda is bad news for Atlantic Canadians.

QUEBEC REFERENDUM

Mr. Gurbax Singh Malhi (Bramalea—Gore—Malton, Lib.): Mr. Speaker, Canada is the best country in the world in terms of quality of life. As well, it is the second wealthiest country.

As Canadians, the people of Quebec already share in this good fortune, yet the separatists say they will give them more. What more can they mean? What is better than best?

The people of Quebec must look carefully at the promises being made. The truth is a yes victory guarantees the Quebecois nothing whatsoever; the Canadian dollar, economic and political partnership, Canadian citizenship, nothing would be guaranteed.

The people of Quebec and their forefathers shared in the hard work and vision that led to the development of this great country. They must not lose their stake in its future. Their children deserve their birthright, Canadian citizenship.

* * *

[*Translation*]

COMMON CURRENCY

Mrs. Pierrette Ringuette—Maltais (Madawaska—Victoria, Lib.): Mr. Speaker, as regards the use of the Canadian currency by a sovereign Quebec, it is interesting to look at the recent case of the Czech and Slovak republics. These two new republics had agreed to use a common currency for a transition period of at least six months following their separation. After thirty-nine days, the fear and insecurity of capital holders, that resulted in a massive transfer of assets to other countries, led to this laudable goal being discarded.

The new Slovak republic only had three days to print its own currency to put an end to the massive flight of capital. Today, the currency of that republic, which is the smaller and more vulnerable of the two new states, is worth 12 per cent less than the Czech currency.

By separating from Canada, Quebec would also become extremely vulnerable to such a massive flight of capital. Is the separatist dream really worth the price that will have to be paid? Mr. Speaker, the answer is no.

* * *

BOMBARDIER INC.

Mr. Gaston Leroux (Richmond—Wolfe, BQ): Mr. Speaker, Bombardier's senior management is resorting to pressure tactics to force its managers to join the no side and make financial contributions.

Such a practice is unacceptable in a democratic system. It seems that the man behind all this, Laurent Beaudoin, did not learn from the mistake he made in 1992, when he disregarded the Referendum Act, to help the federalist side during the

referendum on the Charlottetown accord. Clearly, to act in such a way is to show very little respect for democracy and freedom of choice.

• (1410)

What concerns us even more is that, in a document distributed to businesses and entitled “Businesses and Unity: Issues and Ideas”, the Privy Council encourages business leaders to get their managers on board for the crusade.

It would appear that Bombardier’s senior management carried out these instructions to the letter. Such practices are unacceptable, in our view, and those who use them should think about what they are doing.

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[English]

JUSTICE

Mrs. Diane Ablonczy (Calgary North, Ref.): Mr. Speaker, Canadians are asking why our justice system is not protecting them.

In British Columbia a 10-year-old was kidnapped from her home and killed. In Calgary a fourth woman in seven weeks was murdered. The justice minister still rules out any debate on the death penalty. In Montreal a biker war claims innocent lives.

The justice minister uses the charter of rights as an excuse not to act. Murderers can be paroled after only 15 years of a supposed life sentence, yet the minister has failed to repeal this weak kneed loophole in the Criminal Code.

The justice minister will spend millions on a gun registry but does nothing to set up an effective registry of known child sex offenders.

In Canada we should not be living in fear for our children’s safety and our own. The Reform Party has a clear and specific program to fix the Liberals weak response to justice concerns. The time for a safer Canada is now.

* * *

THE ECONOMY

Mr. Harold Culbert (Carleton—Charlotte, Lib.): Mr. Speaker, over the past several weeks my Carleton—Charlotte constituents have continued to bring forth the same message for the House and for my government. The message conveys our love and our respect for our brothers and sisters in Quebec and our hope they will remain part of this country, the best country in the world in which to live.

However, my constituents also wish to inform us they want the number one priority of the government, the agenda for jobs and growth, to continue.

S. O. 31

We have made progress but there is still a long way to go and a lot of work to be done. Continued economic growth and jobs for our children and our grandchildren are the issues of major importance to my Carleton—Charlotte constituents and to all Canadians.

I urge my government to ensure economic growth and jobs, the agenda initiated by the government, continue for the benefit of all Canadians.

* * *

[Translation]

ECONOMIC AGREEMENTS

Mr. Patrick Gagnon (Bonaventure—Îles-de-la-Madeleine, Lib.): Mr. Speaker, the separatists can no longer lead the population of Quebec to believe that they will force all of the foreign countries to their knees, as they said last week in connection with Ontario, when it comes time to negotiate economic agreements.

Contrary to their claims in their referendum agenda, a separate Quebec will not be able to join the North American Free Trade Agreement automatically. This claim they have been making, the Leader of the Opposition in particular, has just been contradicted by an American expert who took part in the Free Trade negotiations.

According to him, accession by a sovereign Quebec would not happen automatically and there might be a danger of the negotiations reopening issues dear to the heart of Quebecers, such as culture, the marketing of agricultural products and even our hydro-electric energy treasure, Hydro-Québec.

In conclusion, the Bloc’s separatist agenda does not serve the true interest of Quebec and that is why they will be hearing a resounding no this coming October 30.

* * *

[English]

THE GOVERNMENT

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, the government is walking very timidly, doing nothing at all in order to improve its chances of doing nothing wrong.

While all eyes are on the delicate balance of power between Ottawa and the provinces, especially Quebec, the government pursues its thin soup, no issue non-agenda.

Where are we on the promise of a more responsive and democratic Parliament? While the government is paralysed by the Quebec question, Canadians wonder what has happened to the free votes the government promised. There are at least nine hapless Liberals in the House and multitudes of Canadians who are deeply disappointed about that broken red book promise.

Oral Questions

Why should Canadians elect and pay for MPs who are totally shackled to their political masters and who are unable to speak for and vote for their constituents wishes?

I tell Canadians not to give up. The Liberals can be thrown out and the Reform Party is ready to make this place work on the democratic principles Canadians expect.

ORAL QUESTION PERIOD

• (1415)

[*Translation*]

OPERATION UNITY CENTRE

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, the Privy Council took great pains to remove three quarters of a document intended for the Minister of Labour from the public eye. The document, which appears to describe the activities of the operation unity centre, was obtained by the opposition under the Access to Information Act. I say “appears”, because the government whited out most of the pages before sending them to the Information Commissioner. Even the table of contents is secret. Mr. Speaker, this is too much.

What lessons in transparency can the Prime Minister offer to the Government of Quebec when he keeps three quarters of a Privy Council document on the activities of the operation unity centre secret?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, under the Access to Information Act, the government makes public what has to be made public. Some of the government’s activities are not made public. The Privy Council operates daily in connection with the referendum and the national problem facing the country at the moment.

As you can imagine, it provides the Canadian government with very effective information and advice on keeping the country together.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, I am asking the Prime Minister what is so secret about the activities of the operation unity centre—the information that appears in the document in question—that it is being turned into a real state secret? What is the government trying to hide from Quebecers? This is the question.

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, ministerial activities and communications in cabinet are privileged. We try to release as much as possible to the press and the public, but some matters of discussion in a government remain privileged between members of the administration. There is nothing cynical in this, particularly because it is an open campaign.

We are very open, and the burden of proof lies with the opposition to say why Quebecers should separate from Canada. All we have to say is that we who are defending Canada are defending more than 125 years of history considered by the world to be a great history of political evolution from a former colony to one of the world’s model countries.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, the question is a very simple one: why is the government hiding three quarters of a document on the hottest item at the moment, the Quebec referendum? Since the Prime Minister says the campaign is an open one, I am going to give him the opportunity to show how open it is, since the Minister of Intergovernmental Affairs said in February that most of the funds injected into operation unity would go to pay for studies on eliminating overlap.

How then can the Prime Minister justify the fact that the Privy Council has not made public these studies, which were conducted and paid for with public funds?

Hon. Marcel Massé (President of the Queen’s Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, on May 21, I wrote the chairman of the standing committee of the House of Commons providing him with a complete list of all those working in the unity group, identifying their duties and indicating the amount of the budget.

I also told him then that, so long as the date of the referendum was not known, we could quite likely spend more than the \$2.5 million in the blue book.

Since then, the Parti Québécois has spent more than \$22 million. This figure does not appear in the expenditures of the Quebec government as referendum expenditures.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, I will simply repeat the question put by the Leader of the Opposition.

The minister accused another government of keeping studies under wraps, although these studies are published regularly. The problem, and that is the gist of our question, is this. He told us that most operation unity funds would be used for studies of the extremely costly duplication that exists within the Canadian federal system.

• (1420)

Our question is this: If he is so open, what about these studies which absorb most of the funds of this organization? Tell us about them, Mr. Minister.

Hon. Marcel Massé (President of the Queen’s Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, I indicated at the time that members of the Unity Group had been recruited to prepare analyses of the government’s situation, and obviously some of these can be released to the

public but some are clearly intended for those who make the decisions and are, by their very nature, confidential.

But what is far more important is the difference with studies that were kept under wraps, that were ordered from a separate organization, and the fact that the PQ government, at the behest by the Minister of Restructuration, refused to release a study of Mr. Mathews unless Mr. Mathews deleted certain paragraphs. That is controlling information, and we do not do that.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, perhaps the Minister of Intergovernmental Affairs would be willing to tell us his criteria for keeping certain studies confidential and releasing others.

I would appreciate if he would tell us and then explain how he can decide to keep all these studies under wraps and then comment on the actions of another government that really does not need any lessons from him?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, I think it is clear there is a difference between strategic analyses, and the Bloc Québécois and the Parti Québécois have these as well, which are clearly intended for decision-makers, and studies prepared for publication by scientific institutes and published with the institute's stamp of approval.

What the Parti Québécois did is unacceptable, and everybody knows what happened. They prevented the release of studies that contained conclusions they did not agree with.

* * *

[English]

QUEBEC REFERENDUM

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, there is not a federalist in the House who does not want to defeat the Bloc and its separatist allies in the referendum and bury this secession issue six feet deep.

If this is to happen it is going to require some fresher thinking and some bolder tactics than have been practised in the past by the traditional guardians of national unity.

My question is for the Prime Minister. To what extent is he consulting and involving federalists outside Quebec in improving the federal government's response to the referendum?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, from time to time I am in communication with some premiers and other people who call me to discuss the referendum and make suggestions. Anybody who feels he or she can make a contribution is invited to call me or members of my cabinet to give good advice.

Oral Questions

On many occasions I have been called by officials of other governments and people in the private sector to ask for my views on how we can make sure the country remains together. I welcome the suggestions and the commitment of so many people inside and outside Quebec who just want to work hard to make sure the country remains united so we can move on to the real agenda: the creation of jobs, good administration and giving a real future to the young people of the nation.

• (1425)

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, I am sure the Prime Minister is consulting, but I wonder whether he is hearing and absorbing the advice he is getting.

For example, the vast majority of Reform MPs are from the west. What the west wants on this issue—and this has been discussed for some 10 years—is not only national unity but resolution of the issue, clarity in the federalist position, toughness in calling the separatists' bluff and a better and more decentralized federalism as an alternative to the status quo.

What is the Prime Minister doing to bring these elements into the federal government approach: the resolution, the clarity, the toughness and the better federalism that western Canadians and many other Canadians want?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the people of western Canada, like everyone else in Canada, want a good government in Ottawa that is going its job properly.

Some hon. members: Hear, hear.

Mr. Chrétien (Saint-Maurice): They know quite well it is very seldom that I am applauded in this House by the Bloc Québécois. It is not the same thing in your case.

My view is that we are working very hard to make sure that some of the aspirations of everybody are attended to. For example, the minister of federal-provincial relations is talking about the work he is doing not only with the province of Quebec but with all the other governments in Canada on how we can end duplication. It has to be discussed with all the provinces. Some provinces are willing to see us moving out of some fields; other provinces do not want us to move out of those fields because they do not have the means to operate in certain fields.

The province of Alberta is richer than the others. As the federal government we have to make sure that some of the poorer parts of Canada receive the same quality of services as the people happily can afford in Alberta.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, all we have heard so far in response to these questions has been the traditional approach to managing national unity that has been carried on by often the same people for the last 32 years.

Oral Questions

Where has that approach led? It has led to two failed constitutional agreements. It has led to two secession referendums in 15 years. It has led to fostering the development of two full blown separatist parties in the province of Quebec. The traditional approach to national unity has not worked.

That is why we need fresh thinking. The west's contribution is to bring resolution, clarity, toughness and a better vision.

Instead of ignoring these elements or worse yet labelling them as somehow disloyal to Canada, why does the Prime Minister not incorporate them into the federal government's strategy on the referendum?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I think the hon. member is ill advised to raise the failure of the Charlottetown accord which he opposed because the Government of Alberta supported it, as did the Government of British Columbia and so on. Don't blame it on us; blame it on you. You are one of those who campaigned against us.

At this moment I think the burden of proof is on those who want to separate Quebec from Canada. The preoccupation of the leader of the third party should be to tell them because when it comes from me they do not like it very much. Perhaps because you have managed to get applause from them once in a while you could at this moment tell them that what they are trying to sell to Quebecers, that it is going to be easy for them after separation to keep their citizenship, the dollar, the economic union and political union, why in your judgment that is a dream they cannot realize.

The Speaker: I know at times hon. members want to speak to each other directly, but I would ask all hon. members to please direct their comments to the Chair.

* * *

• (1430)

[Translation]

CRIMINAL CODE

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

In the wake of the car bomb that killed an innocent 11-year old boy last August, there has been an alarming increase in the number of bombings, with two more people killed in Saint-Luc, in the Montérégie region, last night.

Can the Minister of Justice tell us if his government still thinks that the current provisions of the Criminal Code are sufficient to allow police forces to wage an effective fight against this kind of crime?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, we are concerned about the

tragedy of little Daniel Desrochers's death a few weeks ago in Montreal. The problem of gang wars and organized crime is a very difficult one and a major challenge for Montreal police forces.

This past summer, I had a meeting with the solicitor general, Mr. Sangollo, Denis Asselin of the CUM, and the Commissioner of the RCMP. We discussed in detail all the various strategies we could use to deal with this problem. We decided to work together and set up a joint committee that will go through the Criminal Code to look for answers.

This is a very serious, very important matter to us. We are now working in a very constructive and positive fashion and I am very confident that we will find a solution to the problem.

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, I would remind the minister that bombs are exploding. There have been thirty of them since the beginning of the year. Casualties are mounting. In Quebec, 25 people have died. Police forces have been calling for amendments to the Criminal Code for a long time, and what is the minister telling us? That he is studying the matter. The time for studying is over, the time has come for action.

When will the minister table in this House amendments to the Criminal Code that would meet police demands?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, we are quite aware that there is a problem at this time, just as there was last week and as there will be next week. It is not only in Montreal but also in Toronto and Vancouver. It is the problem of organized crime.

There is no simple solution. When I met with the hon. member a few months ago, I asked him: "What do you suggest?" He had a suggestion, which we discussed, but it is not a real solution.

[English]

This is not an easy question of just passing another law.

[Translation]

In fact, the Quebec Minister of Public Security, Mr. Ménard, clearly said: "We do not need new laws. We need the police forces to work on collecting evidence against organized crime". So let us work together to find a solution to this problem, this tragic matter. As I said, I am confident that we will find a solution in the coming weeks.

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[English]

QUEBEC REFERENDUM

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, I have a question for the unity minister.

Reformers had agreed with and supported the government when it said that a yes vote was a one-way ticket to separation

and that it would be respected. Without explanation that strategy was changed on us and we have been wondering why.

We have obtained a letter written by the Liberal member for Notre-Dame-de-Grâce. It indicates categorically that the federal government will not honour a yes vote. It states: "The results of the referendum will not be binding and have no legal consequences. The federal government has no obligation to respond".

Does this represent the real position of the federal government?

The Speaker: I am having some difficulty with regard to the question because the preamble is making certain suppositions that may or may not be accurate.

• (1435)

I think the question in itself is hypothetical but I will permit the minister, if he so wishes, to address it. If not, I will go to the next question.

On the next question, the hon. member for Calgary West.

[Translation]

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, I have a supplementary question for the minister.

We still demand that the government show transparency. Did the minister explain to Quebecers that, if the yes side wins, and especially if it does by a narrow margin, the Government of Quebec, the PQ government, will be negotiating separation from a position where Quebecers will be divided, weakened and isolated?

Hon. Lucienne Robillard (Minister of Labour, Lib.): Mr. Speaker, we have always said and we still maintain that the choice the people of Quebec are about to make is a major decision, a serious decision regarding their future. It is not like choosing a political party in an election. This is not the kind of decision about which Quebecers will be able to change their minds four or five years from now and say: "We made a mistake; we want to be a part of Canada again".

This choice is very important, not only for us today but also for generations to come. That is why we care so much about the process currently under way in Quebec. We are going to put all our energies into providing accurate information to the people of Quebec.

* * *

HEALTH CARE

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, my question is for the Minister of Health. At the federal-provincial conference of health ministers, provincial ministers vigorously denounced the federal government's decision to cut transfers to the provinces for social programs, including health care, by \$7 billion over two years. These cuts can only have a disastrous effect on health care provided to the public.

Oral Questions

How can the minister claim to be the champion of a universal and accessible health care system, when at the same time her government is cutting \$7 billion in transfers to the provinces, thereby forcing them to cut back on the quantity and quality of services?

[English]

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, there has not been one health economist, there has not been anyone, who has said that there was not enough money in the system.

We must live within our fiscal means, our financial means. Seven billion dollars are projected to be cut over the next few years. Take, for instance, next year. When we consider the provinces altogether spend \$100 billion in health and social programs, the cut for next year will be under 3 per cent. While it will be a difficult challenge we believe it is manageable.

[Translation]

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, would the minister at least admit that a \$7 billion cut in transfer payments will mean nothing short of scaled-down health care for the public?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, our health care system is continually changing. While we must keep up with technological changes, we will insist that the Canada Health Act ensure that Canadians receive adequate care based on what they need and not how much money they have in their pockets.

• (1440)

[English]

Mr. Grant Hill (MacLeod, Ref.): Mr. Speaker, I had occasion to talk to some of the provincial health ministers who had been at the conference in Victoria. They told me frankly that this health minister was mangling medicare.

The provincial ministers are here. Our federal minister is over there. Her answer to them was no to innovation, no to choice, no to new thinking.

We call on the federal Minister of Health to get out of the sixties and old-fashioned thinking and join us in the nineties with new thinking for health care. Will she do that?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, I had occasion to spend considerable time with the provincial ministers of health. I do not know to whom the hon. member was speaking but I can say nonsense.

We have done a lot of work together. We will continue to do a lot of work together. We co-operate and we have moved forward considerably. Obviously we do not all agree. We have said that

Oral Questions

we would be flexible. I have been flexible but flexibility does not mean tearing up the Canada Health Act.

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, it is sad. It is almost like talking to a two-by-four sometimes.

Some hon. members: Oh, oh.

The Speaker: Although we encourage colourful and diverse language sometimes we transcend the boundaries. I would ask hon. members to be careful in their choice of words.

Mr. Hill (Macleod): Mr. Speaker, the provinces are asking for very specific changes. What do they say no to? They say no to uncertain funding. They say no to long waiting lines. They say no to “we care so much about medicare”.

Some hon. members: Oh, oh.

Some hon. members: Hear, hear.

The Speaker: We get carried away in the heat of battle. The hon. member probably inadvertently pushed the Chair to what it can accept in the House as acceptable ways of speaking.

• (1445)

I wonder if I might ask the hon. member to withdraw those last few words.

Mr. Grant Hill (Macleod, Ref.): I would be glad to withdraw any comments that could be misconstrued.

The Speaker: I accept the withdrawal and I ask the hon. member to put his question now.

Mr. Hill (Macleod): Mr. Speaker, will the minister join us in unshackling our health care system, medicare plus?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, I have one thing I would like to say to the hon. member. I probably have others.

One issue that has been spoken to is that I should respond to provincial ministers of health. I do at all times. I would like to remind the hon. member as well as anyone out there that I was not elected by ministers of health. The government was elected by Canadians who value our medicare system, a system that works for Canadians.

It is my responsibility as Minister of Health for all Canadians to ensure that health care is available to all Canadians, based on need, that we do not have a system where taxpayers subsidize queue jumping by the rich, and that we offer the very best care in the future, as we have in the past.

Some hon. members: Hear, hear.

[Translation]

TOBACCO PRODUCTS

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

The Supreme Court finally rendered its decision on the Tobacco Products Control Act. The court concluded that the total ban on the advertising of tobacco products was unconstitutional, and it also questioned the legality of forcing companies to display a health warning on cigarette packages.

Since tobacco companies have decided, for the time being, to comply with the Tobacco Products Control Act, when does the minister intend to meet with these manufacturers, to ensure that we do not go back to the situation that existed before?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, the fact is that yesterday I informed manufacturers that I was going to meet with them to discuss the decision. That was before the decision was even known.

However, it goes without saying that we need some time to look at this decision, which is 116 pages long and which took 7 years and 21 days to come. Consequently, you will understand that we need a bit of time to look at that judgment and decide on what to do next.

Mr. Michel Daviault (Ahuntsic, BQ): Mr. Speaker, following the failure of the previous government's strategy of excessive taxes on cigarettes, and given the court's questioning of the obligation to display a health warning, what is left of the tobacco strategy?

[English]

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, we are in the process of studying the decision. We will use the guidance of the decision to set the course and we will use those powers that are appropriate to their fullest extent.

• (1450)

There continue to be 40,000 deaths that are directly attributed to tobacco use, so it is a very serious matter for all Canadians. We will do our utmost to continue in this fight against tobacco and the use of it.

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AGRICULTURE

Mr. Bernie Collins (Souris—Moose Mountain, Lib.): Mr. Speaker, farmers depend on international sales, as does every other sector of the Canadian economy. My question is for the agriculture minister.

Following ongoing lengthy negotiations with the American government, can he confirm that U.S. tariff rate quotas on wheat

imports from Canada have been removed? Further, will the minister indicate what stance Canada will take if the Americans might attempt to reimpose a tariff rate quota?

The Speaker: Once again we are getting into the realm of hypothetical questions. The question as worded is hypothetical. If the hon. minister wishes to respond I will permit it, but the formulation of the question is not acceptable.

Hon. Ralph E. Goodale (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, I am happy to respond to the question that has been raised.

On the first part, I am pleased to confirm that the U.S. tariff rate quota against Canadian wheat expired on time at midnight on Monday, September 11, 1995.

On the point about future U.S. trade action, Canada fully expects the United States to honour all its international trading obligations. Should that prove not to be the case, we have the right to respond and we will do so firmly in defence of Canadian farmers if necessary.

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HEALTH

Mr. Herb Grubel (Capilano—Howe Sound, Ref.): Mr. Speaker, my question is for the Minister of Health.

The provincial ministers of health are frustrated after yesterday's meeting with the federal minister. She insists that funding will be cut, but she also insists militantly that none of the provincial ministers' policies to save money are acceptable. This policy stance is not only arrogant; it verges on the irrational.

What precisely are provincial health ministers allowed to change in the allegedly perfect present system?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, many of the provincial ministers of health have done some very good work. I have worked very closely with them and I encourage them to continue with the good work.

There is one place where I and this government draw the line: We will not allow a U.S. style two-tier medicare system because it does not work. It is not good for Canadians. It is not good for the economy. That is what we are talking about here.

Mr. Herb Grubel (Capilano—Howe Sound, Ref.): Mr. Speaker, of course the health minister's policy stance is not entirely irrational. It is rational if she expects provinces to raise taxes to pay for the financing deficit of the federally mandated program.

What does the minister say to those who see her policies as an unwarranted violation of provincial rights that feeds the demand for independence in Quebec?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, this government spends considerable sums on health and

Oral Questions

social programs. Under the spending powers this government has, it can set certain principles. That is what the Canada Health Act does.

• (1455)

Oftentimes in this debate we are not aware of just how much money this government does spend on social programs and health. It is time to remind people.

I think it is important also to put this all in context. I used an example yesterday. For instance, the cuts in transfers next year for the British Columbia government will be minus 1.7 per cent of their total revenues. The revenues are projected to increase by 5 per cent. We still contend that this is manageable.

* * *

[Translation]

OLD AGE SECURITY

Mr. Maurice Dumas (Argenteuil—Papineau, BQ): Mr. Speaker, my question is for the Minister of Finance. In his last budget, the Minister of Finance announced that he would need to proceed this autumn with the review of the Canada pension plan. There is now some urgency for the government to submit a reform plan for old age pensions. That document is close to a year overdue.

What is keeping the Finance Minister from making public his government's intentions with respect to old age pensions? What does the federal government have up its sleeve for older Canadians?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, in both departments, Human Resources Development and Finance, we are still involved in examining the document. We will release it as soon as it is ready. The member across the way has my assurance that the Liberals were the party that created our social programs and the Liberals will be the party to preserve them.

Mr. Maurice Dumas (Argenteuil—Papineau, BQ): Mr. Speaker, are we to understand from the attitude of the Minister of Finance that he is doing the same with seniors as he is doing with Canadians as a whole, that is putting off delivering the bad news until after the referendum?

An hon. member: That is exactly it.

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, we were very clear in the last budget on the reforms that will be necessary. It is our intention to consult Canadians on these reforms.

If the hon. member wishes to talk about concealing things, since you bring up the matter, where are the Fluet-Lefebvre studies? Where are the Mathews studies? Where are all the studies Mr. Le Hir commissioned? Since the hon. member

Oral Questions

wishes to talk about concealing things, tell us what the true consequences of the referendum will be.

[English]

* * *

CAPITAL PUNISHMENT

Mr. Myron Thompson (Wild Rose, Ref.): Mr. Speaker, in Atlantic Canada I was told that 70 per cent of Atlantic Canadians support a return to capital punishment and a June survey stated that 69 per cent of all Canadians agree.

The justice minister has continually stated that he consults and follows the wishes of Canadians. The justice minister claimed high moral ground on firearms control because he said police supported this legislation.

Since Atlantic Canadians, police officers and all Canadians are demanding a binding referendum on capital punishment, will the justice minister be consistent in his operations and offer a binding referendum to citizens?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I wonder as a matter of logic if I can deduce from the hon. member's question that he is now prepared to support the gun control proposals put forward by this government. Would he do that?

The fundamental objective of this government as we said in the election campaign of 1993 is safe homes and safe streets. Everything we have done in the justice agenda and through the solicitor general since we have been in this Parliament has been to achieve safer communities in this country.

If the hon. member and the members of that party are truly concerned about the safety of Canadians and their communities, he will work with us on the proposals we are bringing forward to deal with high risk offenders and to strengthen the criminal justice system.

Mr. Myron Thompson (Wild Rose, Ref.): Mr. Speaker, I would be more than pleased to vote on the gun legislation; it would be no. I would be pleased to vote on the capital punishment referendum; it would be yes, if he wants to know how I feel. Seventy-eight convicted murderers on conditional release murdered again.

• (1500)

This minister in Bill C-41 for hate crimes believes that getting tough on crime is the answer.

Since the minister agrees harsher sentences prevent crime, will he not prevent future murders by enacting the return of capital punishment for first degree murder?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, on this side of the House we believe that the way to work toward increased public safety is

through proposals that have substance and that rely on real analysis and get results.

We do not believe that the answer is simply to rely on bluff and bluster or meanspirited personal attacks or to exploit tragedies.

We are interested in real public safety. I invite the hon. member to work with us on the proposals the solicitor general and I are bringing forward to deal with high risk offenders and strengthen the criminal justice system instead of going to what looks like the simple answers to exploit the public mood.

* * *

CLIMATE CHANGE

Hon. Charles Caccia (Davenport, Lib.): Mr. Speaker, yesterday an editorial in the *Globe* suggested that there are benefits to be reaped from recent trends in climate change.

This conclusion is contradicted in a draft report by the United Nations panel on climate change and a recent Environment Canada report citing increasing summer temperatures.

My question is for the Minister of the Environment. Does the minister agree with this editorial? If not, what does she and the government plan to counter the human causes of climate change?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, last summer we saw very directly the potential devastating cost of climate change in the forest fires that burned from east to west an area of commercial forests equal to the size of the province of New Brunswick. We had the second worst forest fire period on record.

The commercial loss in forestry alone last year was \$3 billion. The direct cost of the fires and storms caused by global warming was \$500 million. Contrary to the claims of the *Globe and Mail*, a longer growing season for farmers will lead to less productivity because the level of moisture is going to remain the same, putting us in a position of facing further droughts.

* * *

CANADIAN WHEAT BOARD

Mr. Vic Althouse (Mackenzie, NDP): Mr. Speaker, my question is for the Minister of Agriculture and Agri-Food.

The northern hemisphere's grain harvest is near completion, indicating little change in global supplies that should dampen the current strong rising price trend. Because of the rising prices, can the minister tell the House why the government persists in maintaining wheat board initial prices for wheat and barley that are about one dollar a bushel below the open market domestic price? Is he trying to undermine the wheat board system?

Business of the House

Hon. Ralph E. Goodale (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, I am sure the hon. member will recognize his last sentence as a gratuitous remark that is rather out of place.

Like the hon. member, I too hope that initial payment levels in Canada can be increased progressively throughout the current crop year and from my point of view the sooner the better.

There are two factors that need to be borne in mind. First, even though the North American harvest may be virtually complete, the western Canadian harvest is now only about 60 per cent complete. There are still questions to be answered about final quantity and quality. It would obviously be premature on the basis of the amount that is completed so far to move at this point with respect to initial payments.

However, I fully expect the Canadian Wheat Board to make its most favourable recommendations to me at the earliest possible date.

The other factor the hon. gentleman should bear in mind is a warning against any hasty increase in initial payments that could provide the Americans with additional grist for their mill in their ongoing unwarranted attacks against the Canadian Wheat Board.

* * *

PRESENCE IN GALLERY

The Speaker: I would like to draw members' attention to the presence in the gallery of the Hon. Nicholas Soames. Besides being the minister of state for the armed forces of Great Britain, perhaps my colleague, whom I met with earlier today, will permit me to say also that in this very Chamber his grandfather, the Right Honourable Sir Winston Churchill, addressed a joint session of this House in 1941.

• (1505)

I present to you the Hon. Nicholas Soames.

Some hon. members: Hear, hear.

* * *

POINTS OF ORDER

COMMENTS DURING QUESTION PERIOD

Hon. Warren Allmand (Notre-Dame-de-Grâce, Lib.): Mr. Speaker, during question period the member for Calgary West referred to a letter which I had sent to one of my constituents who had asked me questions about the referendum. As a matter of fact, that letter was one of several letters exchanged with this same constituent.

Since the hon. member for Calgary West only referred to part of a point I was making to the constituent, I would like the entire point to be on the record and I quote from the letter:

I might say in closing that the results of the referendum will not be binding and have no legal consequences. It is simply a plebiscite in which the people of Quebec will be expressing their preferences. As such, even with the best result, the PQ government could only use it to negotiate a constitutional amendment and even then the federal government has no obligation to respond.

I would ask the hon. member for Calgary West that since the letter he sent over to me is incomplete, would he table the complete letter in the House so that all members can read it.

The Speaker: We have a request by the hon. member. If there is unanimous consent for the tabling of this letter then the Chair would be prepared to receive it.

It there unanimous consent?

Some hon. members: Agreed.

QUESTION PERIOD

Mr. Ray Speaker (Lethbridge, Ref.): Mr. Speaker, in my point of order I am referring to section 409(3) of Beachesne's with regard to the question that was raised by my hon. colleague from Calgary West. The question was whether it was hypothetical or not.

I would like to make a request to the Chair that the question be reviewed. I listened to the question and I believe that according to citation 409.3 questions can be asked for information with regard to policy. I believe the question would qualify under that. I would appreciate the Speaker's review of the matter.

The Speaker: I will take the Reform Party House leader's request to heart.

It seemed to me at the time the preamble that set up the question set it up to be a hypothetical question. I will look at it and if I find there is reason to come back to the House I will.

* * *

[Translation]

BUSINESS OF THE HOUSE

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, as usual, I will ask my hon. colleague, the government House leader, to tell us what is on the agenda for the next little while.

[English]

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, I am pleased to provide the weekly business statement.

Commencing today and continuing through next Tuesday we will be calling business in the following order: Bill C-102, amending the customs tariff; Bill C-90 regarding the Excise Tax Act; then Bill C-94 on fuel additives. Following that Bill C-103 respecting magazines, Bill C-98 regarding oceans, Bill C-93 regarding cultural property, Bill C-62 with respect to adminis-

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trative agreements for regulatory purposes and Bill C-84 regarding the regulatory process.

Next Wednesday we propose to call third reading of Bill C-45 which tightens up the corrections and parole process.

When this is completed I would like to proceed with second reading of Bill C-78, the witness protection legislation.

This is our weekly business statement.

• (1510)

Mr. Ray Speaker (Lethbridge, Ref.): Mr. Speaker, one of the things which occurred in the spring session was the heavy agenda. Many of the important legislative items came in, in the latter part of the session, in the last three to four weeks. We were then faced with time allocation. We forced through a number of readings of bills under, I would say duress, as members of the House of Commons.

I would ask the government House leader if there are pieces of legislation which are planned. Will those pieces of legislation be made available to us, or at least will the House be advised that they are coming within the next 10-day period?

Mr. Gray: Mr. Speaker, obviously there is other legislation which we intend to debate in addition to the legislation which has already been mentioned on the Order Paper. I will see what further information I can provide my hon. friend. I cannot say that everything we intend to introduce before the Christmas adjournment can be made available in the next 10-day period. There are things which we are working on within the government. Some measures have not had the drafting process completed.

I would think there are measures which will be introduced before the Christmas adjournment regarding which we cannot inform our hon. friend within the next 10-day period. However, I will endeavour to be helpful in responding to his question.

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POINTS OF ORDER

ORAL QUESTION PERIOD—MINISTERIAL RESPONSIBILITIES—SPEAKER'S RULING

The Speaker: Yesterday the hon. parliamentary secretary to the government House leader pursued the point of order raised by the hon. member for Roberval on Tuesday, September 19, 1995 relating to a question of the hon. member for Vaudreuil.

[Translation]

At that time, the hon. member for Roberval asked me to review the question the hon. member for Vaudreuil had put to the President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs. The hon. member for Roberval was wondering about the nature of this question and how it related to the responsibilities of the federal government.

Yesterday, the hon. parliamentary secretary to the government House leader expressed the opinion that the question was in order, as the minister is in fact responsible for intergovernmental issues.

I did review *Hansard* and I have come to the conclusion that, as formulated, the question asked by the hon. member for Vaudreuil does not strictly speaking meet the guidelines on oral questions. It was seeking an opinion from the minister instead of information on a matter coming within his administrative capacity.

The Chair should at least have cut in and asked that the question be restated in terms that related more closely to the government's administrative responsibilities. As a matter of fact, yesterday, the hon. member for Brome—Missisquoi asked a similar question in a way that meets the requirements of our rules.

[English]

All hon. members will no doubt sympathize with the Chair that in the cut and thrust of question period sometimes certain questions escape your Speaker. I take this opportunity to ask all hon. members to co-operate with the Chair and formulate the questions so that they are strictly relevant to the administrative responsibilities of the government, that they are not based on hypotheses, and respect the dignity of this Chamber in the choice of vocabulary.

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[English]

CUSTOMS ACT

Hon. Ralph E. Goodale (for the Minister of Finance, Lib.) moved that Bill C-102, an act to amend the Customs Act and the customs tariff and to make related and consequential amendments to other acts, be read the second time and referred to a committee.

• (1515)

Mr. David Walker (Parliamentary Secretary to Minister of Finance, Lib.): Mr. Speaker, I appreciate the opportunity to begin debate on second reading of Bill C-102, an act to amend the Customs Act and customs tariff.

I will begin by going through the major points the bill touches on. It provides for the enhancement to Canada's duty deferral program, including duty drawback, inward processing and bonded warehousing to improve the competitive position of Canadian industry.

It provides for tariff reductions on a wide range of manufacturing inputs and certain other goods requested by Canadian manufacturers to improve competitiveness.

It provides for increases in travellers' exemptions on what is called basket tariff items to facilitate the processing of travellers.

It provides for amendments to the Access to Information Act to ensure confidential business information provided to Revenue Canada and finance is protected from disclosure to third parties.

The conversion of the Canadian retailers duty remission order 1993 is changed for statutory provisions to improve the transparency of these tariff relief provisions.

Certain regulatory tariff reductions will be introduced directly into the customs tariff to improve the transparency of these tariff relief provisions.

It provides for seasonal and non-seasonal tariff provisions for dry shallots to ensure they are duty free when unavailable from Canadian growers.

There are amendments to allow for possible future improvements to preferential tariff treatments for the world's poorest developing countries to improve their export opportunities.

It provides for the withdrawal of the duty free British preferential tariff rate on certain rubber footwear to protect Canadian production and jobs.

It provides for a clarification of various provisions in current customs and tariff legislation.

It provides a number of other technical and housekeeping changes to the customs tariff.

A number of these provisions, including the tariff reductions, increases in travellers' exemption and withdrawal of the BPT, the British preferential tariff on rubber footwear, came into effect on the tabling of the notice of ways and means motion by the Minister of Finance on June 13, 1995. The remaining provisions, including the duty deferral amendments, are to come into force by order in council after royal assent.

This bill contributes largely to the good government theme that we have provided to Canadians since the election two years ago. A number of the measures provided for in Bill C-102 build on the government's review of Canada's tariff regime announced in the 1994 budget and are designed to ensure Canada remains a favourable location for producing goods and for investment and also that Canadian businesses, including small businesses, are placed in a better position to profit from Canada's free trade agreements.

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Certain amendments, for example the enhancements to duty deferral programs and tariff reductions on manufacturing inputs, are designed to lower business input costs and maintain and enhance the competitiveness of Canadian businesses in Canadian and world markets.

Bill C-102 also provides for a number of technical changes to simplify, clarify and modernize the customs tariff and its administration and make it easier and less costly for business to access tariff relief programs. The amendments to facilitate the processing of travellers at the border will allow Revenue Canada, through its customs section, to focus on other important border issues such as the smuggling and processing of growing commercial imports.

Several of the amendments in Bill C-102 result from broad consultations with the private sector and are at its request to respond to competitiveness problems faced by Canadian businesses.

The bill seeks to implement three major tariff amendments that will deliver significant long term benefits to Canadian businesses and individuals.

• (1520)

I will outline these. The first two will improve the competitive position of Canadian industry by lowering input costs, thereby creating employment opportunities for Canadians and lowering prices for consumers. The two amendments to which I am referring are the enhancement to Canada's duty deferral programs and the reduction of tariffs on a wide range of manufacturing imports.

A third amendment, increasing travellers' exemptions, will facilitate the processing of travellers. In addition to benefiting consumers this will help our customs officers focus on real priorities by processing our growing commercial imports and combating the crime of smuggling. The legislation also contains a number of technical changes that will help modernize the customs tariff and its administration.

We believe the proposed changes will affect billions of dollars worth of trade. Their impact then will be both beneficial and significant in scope.

Because of the significance of these changes the government has consulted on them, responding directly to problems Canadians, whether in their businesses or as individuals, have identified. We can say therefore with confidence the measures I am about to describe will be welcomed by the great majority of Canadians affected by them. I urge my hon. colleagues to bear this in mind when they are asked to give their support to the bill.

Let me outline each of the three major amendments. I will first talk about the enhancements to Canada's duty deferral programs. I know duty deferral is not the stuff of everyday conversation and so I will take a moment to provide some background.

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Duty deferral programs defer or relieve certain customs duties and taxes on imported goods which are re-exported. Canada presently has three duty deferral programs, duty drawback, inward processing and bonded warehousing. Over the years Canadian business has asked for improvements to these programs to make them more competitive with similar programs of our major trading partners.

The changes contained in the bill before us respond to that need. They will enhance, streamline and consolidate these three programs. They will provide as much up front relief as possible to ease cash flow pressures and to reduce input costs on Canada's exports.

The proposed changes will also make the program more easily accessible for small and medium size businesses by reducing the administrative restrictions currently in place. Other changes will enable regions to market Canada's duty deferral programs more effectively in competition with free trade zones around the world. This will help attract and keep investment in Canada. The changes I have described enjoy broad industry and regional support.

Mr. Speaker, for other members of Parliament in your area of St. Catharines there will be a great deal of improvements through the changes in these programs. The government is very proud of its ability to help out areas such as the Niagara Peninsula in dealing with the American market. In Winnipeg there are many proposals being brought forward as a result of the changes we are proposing.

It is a key priority of the government to ensure Canadian business has every opportunity to compete fairly and effectively and profit fully from Canada's expanding access to international markets.

Related to the enhancement of duty deferral is a change to the Access to Information Act. This change will protect the confidentiality of taxpayer information provided by the importing community under the Customs Act, customs tariff and the Special Import Measures Act.

Let me turn now to the second major amendment to Bill C-102, the reduction in tariffs on a wide range of manufacturing inputs. This amendment is also directed toward the relief of duties on Canadian manufacturing inputs so that our producers compete more effectively. This amendment will enhance the competitiveness of Canadian producers both internationally and within Canada.

In essence we will be removing a competitive disadvantage that currently burdens Canadian manufacturers vis-à-vis their American counterparts. We will do this by reducing tariffs on some 1,500 imported manufacturing inputs dutiable at rates higher than those of the United States. I remind my hon. colleagues this measure was announced in the 1994 budget. It is

being implemented now following extensive consultations. The measure enjoys strong industry support.

• (1525)

To appreciate the significance of this measure hon. members should be aware that one third of Canada's imports are manufacturing imports. Since American tariff rates are on average about 3.2 percentage points below ours, 5.4 per cent versus 8.5 per cent, U.S. producers enjoy a significant advantage.

Right now this discrepancy negatively affects Canadian manufacturers, principally in the domestic markets. That is because exporters are entitled to receive reimbursement of their input duties through what is commonly known as duty drawback or inward processing.

However, as of January 1, 1996 under the NAFTA drawback will be subject to certain restrictions. Therefore to ensure Canadian exporters enjoy the full benefit of Canada's free trade agreement we must bring our most favoured nation status tariffs on input in line with those of the United States. The 1,500 inputs covered by this amendment account for over \$2.5 billion in trade.

The third amendment is the increase of duty exemptions for Canadians travelling abroad. Traveller exemptions are adjusted periodically. However, our exemptions have not been increased since 1983. As a result they are currently out of line with the exemptions provided for by our major trading partners. Our current limits are \$20 after a 24-hour absence, \$100 after 48 hours and \$300 after seven days, but only once a year.

U.S. limits in a striking contrast are \$400 once a month with a general exemption of \$200. Residents of the European Union can bring in about \$300 Canadian in dutiable goods after any absence.

The status quo is hard on consumers and customs officials alike. It also runs counter to Canada's and the United States' commitment under the accord of our shared border to permit travellers and goods to move easily across the Canada-U.S. border. For these reasons the bill will raise the levels of exemptions to as follows: to \$50 from \$20 after a 24-hour absence; to \$200 from \$100 after 48 hours and to \$500 from \$300 after seven days, with the once a year limit being dropped. Naturally Canadian travellers will welcome this change. It also benefits customs administration because it will ease border congestion.

As I said earlier, this will enable Canadian customs authorities to concentrate more effectively on real priorities like cracking down on smugglers and processing commercial imports. These have increased by 43 per cent since 1992.

I am aware some of my hon. colleagues may be concerned about the possible impact on retailers in border areas. I too care

about these retailers but I am convinced this legislation will not have a negative impact on their operations.

In short, this should be regarded as a simple updating measure with minimal economic or revenue loss and a potentially positive impact on trade, business and tourism. It is already operating without disruption.

In addition to the three principal amendments, the bill contains a number of other changes of a largely technical or housekeeping nature. Most will serve to clarify the intent of existing custom and tariff provisions.

Also included in the legislation is a measure that will, like the increase in traveller exemptions, work to streamline Canada's customs clearance procedures under what is known as a basket tariff item basis.

Under this travellers measure the government is proposing to replace the thousands of existing categories of goods with as few as 12 categories. This will speed up collection of duties from travellers at the border by more than 50 per cent.

The bill also provides for tariff reductions on certain finished goods. These reductions have been made at the request of Canadian manufacturers on grounds of competitiveness.

There is only one tariff rate increase in the package. The British preferential tariff is being withdrawn from certain rubber footwear, thereby restoring the 20 per cent most favoured nation tariff rate.

• (1530)

This change is consistent with the permanent removal last year of a general preferential tariff on rubber footwear from developing countries. It will prevent countries from circumventing the general preferential tariff withdrawal action and thereby jeopardizing production and jobs in the Canadian shoe industry.

Former British preferential trade tariff exports will still have access to the Canadian market. They will simply have to compete on the same basis as other foreign suppliers.

At the same time the bill allows for possible future improvements to preferential tariff treatment for the world's poorest developing nations. I am confident that Canadians support the goal of enabling these countries to improve their export opportunities. Such changes could also result in lower import costs that will benefit Canadian consumers.

Some of my hon. colleagues may ask about the revenue implications of all these changes as I am outlining them today. As I have already said, the decision to increase travellers' exemptions has minimal implications for government revenues. As for the revenue impact and other measures, we are confident that any cost will be more than outweighed by the long term economic benefits of the proposals: improved competitiveness,

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increased exports and enhanced employment prospects for Canadians.

In short, the legislation is about providing a meaningful, long term boost to the Canadian economy. It will help ensure that Canada maximizes its benefit under the free trade agreement we have entered. It enjoys the support of business and consumers alike.

Last year alone, Canada's merchandise trade surplus with the U.S. was over \$28 million, our largest ever. The benefits to Canadians of such a healthy export sector are beyond doubt, and the government is committed to ensuring that they continue and expand. I urge all my hon. colleagues to join me in sustaining that commitment by supporting the legislation.

[*Translation*]

Mr. Pierre Brien (Témiscamingue, BQ): Mr. Speaker, Bill C-102 is rather complex but can be summarized easily by explaining that it seeks to lower custom duties, in compliance with NAFTA's most-favoured-nation tariff.

This bill includes some 100 pages of tariff items which I will not list, for obvious reasons. We will support this legislation because it is consistent with the opening up of our borders, something which the Bloc Québécois has always promoted and which reflects the situation that has always prevailed in Quebec, particularly since 1988, when free trade was a major issue in the federal elections. At the time, Quebecers massively supported a party which was promoting free trade. The 1988 election was essentially a vote on free trade and the Conservative party won.

Quebecers showed their strong desire to be part of the major economic blocs. They felt confident that they could do well in the context of a global market.

Bill C-102, an act to amend the Customs Act and the Customs Tariff and to make related and consequential amendments to other acts, is essentially in line with the recent North American Free Trade Agreement.

Some provisions of this bill seek to amend amounts and increase exemptions, depending on the length of the stay abroad, when goods are brought back to Canada.

These amounts vary depending on certain factors, including the length of stay. In fact, these provisions have been in effect for several months, since a ways and means notice was passed before the end of the last session.

This is all part of promoting trade with our economic partners in the United States and now Mexico, and increasingly, there are plans to extend this free trade zone to other countries, Chile, for instance, and then we would have a vast economic zone covering North America and gradually extending towards South America. This is now the policy of a government that, since it came to power, has been won over by the arguments of certain ministers,

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including the Minister of International Trade who was pro free trade, although his leader was far less enthusiastic, at least during the last election campaign.

• (1535)

But once they came to power, common sense seems to have prevailed. We now see on the government benches a party that is very pro free trade and very open to international trade, which corresponds with the interests of the Canada they represent and the interests of the Quebec we represent.

You can see what I am driving at. Of course I am going to draw a parallel with what is going to happen. I just want to say I am surprised at what people say outside the House or even in the House when they talk about the political situation in Quebec. As we know, in Quebec there will be a referendum in which Quebecers will be asked to speak out on sovereignty, and also on an offer of economic and political partnership which, to use the terms of this bill, is aimed at maintaining the free circulation of goods, persons and capital, as well as a customs union, a monetary policy, manpower mobility, and so forth. All measures we are trying to take now.

In Canada today, especially with respect to the free circulation of goods and services, capital and individuals—admittedly not as free in the case of individuals, but consider the other three—especially with the Americans and the Mexicans and soon with the Chileans, there is a whole strategy of trade development, which is more important for provinces like British Columbia or the other western provinces where they are looking at the Asian market for business opportunities.

However, behind all these rules for trading with these countries, we have to look at the figures and the nitty-gritty. Today, trade between Quebec and Ontario is very substantial. Trade in goods and services between the two is around 40 to 45 billion. I would like to say to those who are listening to us that when I see a government, the present federal government, adopting a measure such as this which is aimed at facilitating trade with the United States, I have trouble understanding why the same thing would not be done with a partner just on the other side of its border, that is Quebec, instead of saying “Between us and you trade will be restricted”.

I was listening to the parliamentary secretary’s interesting statement, in which he said that it would make it possible to reduce input costs. That when you reduce input costs, it makes it possible to create employment opportunities and stimulate exports. That is absolutely true.

The input referred to is the material used to produce a finished product. For example, the wood used to make a piece of furniture is an input. So, the items used as an input in produc-

tion, that is where customs tariffs are reduced progressively on inputs, tending toward their eventual elimination in order to create employment. This is the same logic which gave rise to the goods and services tax. That system of taxation resulted in no tax on inputs used in manufacturing. That is what the previous government did.

The members of this government vigorously criticized this tax, which they labelled as new but which replaced an old one. It did not necessarily replace it because they are very much aware that this tax is totally in line with the principles they are defending in this act, that is to encourage our exports. Yet the GST is not perfect. There will be a chance to discuss it when taxation is discussed a little later this afternoon. We are still waiting for the amendments the government intends to propose and implement in order to make good on its election promises. It does not have much time left. I doubt it can do so but we will have an opportunity to discuss this later.

Saying that we must promote our exports and ensure that the materials used in our exports are as cheap as possible is quite consistent with the trade logic of 1995 and the next decade.

Political decisions matter little. However, if Quebecers decided to take control of their political future while maintaining economic links with Canada, why would an entrepreneur from Ontario, for instance, who buys materials from Quebec because they are cheaper there say, “In the future I will buy more expensive materials; I want to be less competitive because the Prime Minister of Canada tells me we should not do business with Quebec”?

• (1540)

Do you think this kind of logic will prevail? No way. What will prevail is the same capitalist business logic in effect today. These people will look for the cheapest materials and products available. They will continue to buy and to sell to all those willing to buy their products. No one will refuse to sell goods and services to those who want to buy them. This is not the way our economy works.

I do not know any entrepreneur in Quebec or Canada who would refuse to sell their products to anyone because of their political affiliation or the political system in which they live. Even Canadian business people invest in South Africa despite its very controversial political system. Although that country does not have the most stable political system, people still invest there because they see business opportunities in mining and gold among other sectors.

The people who will invest here know that it will be more profitable for them. It will be the same thing the day after the referendum. They invest here because they see the best market opportunities.

That is why I am quite puzzled by the Prime Minister’s political stand. His Minister of Labour, who is responsible for

the referendum in Quebec, seems out of step with the bill before us, which is aimed at promoting Canada's foreign trade.

It seems to me that this government is committed to promoting trade so Canadian businesses can export as much as possible. I would be very surprised if, after October 30, the government decided to put a brake on this direction for all kinds of political reasons because its stated priority, although it is still hard to believe, is job creation. If job creation is a priority, would it be in the government's interest to act in a way that will hinder job creation? I think not.

The people of Quebec and Canada can clearly see the economic conditions we are in. In Ville-Marie, where I live, if I look across the lake as I wake up in the morning, I can see Ontario. All that separates us is a lake just a few miles long. So, on not too foggy days, we can see the other side of the lake. On week-ends, people often go across to buy goods and services in Ontario; out of habit for some, but also because a certain type of service-based economy has developed over there. The same thing goes for the other end of my riding, in the City of Témiscamingue, where 200 Ontarians come in to work every morning at a very successful pulp and paper operation we have there. These people will want to keep on working in Quebec, I am sure. They will also want Quebec customers who buy their products in their shopping centres and businesses to keep doing so. Coincidentally, Témiscamingue is also located in the riding represented by the Premier of Ontario, who just got himself elected on the promise of major tax reductions.

I am convinced that he will want to look after the interests of his constituents, protect their jobs and business opportunities for the local business community. There will be discussions, negotiations and agreements. Everybody will keep working according to the spirit of the legislation before us today and which we support. It is intended to foster foreign trade. The days of closed, self-centred economies are over. Around the world, all markets are becoming increasingly open, forming into major trading blocs, be it in Europe, here in North America, in South America or Asia.

Last year, a parliamentary delegation travelled to Australia. It became clear that this country wished to integrate the Asian economic bloc. Everyone is trying to join a bloc without necessarily losing their own political identity in the process. Australians remain Australians, even though they are trying to join the Asian economic market place.

The same choice is being put to the people of Quebec, who will have to decide. What I want to do is to reassure them by showing them that, when we see people act like the government today, we realize that when the time comes to take concrete action, the economic reality prevails over the strategic political line designed to sow fear, confusion and doubt in the people's minds. I often say that economics are one thing and politics another. I was involved with economics before getting into

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politics, and I may revert back some say, who knows, but it is quite clear to me that trends—

Mr. Silye: Six weeks from now.

● (1545)

Mr. Brien: We will see. If Quebecers say yes, it will indeed be soon. Otherwise, we will see. There is an economic logic which all political parties, regardless of their position, have had to recognize in recent years. I doubt there are many in this House who are opposed to the opening up of our borders and to the fact that we can now help our businesses have access to foreign markets.

The American market is extremely appealing and will be even more so in the years to come, given the natural interest that currently exists for a north-south trade corridor. Over time, we did manage to develop an east-west economy in Canada. We built a railroad network and developed infrastructures to promote interprovincial trade. We can now see what is happening with the dismantling of the railway system. The more natural corridors are now emerging. The government can no longer afford to try to create artificial corridors.

Nevertheless, east-west trade developed over time and will continue to exist, but there is a natural need for a north-south movement of goods and services. The northern U.S. states immediately come to mind, but there is also the whole American market. Some very interesting business opportunities currently exist and will continue to exist after October 30.

We will do well if our entrepreneurs are able to manufacture products which offer a good quality-price ratio. If we are good today, we will still be good in a month. Canadians will still be good in a month and so will Quebecers, in those sectors where they already do well. However, we will not instantly become good in those sectors where we do not already do well. We will have to work hard. But we will continue to do business on the basis of the logic that governs business activity.

At some point, we will have to stop getting the public confused by saying that business activity develops according to the political opinions of politicians. The business community will be there long after this government is gone. The logic that governs free trade will probably prevail longer than this government, at least I hope so, thus offering interesting development opportunities.

Later on this afternoon, I will have the opportunity to address another bill dealing with taxation. However, the bill before us, which contains some 100 pages of amendments designed to reflect the international agreements and treaties signed by Canada, promotes economic development and is also in line with the economic logic that currently prevails and that will continue to prevail in the future. I am pleased to see that the government is headed in the right direction. When it comes to the economy as a concrete reality, the logic that applies will still apply in six weeks.

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Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, today we are discussing and debating Bill C-102, an act to amend the Customs Act and the customs tariff and make related and consequential amendments to other acts. It is a fairly large bill and there are some pretty good items in here. I would like to address a few of them.

The Reform Party favours and supports Bill C-102. This bill reduces tariffs on a broad range of goods used as inputs in Canadian manufacturing and operations and on certain finished goods. It enacts changes to streamline and consolidate Canada's duty deferral programs and make them more accessible to all manufacturers. It increases the amount of goods that Canadians can bring home from abroad. I will get back to that more specifically later.

Overall, this bill reflects all Canadian tariffs where previously the tariff was higher than the U.S. level. This of course was a requirement in the NAFTA agreement and allows us to compete on an equal footing with the United States.

This bill sets the framework for establishing free trade zones within Canada. By streamlining regulations regarding tariffs, cities or other regions are now able to provide additional incentives to set up a free trade zone. This allows free trade zones to be set up and funded under the auspices of local rather than the federal government, that level of government closest to the people. It is a philosophy and a theory we support. It eliminates the duplication of services among federal, provincial and municipal governments. It even gets communities involved and is something that is headed in the right direction.

• (1550)

Other tariff reductions in the bill are part of a biannual review of Canadian tariffs and are a result of ongoing consultations with various industries and other requests to lower tariffs to increase the competitiveness of Canadian exports.

To the taxpayers listening to the debate today, the bill gives effect to what they have already been enjoying. It often baffles me how we can be doing things when the law has not yet been passed, but we are out there in the marketplace doing it. I do not know how it works. Nevertheless, this is a measure my party supports.

The bill increases the limits when they go to the United States. If Canadian citizens are out of the country for not less than 24 hours they can bring home \$50 worth of product. If they are out for 48 hours it is \$200, and if it is not less than seven days it is \$500.

Reformers support Bill C-102 because it reduces tariffs and makes Canadian business more internationally competitive. It is

in favour of free trade, as our party has been all along. It started that way and it always will be that way, unlike the government.

Government members argued and said that they were against the NAFTA. They argued and said that they would renegotiate the NAFTA. They argued and said that it is not in the best interests of Canadians. Perhaps the hon. member for Kamloops might have a few more words to say on that topic. However, when they formed the government they reneged on that promise. I recall that they indicated in the red book that they would look at the NAFTA. I believe the government made the right decision. It was wise for them to change their minds. It was wise to break that promise. It did Canadians a favour and we will benefit from it in the long term.

Of all the tariff changes, and there are well over 1,500, there is only one increase in tariff; all the others are decreases. In case the finance minister wants to buy a pair to present his next budget, the increase is on rubber boots imported from Great Britain. I think he needs a pair of rubber boots. We all know how he keeps digging our debt hole deeper and deeper every day. He believes in digging deeper. He is committed to digging deeper. He is only adding at the rate of 3 per cent of GDP. That is much less than the Conservative government, but it is still in the billions and billions of dollars. He keeps adding to the problem, not solving the problem. I think a pair of boots rather than a pair of shoes might be ideal for the next budget. Why not, in light of our economic situation?

This is an opportunity for me to put in a plug for something I think has to happen. It has to come about. The time has come. There are members on the other side who agree with this and there are members on this side who agree with this. I believe there are even some members of the Bloc Quebecois who agree with it. Whether they are in this country or in another country, they will probably have to look at this as well.

Why not look at the total reform of our taxation system? Simplify it by redistributing the tax base. Broaden the tax base so that we can introduce the lowest possible rate. This sort of taxation system that is being bandied about is called a flat tax. A flat tax is something that should be debated. It is necessary.

The underground economy is growing. We know how strong the underground economy is in Atlantic Canada. We have just come back from there and we know it is operating. We know that it operates here. I know it operates in Calgary. I know it operates in Edmonton. There is no need for that to happen.

Businesses are losing out to American companies. Bills like Bill C-102 help to restore faith in imports and exports. It helps to bring us back to competitiveness. However, because of our complicated income tax system investors are investing outside of Canada at a faster pace than ever before. I hope the government listens and does something about it.

The United States is also looking. The United States initiated the free trade discussions and is looking at ways and means to improve their tax system. The United States already has a lower tax regime than we do. It already has governments that spend less than we do. Our problem is still high spending in this country, and the government will not reduce it fast enough. Eventually, when we get over on the other side, we will be able to solve that problem.

● (1555)

If the United States will be looking at a flat tax, we should be doing the same. If we are not working in parallel, if we are not working in unison, we will become uncompetitive and our businesses will not be able to compete. If we do not address this and soon, it will hurt an awful lot of Canadians and the country.

We encourage the government to continue further down the road established by this bill and continue to reduce tariffs to facilitate international trade. The federal government has extensive powers to reduce tariffs further and should continue to do so.

When the parliamentary secretary to the Minister of Finance addressed Bill C-102 he indicated that this bill and also Bill S-9 would help the customs people do a good job and represent us well. When he made that point he gave the impression that our customs officials are right on top of it and doing a good job.

I point out to him two issues and two stories. We read about the spray story in the media in which Bob and Ramona Edgerton got rapped on the knuckles for bringing that in. This is another one that sadly distresses me. This happened to a couple who came to Canada on a holiday. It happened at the Huntington-Sumas border crossing. They are in their sixties. They were driving through customs. The official asked if they had anything to declare. As Mr. Edgerton says in his own words:

The sin was, of course, honesty. While files of cars with Canadian plates streamed north unimpeded, I told the customs agent that we had a bottle of wine and a six-pack of beer in the trunk.

He asked what kind of bottle and I told him a "jug". This immediately excited him and he was out of his border hut in a flash—well more like a waddle. Sitting for hours and harassing geriatric tourists doesn't keep one physically fit.

Anyway, he seemed puzzled by the word "jug" (perhaps the term is unknown in Canada) and demanded to see it. I opened the trunk and pointed to a paper sack; therein was a jug of cheap white wine. The agent examined it at length. It was as if it was the Holy Grail had fallen into his hands.

The man replaced the jug and started to scribble on a pad. I started to close the trunk, but he stayed my hand, demanding to examine the six-pack of beer. This he did with the bedazzled look of a person who is viewing a six-pack for the first time.

Then he announced that I could pay duty or abandon these items. I foolishly opted for duty. Inside the office, I encountered another agent who examined the first one's citation and asked if I had a receipt for the wine and beer.

Back I went to the car and after some rummaging actually found a grocery receipt. All this time scores of cars with Canadian plates were streaming northward at a mighty clip. Not a truck was opened, hardly did they pause at the checkpoint.

We know that smuggling of guns and liquor is also a big item with these trucks, so we should have been checking a few of them.

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I took the receipt inside, handed it over. The beer and wine had cost just under \$12. The agent inside said the duty would be \$18. I couldn't believe it! A duty of 150 per cent.

It was then I decided to abandon the potables to the customs people, who next asked me—demanded, actually—that I sign a receipt. I signed something that was written partially in French. I don't read French. I may have agreed to give up my possessions and spend my few remaining years in a penal colony outside Yellowknife. I know not, nor do I care.

What I do know is I shall never willingly return to Canada, which will no doubt please most Canadians. The question then is how to recoup my \$12. I thought of poaching a few salmon from the mighty Fraser or spray-painting a police cruiser.

But no. Instead, my plan is to avoid all western Canadian games events, cancel a trip to Vancouver, begin dieting and get out of Canada post haste.

Actually, the customs people—who even now are drinking cheap white wine and quaffing economy beer—have not cost me \$12, but saved me hundreds. Oh, Canada.

Doug Walker has gratefully returned to his home in Asheville, North Carolina.

I would not want the government to think that everything it has done, the way it has done it, and how it has done it is perfect. It is not a perfect world. There is work out there to be done. To gloss over events like this hurts Canada and its reputation. I see no need for that kind of action and activity. That division and that department should be looked at.

● (1600)

Mr. Walt Lastewka (St. Catharines, Lib.): Mr. Speaker, it is a great pleasure for me to speak today on Bill C-102. As a member of the St. Catharines promotion task force prior to my election as MP and one who had worked on free trade zones in the U.S., it gives me great pleasure to be able to speak today as a member of Parliament on the bill.

I would be remiss if I did not give credit to a number of committee members in St. Catharines: Don Chambers, Don Johnston, Don Wiley, Ian Spraggon, James Wakil and Mike Haines who helped in the work on free trade zones.

Free trade zones in the U.S. are right across the border from us. There are six free trade zones with which the Niagara area has to compete. It is not only the fact that they are free trade zones but the Association of Free Trade Zones meets directly across the border in Buffalo.

While doing some research and working on the committee it was interesting to note the advantages of free trade zones that were published in the U.S: land and store imported goods quickly without full custom formalities; wait until goods leave the zone to pay duty; display goods in showrooms in the zone and have buyers inspect and sample merchandise; process, assemble and otherwise process goods to qualify for lower duty; when manufacturing in a foreign trade zone choose the most advantageous type of duty and quota limitations; salvage or repair damaged goods duty and quota free while finding a suitable market; and store goods indefinitely to await the best market conditions. These are only some of the advantages proposed by free trade zones in the U.S.

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Curiously the six free trade zones across from the Niagara area were all started by a Canadian, George Keitner, from Montreal. I give him credit for starting free trade zones. In the previous government he could not get his point across that in addition to free trade and NAFTA we had to work out the details in the accounting systems of our country. It seems that those details were not taken care of back home.

We had consultations and worked with various communities across the country. I had the pleasure of working with members from the communities of Vancouver, Calgary, Newfoundland, St. Catharines and Montreal. Consultations with businesses have accommodated Bill C-102. More important, business, industry and manufacturing people played a part in the changes.

Other advantages were the streamlining and consolidating of duty deferral programs in the customs tariff; making the paperwork more user friendly; making it easier on cash flow; and, more important, allowing various businesses in regions and municipalities to effectively market their programs from their areas.

We all have various opportunities in our communities, no matter where we come from as members of Parliament. The bill will allow various teams in communities to create their focus and exporting niche. We have different products across the country so we can all take advantage of additional exports.

As cited in the foreign affairs and international trade report last spring, creating and promoting an international orientation for business in Canada should be a priority objective. Bill C-102 helps meet that objective by providing access to the program by the businesses and communities I mentioned earlier and by allowing the economic development programs to flourish. It does not restrict. It assists business manufacturers to make things happen. Of course in the end this means jobs for Canada.

• (1605)

I especially like the wording of the bill. As my colleague across the way mentioned, the bill is quite thick. Current inward processing allows the relief of customs duties and the various taxes and excise taxes and enables the cost of doing business to come down. The bill also allows new manufacturers and new start-up companies to get into the business instead of having a history on which they have to report. Having new businesses getting into exports allows us to build our international export trade.

Streamlining customs duties and requirements will make it much easier for our manufacturers. We will have to build in accountability but it is better to build in accountability rather than restrictions.

I am reminded when we toured many of the free trade zones in the U.S. of the physical barrier requirement. In Bill C-102 no physical barrier will be required. It will be an easy and simple system, created as such so that our manufacturing strength in Canada can be improved even further on the export markets.

I am also reminded imported goods and domestic goods can be used interchangeably. Many of the items previous speakers have mentioned will be advantageous. After touring some 60

free trade zones in the U.S. and having discussions with various people, the government in the co-operation with the users of the bill has made a substantial improvement on how we do business in Canada.

As mentioned before, it is the duty of the Government of Canada to assist business in making things happen. In the bonded warehouse provisions, activities currently provided for in the bonded warehouse legislation such as storage, packaging, repackaging, labelling, normal maintenance, servicing, complying with any applicable law of Canada and testing of same will continue. There are also improvements. The government needs to continue to look at our systems, in this case duty deferral and remission programs, and make continuous improvements as we go along.

Over time product research and product lifecycles change. Therefore our accounting system needs to change. In the proposal storage time has been increased to four years, which will allow various businesses and companies in the manufacturing sector to determine their own productivity planning, to determine their own productivity cycles, rather than the system telling them how to produce.

In previous discussions I mentioned the 60 free trade zones with which our committee exchanged information. In this government proposal and the submission put forward we have taken the best of many free trade zones and incorporated them into our structure. It is a team Canada approach to making things happen.

As a result we will increase our exports. More and more companies and businesses will see that although their competitors may be unproductive they will be co-operating as they export more and more products around the world. We are into a global situation and these improvements are perfect timing as we look forward to next year's budget.

• (1610)

I bring to the attention of the House how manufacturing will benefit from this proposal. Often we take manufacturing and manufacturing jobs lightly. We forget that some 1.8 million Canadians are directly employed in manufacturing and over 2 million depend on our industry for their livelihood. Almost 50 per cent of goods manufactured in Canada are exported. In 1980 it was 25 per cent and now it is 50 per cent.

I also bring to the attention of the House that some 75 per cent of the research and development in the private sector is done in manufacturing.

With the assistance of Bill C-102 I am sure that many manufacturing businesses will take advantage of the system because the cost of doing business will be reduced. When we reduce the cost of doing business we allow for more business to be done and we can compete on a world scale.

The government continues to work to remove paperwork and make the system more effective. It helps companies and businesses to spend their time on sales, research and productivity. It will improve exports, Canadian quality and costs, making us even more competitive. As I mentioned earlier, jobs in Canada

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will be improved by exports without a major cost or expenditure by the government. There is a way to improve the employment situation and make things happen.

I commend the finance department for all the work it has done on the bill. It is obvious that with support from the three previous speakers and working together as Canadians we can improve our system in Canada and complete on a global level.

Mr. Charlie Penson (Peace River, Ref.): Mr. Speaker, as we have heard a couple of times today, we are debating Bill C-102, an act to amend the Customs Act and customs tariff and make related amendments to other acts.

This is a very important bill. As the trade critic for our party I say that it is vitally important to reduce tariffs as quickly as we can. The Reform Party fully supports the bill.

The bill reduces well over 1,500 tariffs and since we are a pro free trade party we are in favour of all of them. The tariffs being reduced are on a broad range of goods used as inputs into Canadian manufacturing operations on certain finished products. By reducing these tariffs our costs of manufacturing will be reduced. The result is that manufacturers will be able to invest more money into plants and equipment.

This type of tariff reduction is a stimulant to our economy. It will create more jobs than the old-fashioned job creation programs we have seen in the past. I urge the government to go further down the road and establish as many cuts to existing tariffs as possible to move this along as quickly as possible.

The cost incurred by Canadian manufacturers are already high enough by virtue of our climate and our great distance from markets. Let us give our manufacturers a break and eliminate these tariffs wherever possible.

We will also be eliminating a lot of paperwork and red tape. Working through all the red tape is a big cost of doing business. I would not be surprised if many of these tariffs actually cost the government more to collect than what it gets from them.

Not long ago I recall reading a story about the so-called Asian tigers of the South Pacific that have enjoyed spectacular growth because they have slashed tariffs more quickly than their competing nations. That demonstrates open competition is very good. We have seen growth rates in some of those areas of 10 per cent per year.

• (1615)

We in Canada have been too cautious in this regard and too concerned about protecting industries and companies that do not really deserve that protection. I would much rather see real competition in the marketplace rather than protectionism.

Bill C-102 also increases the value of goods that travellers returning to Canada can bring back. Returning residents now have a \$50 exemption after the absence of 24 hours, an increase of \$30. The exemption for 48 hours goes to \$200 from \$100 and the seven day exemption increases from \$300 to \$500, all good moves I think.

These changes bring Canadian travellers' exemptions into line with those of our major trading partners and eliminates some of the petty hassles we have heard addressed in the House earlier today that travellers face at our border. I would rather see customs officials concentrating on drug and gun smugglers and other types of smugglers than have them preoccupied with what amounts to a pair of Adidas runners.

Another measure the bill streamlines is customs clearance procedures by treating goods imported by travellers as basket tariff items. My understanding is there is a proposal presently under consideration to replace the thousands of existing customs categories to just 12. That would be welcome as well.

When these changes are implemented at a later date they should speed up our collection of duties by more than 50 per cent. The time savings will allow Revenue Canada to focus on processing commercial imports and spend more time for enforcing the laws against smuggling.

The final major change the bill brings about is streamlining and consolidating the duty deferral programs, making them more accessible to the manufacturing community. Canada has three programs which defer or relieve duties on goods for export or goods awaiting formal entry into Canada. These are duty drawback, inward processing and bonded warehouse programs. By eliminating certain administration restrictions that currently exist these programs will be now more accessible to small and medium size companies.

The Standing Committee on Foreign Affairs and International Trade is currently studying ways to make small and medium size companies more able to take advantage of trade pacts we have introduced in the House such as NAFTA and the GATT agreement. Anything we can do to relieve the pressure they have in doing business in this country is welcome.

Because these free trade zones will now be set up and funded under the auspices of local government rather than the federal, cities and other regions will have greater incentives to set up these free trade zones. I believe more natural trade corridors will develop as a result of this.

Such a free trade zone was set up at the Vancouver airport in March 1994. More recently a similar free trade zone was established at an Edmonton airport. I believe Atlantic Canada is a natural one that should take advantage of this as well.

These free trade zones allow businesses to bring in goods from abroad without paying the federal GST, provincial sales tax or import duties until the goods actually leave the free trade zones. Companies are free to repackage, test or make value added modifications to these imported goods. No taxes or duties are payable until the goods are shipped off again. The companies get to use their working capital for a longer period of time and save a lot of unnecessary paperwork.

Here is another example of how the government can stimulate by getting out of the way; free the hands of business, cut the bureaucracy, the red tape, and watch this great country get back on track. It is something we certainly need.

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We support all of these measures and we welcome additional measures to make further cuts in tariffs even if we do it unilaterally.

Mr. Nelson Riis (Kamloops, NDP): Mr. Speaker, I am pleased to have an opportunity to say a few words regarding Bill C-102.

At a time when too many Canadians are out of work, too many Canadians are underemployed and too many Canadians who are employed find it a struggle to make ends meet as a result of low paying jobs and so on, in the service sector particularly, Bill C-102 is a step which will facilitate expansion in the manufacturing sector. It will have a direct bearing on an increase in future jobs. In that sense we see there is an upside to this legislation which will be helpful to people from coast to coast.

• (1620)

I was pleased to find that Bill C-102 enables customs officers to spend more time with clients. This is much needed. A constituent of mine, Tony Walters, was visiting in the American southwest not long ago and when he came across the border into Canada he indicated to the customs officer he had bought himself a pair of riding boots made of armadillo skin. The customs officer said he would have to keep the boots and examine them. My friend asked if there were any problems. The officer said he did not think so but that he had to confiscate the boots, which he did.

Nothing happened. My friend some weeks later inquired and the officer said: "We notice there are armadillo skins on these boots and we think they might be an endangered species in the future". My friend said: "Fair enough, but at the moment they are not an endangered species and there is no reason I cannot collect my riding boots". He said: "You will have to wait and check with the minister".

I checked with the Minister of National Revenue, who is responsible for customs, and told him of the plight of my constituent. The minister said he would look into it but unfortunately that is the last I have heard of it.

I did receive a call from my constituent who informed me he had received a letter from Canada Customs saying it had burned the boots. My friend was not pleased. He felt they were legitimate riding boots, a legitimate import. They cost him a couple of hundred dollars and they had been burned by Canada Customs. He felt he was due some compensation. It seemed to me he was right in that assumption. Perhaps the Minister of National Revenue is out there listening and will once again address this matter. As I said, unfortunately I did not hear anything back from him once I brought it to his attention.

Bill C-102 moves us in an encouraging direction by eliminating more than 1,500 manufacturing input tariffs. It will be good for the expansion sector. However, what has driven this bill is the NAFTA. This will bring our tariff schedules in line with American manufacturers in an effort to obtain a more harmonious or level playing field in the manufacturing sector between

Canada and the United States. We have had the NAFTA debate and it is over.

I will register a concern which I, my party and increasing numbers of Canadians have. I do not want to say anything against our American friends but is it wise for an exporting country to put so many of its eggs in one trade basket, to link itself so inextricably, intensely and extensively with one country?

I think we can all acknowledge that now for all intents and purposes economically speaking we are the equivalent of an additional U.S. state or territory. Our economy and the economy of the United States is inextricably connected. That makes us very vulnerable to economic occurrences in the United States. If its economy starts to falter the ramifications will ripple through our economy within minutes.

I know many members of the House are enthusiastic supporters of the NAFTA and what that means and that we are now nothing more than an economic extension of the United States.

• (1625)

In our long term best interest as a country is it to our economic advantage to put all of these trade eggs in one basket? Will our children and grandchildren benefit from this initiative? I do not think so and I raise that as an extension of the debate on Bill C-102.

On balance we support this legislation. I particularly like the idea that the duty exemptions for travellers have been increased. As I recall, the last increase was in the early eighties. Now travellers will be able to bring in goods duty free to reflect these changing times. I still think they are too small. However, it is a step in the right direction.

My friend from Calgary Centre raised the point that one of the motives behind this legislation is to bring our tax regime in Canada more closely in line with that of the United States. He expanded to say it would not only be in terms of tariffs and so on but also our corporate and individual taxation systems.

He mentioned theirs was somewhat lower than ours in Canada. I noticed the Minister of Health is here. One reason our tax system is somewhat higher than in the United States is a reflection of some of the benefits we obtain because of our tax system.

I had the good fortune two years ago to spend time on a formal visit to the United States. Part of that visit included a visit with an American family every evening to talk about life as it saw it and to provide an opportunity for it to meet a Canadian to hear about what life in Canada is all about.

One of the questions I asked every evening for 28 days in succession concerned what that family paid for health care, what the cost for that family was. In every case the cost of health care, not to the same extent we have in Canada but at least close to it, varied between \$5,000 and \$7,000 per family. That is what it cost them out of their pockets each year. That was a system

through which all sorts of medical services were deductible. If someone had their tonsils out they might have to pay a \$500 deductible.

While we discuss taxation—goodness knows we are doing it today and I suspect we will be doing it for many weeks beyond this—as we work to compare the tax regimes of the United States and Canada we should always keep in mind the relative benefits citizens in each country receive as a result of those tax regimes.

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

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EXCISE TAX ACT

Hon. Diane Marleau (for the Minister of Finance, Lib.) moved that Bill C-90, an act to amend the Excise Tax Act and the Excise Act, be read the second time and referred to a committee.

● (1630)

Mr. David Walker (Parliamentary Secretary to Minister of Finance, Lib.): Mr. Speaker, it is with great pleasure that I rise to speak at second reading of Bill C-90. This is an important bill in that it will give legislative effect to excise tax changes announced earlier this year, including measures that were contained in the budget of February 27, 1995.

The key budget measures in this legislation include changes to the air transportation tax that will recover a greater proportion of the cost of providing air transportation services and facilities. An increase in the rate of excise tax on gasoline equal to 1.5 cents per litre will assist the government in meeting its deficit reduction targets.

Amendments to the marking requirements for tobacco products for sale in Prince Edward Island will phase out the sale of black stock or unmarked tobacco products and allow for the sale of Nova Scotia marked tobacco products. Changes to the seizure and notification provisions in respect of offences under the Excise Act will improve the efficiency and effectiveness of enforcement activities.

The bill also contains important changes in respect of excise tax rates for tobacco products for sale in Quebec, Ontario and Prince Edward Island. The amendments contained in the bill will give legislative effect to a modest federal excise tax increases that were announced earlier this year in conjunction with provincial tobacco tax increases in these three provinces.

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These tax increases follow the success to date of the national action plan to combat smuggling in significantly reducing contraband tobacco activity and restoring the domestic tobacco market to legitimate Canadian wholesalers and retailers.

Let me address the air transportation tax. As part of the government's efforts to meet its deficit reduction targets the budget of February 27, 1995 proposed changes to the air transportation tax that will recover a greater proportion of the cost of providing air transportation services and facilities.

In accordance with this proposal the bill contains amendments to the Excise Tax Act that will increase the maximum air transportation tax on higher priced domestic and transborder air travel and the tax on international air travel purchased in Canada from \$50 to \$55.

In addition, the maximum tax on transborder air travel subject to the United States' 10 per cent air transportation tax and the tax on international air travel purchased outside Canada will increase from \$25 to \$27.50. These new rates will apply to air travel purchased on or after May 1, 1995. Where air travel is purchased outside Canada and the tax is not prepaid, the new rates will apply to air travel which includes an international departure from Canada on or after May 1.

These changes to the air transportation tax will generate additional revenues of \$27 million in the 1995-96 fiscal year and \$33 million in the 1996-97 fiscal year.

Also as part of the government's efforts to meet its deficit reduction targets, the budget of February 17, 1995 proposed to increase the rate of excise tax on leaded and unleaded gasoline and aviation gasoline by 1.5 cents per litre.

● (1635)

To give legislative effect to the proposals Bill C-90 contains amendments to the Excise Tax Act that will increase the excise tax on leaded gas and aviation gasoline from 9.5 cents per litre to 11.0 cents per litre and the excise tax on unleaded gasoline and aviation gasoline from 8.5 cents to 10 cents per litre.

These changes apply to sales of gasoline and aviation gasoline after February 27, 1995 and will raise an additional \$500 million per fiscal year. At the same time I would like to note that the federal excise tax on diesel fuel will not be increased.

The budget of February 27, 1995 also announced the government's intention to phase out the sale of black stock or unmarked tobacco products and authorize the sale of Nova Scotia marked tobacco products in Prince Edward Island. These changes are being undertaken at the request of and pursuant to an agreement

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between the governments of Nova Scotia and Prince Edward Island concerning the use of Nova Scotia marked tobacco products.

In order to give effect to this agreement Bill C-90 contains a series of technical amendments to the taxation, offence and rebate provisions of the Excise Tax Act. These amendments will effectively phase out the sale of black stock tobacco products and authorize the sale of Nova Scotia marked tobacco products in Prince Edward Island at the reduced rate of federal excise taxes that are applicable in Prince Edward Island. These changes will be effective on royal assent to the bill.

The final budget related measure contained in this bill involves changes to the seizure and notification provisions of the Excise Act. The Excise Act currently provides that officers must seize any vehicle used to transport alcohol and tobacco in contravention of the Excise Act even where relatively minor amounts of contraband are discovered. In the past this provision has created enforcement difficulties by forcing officers to seize vehicles in situations where seizure is neither a practical nor an appropriate remedy. To rectify the situation this bill amends the Excise Act to provide officers with the discretion to use the power to seize vehicles that are used to transport contraband alcohol and tobacco.

The Excise Act will also be amended to require that where officers have evidence that a person other than the person from whom the vehicle is seized has an ownership or similar interest in a vehicle, the officers shall take reasonable efforts to ensure that notification of seizure is sent to the last known address of that person.

Both of these measures will operate to improve the efficiency and effectiveness of enforcement activity.

Bill C-90 contains important changes to the excise tax rates for tobacco products for sale in Quebec, Ontario and Prince Edward Island. As my hon. colleagues are aware, the national action plan to combat smuggling was announced by the Prime Minister on February 8, 1994. The combination of initiatives launched under this plan, including increased enforcement resources, tobacco tax changes and the special surtax on tobacco manufacturers has proven effective in significantly reducing contraband tobacco activity and restoring the domestic tobacco market to legitimate wholesalers and retailers.

As a result of these efforts, the government has been able to take important first steps toward the long term restoration of uniform federal excise tax rates for tobacco products across Canada.

In Quebec and Ontario federal excise tax rates are being increased by 60 cents per carton of 200 cigarettes, while in

Prince Edward Island excise taxes are being increased by \$1 per carton of 200 cigarettes and 32 cents per 200 tobacco sticks.

• (1640)

It is important to note that these federal excise tax increases are being undertaken in conjunction with provincial tobacco tax increases in the three provinces. These joint federal-provincial tax increases follow the scheme of matching tax reductions announced under the national action plan and reinforce the importance of co-ordinated, federal-provincial action to deal effectively with contraband activity.

The excise tax increases in respect of cigarettes for sale in Quebec and Ontario are effective February 18, 1995 while the increases in respect of tobacco sticks and cigarettes for sale in Prince Edward Island are effective April 1, 1995. These changes will generate an additional \$65 million in federal revenues on a fiscal year basis.

As members can tell from the outline of this speech, Bill C-90 is an important bill. This bill enacts a number of key revenue raising measures contained in the budget of February 27, 1995.

While the budget delivered on that date emphasizes reductions in spending by a margin of seven to one over tax increases, the measures contained in this bill relating to the air transportation tax and the excise tax on gasoline are key components of the government's commitment to both increased cost recovery and meeting its deficit reduction targets.

Other measures such as the amendments to the seizure and notification provisions of the Excise Act will improve the delivery of enforcement activity, while changes to the tobacco marking scheme for Prince Edward Island will allow for greater efficiency in serving the Prince Edward Island market.

The changes to the excise tax rate for tobacco products for sale in Quebec, Ontario and Prince Edward Island emphasizes the success to date of a national action plan to combat smuggling and to raise important, additional revenue for the government.

I urge my colleagues to give speedy passage to this bill.

[*Translation*]

Mr. Pierre Brien (Témiscamingue, BQ): Mr. Speaker, this is our third bill this afternoon. We shall continue, but our differences are now going to surface. We could agree on the first two bills, but we can only go so far. When we get to the excise tax on gasoline, our views will no longer coincide.

Bill C-90 contains a number of acceptable measures to which we have no objection. For instance, bringing the price of cigarettes back to levels that are less an incentive to consumption. Provided this does not resurrect the smuggling network and

does not give them that opportunity, I think it is satisfactory. Everyone expected this, if we want to keep fighting cigarette smuggling from the point of view of law enforcement and avoid encouraging people to buy this product, on health grounds.

Of course we have some questions, because there are a number of problems we will have to deal with in connection with anti-smoking campaigns. We need a plan with a very clear-cut purpose to ensure this campaign does not encourage smoking, especially among the young and young women, where smoking is very widespread. We will have to find ways to restrict tobacco consumption.

I will be very brief about this aspect. I agree that reducing the excise tax probably helped to destabilize smuggling rings, but there was not much in the way of law enforcement. Smuggling still exists because we have not dealt with the real problem. We may have the same problem with other products. It could happen whenever the tax on the product is unreasonably high. That is one reason we have to be careful in the case of gasoline, because there is a limit to what the public will tolerate.

• (1645)

When we consider the price of gas, when we break down the price at the pump, fortunately people do not see the real price, because taxpayers would be rather upset. The price includes a lot of different taxes. So many that we may have gone too far, especially—and this was said by the Canadian Automobile Association—since there is no guarantee that this money is invested in highway maintenance or used to compensate for environmental damage. It all goes into the consolidated fund, and there is no way to find out how this revenue is used.

In fact, they were in favour of creating a fund to ensure that gasoline taxes are used to compensate for the impact on the environment or reinvested in road maintenance. They did not talk much about an environmental fund, but if this initiative ever went ahead, one option would be to bypass the consolidated revenue fund and put part of this tax revenue into environmental funds.

There are other measures, including an air transportation tax, which would increase the maximum tax on international air travel from \$50 to \$55. This is no big deal, but when we consider taxation in general, after two years in the House, after everything that has been said and heard and discussed on the subject, the tax on gas was discussed in the last budget and this was basically a fiscal measure to quickly raise \$500 million.

The purpose of this tax was to raise revenue fast. The air transportation tax was affected as well, and once again, it was changed at the expense of people in the regions, because they

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reduced the tax on short haul flights but the tax on longer flights was increased, in the case of domestic flights, which means that people in Baie-Comeau, Val-d'Or or Rouyn, in my region, are now faced with a tax increase of several dollars. It is not much, but the price of plane tickets was already very high.

But the major tax initiative, the campaign promise, was not to increase gasoline taxes, but to change the tax on goods and services. That was the campaign promise. The subject was raised in the House and studied in committee. The committee gave a report, which, if memory serves me, lasted 17 or 18 hours. The next day in the House, the Prime Minister distanced himself from the report, because the committee—and when I refer to the committee, I am excluding myself and the Bloc Québécois—proposed a tax, a sort of hybrid tax on business activities mixed in with the GST, in other words, a very short lived and now shelved proposal.

The Prime Minister's promise was that two years after the Liberals arrived in power, let us give them two and a half years—so we will say January 1, 1996—the GST would disappear. Both during the election campaign and in the House, I have heard the Prime Minister say: “We hate this tax and we are going to eliminate it”. Now, whether he hates it less or whether he is not going to eliminate it, the Prime Minister is no longer saying that he will eliminate the GST.

Is the magic gone? What happened? There is no more mention of it at all, just as with every hot item here in Ottawa. The government gives the illusion of working on real things, but the legislative agenda is sparse. They are all more or less contentious matters, which have already been announced, whereas we are still waiting for measures on pension reform and on unemployment insurance reform.

What will be the new human resource investment fund that is to be set up by the Minister of Human Resources Development, which is very important and will involve the reform or dismantling of the network of employment centres? Everyone is waiting to see it to get an idea where the federal government is going, but only a minimum of information is being provided, because of the political context in Quebec, and the federal government does not want to tell us clearly what is happening.

It is a bit unfortunate, particularly on the part of people like the Minister of Intergovernmental Affairs, who is taking pleasure in saying that the Government of Quebec is hiding things or studies. Well, here they are keeping what will happen after the referendum really under wraps. The people do not know what is going on. They have a hard choice to make, and I understand them, but when they look at the no side, they see nothing. They do not know what will happen to them. It will be a matter of trust. Are they going to trust the people who represent this camp, the present Prime Minister? If I were he, I would be worried. I

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am not sure people are going to give him a blank cheque to do what he likes afterward.

We are entitled to expect to know what initiatives the government plans to take. It remains silent, however. About the GST, though, I would like to remind them, because the opportunity is too good to miss, that they made promises to the people. In the finance committee, we heard just about anything. That tax is a bad one, everyone agrees on that, on a number of things.

• (1650)

The underlying principles are not all bad in it, but some government members were saying that the black market economy was due in large part to the GST. There are limits. Let us not exaggerate. The figures bandied about were surprising. The government was said to be losing billions of dollars in revenue just because people did not accept the GST. There is some truth in that, but not in the proportions they were talking about in the elections or before the committee.

Nevertheless, this was their opinion. They have all become silent about the GST. Apparently there was some discussion about it in caucus before Parliament resumed. There has been some discussion but not much in public, and in the long run the hope is that people will forget.

Implementing a reformed tax is not easy. The main criticism of the GST by business was the short time between when the decisions were made, when the tax was defined, and when it was implemented. Since it was all done very rapidly there was a great deal of confusion. This has moreover never been settled completely because there are still close to a billion dollars in unsettled accounts or unrecovered taxes, in large part the result of the initial difficulties many people experienced in understanding the tax.

If they want to reform this tax before the end of their mandate, there is not much time left for defining the rules. It is surprising that we are not hearing about it any more. These are people who are asking Quebecers to write them a blank cheque and trust them at their word. And yet, during the election campaign, they promised to do away with this tax and replace it with something else. Since that something else has not been defined yet, the first part is irrelevant. Nobody is currently looking for something else. Once in a while, the finance minister uses fancy words to tell us that he is holding discussions with his provincial counterparts, but are all these discussions leading somewhere? Where is this getting us?

We know full well that they were hoping for a Liberal government in Ontario, which would have been more inclined to cooperate; as we know the main stumbling block to revamping this tax is the fact that Ontario still taxes inputs used in the manufacture of other goods. For instance, a piece of wood used to manufacture a piece of furniture becomes an input when processed.

In Ontario, a number of inputs are taxed, apparently to the tune of a few billions of dollars. If both taxes were harmonized, Ontario would stand to lose substantial revenues.

As a result, far from being simple, the tax system is relatively complex. Quebec went ahead with harmonization but this reveals once again one of the fundamental problems of the current political system in Canada, which is the result of the federal government's spending power allowing it to spend in any area it chooses; but to do this it must collect money.

Since all governments, either provincial or federal, collect money the same way, through income tax and other taxes, the stakeholders are numerous. More particularly in Quebec, because in Quebec we never really had any confidence in receiving money indirectly through transfer payments. If we look at what is going on now, perhaps we did the right thing; it is still far better to get tax points than transfer payments, because sooner or later the government could very easily be tempted to cut them.

That has really complicated the system for people. For businesses as well. I am often asked by business people in my province what the concrete advantages for us would be if Quebec were to decide to take control of its own destiny and be fully autonomous, while maintaining relations with our trade partners? When we talk with them, they soon realize that there are very concrete, immediate advantages for them, and I am happy to underline that to my Reform colleague. Indeed, there will be only one taxation system.

For them, that means a lot less paperwork, a lot less trouble, and it is a lot easier to understand. It is the same for individuals. One need only think of the spring, when the deadline for income tax returns is near; we get out our receipts, our employment statements, our unemployment insurance statements or other papers, and have a look at them to fill our income tax returns. It is extremely complicated.

• (1655)

Not much effort is put in making things simpler. Eliminating one level of government will already be an improvement in that area. For starters, this natural tendency towards duplication, with two levels of government collecting money they are free to spend as they please, will no longer be an issue.

This is one of the major problems with this political system in which a \$500 billion debt was accumulated without any concrete steps being taken to restructure the federal government's spending power, this power to spend that eventually turned into the power to get into debt. What was achieved by this in concrete terms? With respect to employment, it did not even succeed in preventing unemployment and joblessness from reaching unacceptable levels.

There is one lesson to draw from the current situation and that is that we just cannot keep our heads buried in the sand all the time and claim on the basis of any odd statistical report that we are living in the best country in the world. It is not true that we have to hide behind this kind of thing.

I went to a school of administration where we studied cases, problem cases, and ways of resolving them. The first step in a good diagnostic, and the same applies to our personal circumstances, it is always the case, is to admit a problem exists. When I see people who refuse to admit there is a problem, even when it is staring us in the face, then the problem is compounded. I think that the people should not feel reassured, even though they have been told that in future administrative agreements will be negotiated or other ways will be found to improve the system. Unless we change the basic rules, we will always have problems.

It is unfortunate that we in Canada have trivialized such an important word as "constitution". A constitution sets out the rules of the game. Before sitting down to play a parlour game, people should first agree on the rules. If, in the middle of the game, they start to disagree on how the rules should be interpreted, they will have problems. That is what is happening with our Canadian constitution.

We cannot agree on the rules of the game but we are not redefining them. This creates a lot of problems. We have tried to change the rules over the years but all our efforts have met with failure.

A country that is afraid to discuss its constitution is a sick country. A country whose prime minister refuses to use the word Constitution because he is not very proud of it is a country with a lot of problems. And this is what we see in Canada, at present. They say: We do not want to talk about it. They are ashamed. They are ashamed because there are past events they would rather not refer to.

Having said that, I would like to come back to the bill before the House and state that we cannot support the tax on gasoline, which raised the price per litre by 1.5 cents following the last budget. Since these taxes are often not visible, we tend to forget about them. After a couple of days, we forget about them, but I now have the opportunity to remind all those who are listening that they should not forget the 1.5 cent increase per litre they have been paying these last few months, because of the federal government and the measures undertaken in the last budget to generate \$500 million.

Taxpayers are willing to let the government raise more taxes if it keeps a better control over its spending, but it is frustrating to give more and more money to the government and feel there is no real improvement in our debt situation.

It is all very fine to say that the Minister of Finance is likely to meet his deficit target of about \$32 billion this year, but that still leaves us with a \$32 billion deficit.

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With our economic situation and the likelihood of a slowdown in the United States—maybe not later this year, but next year—that could affect Canada too, there is no guarantee we will still be on track with our public finances. The Conservatives had reduced the deficit to an acceptable level, but when the recession came about, it went out of control. It is a bit like trying to cram something into a box. When the box is too full, it just bursts open.

I think the same thing is happening now. Every time the box bursts open, it becomes harder and harder to pick up the pieces. The deficit has now reached a level that is extremely high.

We are certainly not willing to support measures aimed at increasing government revenues when there is still so much to do in terms of reducing government spending.

In conclusion, I want to remind the government of its commitments, one of which was to review the GST. We thought that it was too little, that the whole tax system needed to be looked at. We offered our help but the government refused. We did a detailed study of the GST in committee. Recommendations were made but the government never followed up on those recommendations, particularly those of the Bloc Québécois, which were the best among those contained in the report. The day after the report was tabled, the Prime Minister himself rejected a recommendation made by the Liberal majority.

• (1700)

So they have commitments. They say they are people of their word and look after the real problems and are concerned about them. During the election campaign they said they were going to change the tax. We are still awaiting the outcome and are eager to see what happens.

The Minister of Health, who was on the finance committee herself at the time, must really know what is happening with this tax. They must have been studying it when it was introduced. The time has come for them to act and to stop hiding behind all the illusions they are giving the public about getting down to the real problems. Because in reality, nothing much happens in this House, except for the legislative agenda, which drags on and must be adopted. The real issues have to be put on the table so we can see what they are really going to offer the people. We will be able to do much more enlightened things.

[*English*]

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, before I begin my speech on Bill C-90, I will comment on the speech from the member for Témiscamingue about broken promises. I agree the government promised to get rid of the GST but it will not get rid of it. The Deputy Prime Minister promised to resign if the government did not get rid of the GST and she is still here

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and will not resign. This is another example of two broken promises.

Bill C-90 is a tax bill, pure and simple, and a huge tax grab that serves only to hurt the economy. The Liberals have been big on their flowery rhetoric of no tax increases. On a personal basis they did keep that promise. However, Bill C-90 hits Canadians in their pocketbooks both at the pumps and in the air.

Our main contention or disagreement with the bill is it implements the 1.5 cent per litre gasoline tax discussed in the 1995 budget. This revenue raising measure, a tax hike, will raise \$500 million. As Reformers we vehemently oppose this measure.

My colleague, the member for Lethbridge, will rise this afternoon as well and talk more about the effects of gas taxes, and so I will leave this important subject for him.

Other aspects of the bill include an increase in the air transportation tax from \$50 to \$55 for domestic and transborder flights purchased in Canada, and from \$25 to \$27.50 for transborder flights purchased outside Canada. The tax on airlines is based on the amount of time people spend in the air. It is designed to recover government costs for things like air traffic controllers, maintenance, et cetera.

This is the second time in as many budgets the finance minister and the Liberals have increased the airline transfer tax; \$40 on domestic flights when they took office and \$55 now, a \$15 increase. This tax hike, revenue raising measure, will raise \$27 million to \$33 million for government spending.

Bill C-90 increases the excise tax rates on tobacco products for sale in Quebec and Ontario by 60 cents per carton and on tobacco products for sale in Prince Edward Island by \$1 per carton. Originally in Bill C-11 the Liberals thought the best way to battle the underground economy was through reductions in incentives to smuggle because of the high rate of taxation; that is, take the profit out of smuggling. I agreed with that position and it was a good thing to do. It worked on cigarettes, so why not do the same for liquor which is now also causing a big problem at the borders and is offering opportunities for smugglers to make extra money and not pay their share of the taxes?

They killed the taxes on smokes in Ontario and Quebec and now those taxes are creeping up again. This revenue raising measure, this tax hike, will generate \$65 million for government spending.

I question how the government spends our money. Every one of these three measures increase taxes when the finance minister presented his budget, pretending all along he was not raising taxes. What we need is tax decreases, lower taxes so people can create long term meaningful jobs. If people have more disposable income in their hands and in their pockets and businesses had more disposable income they could stimulate the economy.

The government is blind as to what to do in terms of an economic philosophy which has long term meaningful benefits for the country.

• (1705)

We have just come back from Atlantic Canada. It does not want any part of ACOA. It told us that. ACOA subsidizes and helps high risk businesses. High risk businesses have a tendency to have a high failure rate. Those people concluded early on that therefore the government is subsidizing failure and they do not want that. They want the government to not spend that money and to lower their taxes instead, leave the money in their pocket and they will look after themselves very well, thank you very much. That is in P.E.I., in Nova Scotia and in New Brunswick and Newfoundland. Those provincial governments, Newfoundland and New Brunswick, are cutting with real cuts, unlike this government.

Government red tape, involvement and intrusion are all driving up costs and driving investment out of the country. The government may laugh and think it has have the perfect plan but sadly and faster than we realize capital is leaving the country. The global market has shrunk the opportunities to having it as quick as pushing a button on a computer. We can move products, goods, services and the dollar signs simply go from one account to another and Canada is not participating. Canada is blind with its cumbersome, complicated, convoluted Income Tax Act and we are missing opportunities.

We need lower taxes and a new tax system, a flat tax with high and good personal exemptions and no double taxation. It is funny that when we deal with other countries such as the United States on NAFTA we send trade representatives with to meet its trade representatives. We negotiate agreements with them. What do we do? We eliminate double taxation. We lower tariffs. We look at ways of stimulating more competition. We look at ways of helping business. When the government comes back to Canada to its own people and businesses it raises taxes and keeps double taxation. That is hypocritical. Why does it not have its trade representatives negotiate with the finance minister and get it changed?

What we need is a simplified taxation system that reduces compliance costs and makes everybody more willing to participate and able to participate in stimulating the economy.

Bill C-90 amends seizure and notification provisions of the Excise Tax Act to provide enforcement officers with greater discretion. Previously customs officers had to seize vehicles if contraband tobacco was discovered. This bill will allow them some discretion. However, I do not know if this discretion is the answer for some of these officers in light of a couple of stories about senior citizens from the States travelling to Canada and being treated like terrorists for a bottle of pepper spray used to

fight off attackers. Another couple was recently forced to pay \$18 of tax on \$12 worth of wine and beer.

Bill C-90 is a disgrace for the Liberals. They claim they are not raising taxes. They try to use smoke and mirrors but the finance minister's rhetoric is not fooling anybody. Canadians know how this hurts them. Canadians see it every day. They will not forget at the next election.

The Reform Party is opposed and will always stand opposed to tax increases and we are against Bill C-90.

Mr. Ray Speaker (Lethbridge, Ref.): Mr. Speaker, it is my pleasure in one sense to speak to Bill C-90 but in another sense not at all because what we are talking about is the Liberals following tradition, just as the Conservatives did in the 10 years they were in government, of increasing taxes. That is all we hear and they are following the traditional pattern of new taxes for Canadians.

Here we are after the fact. The taxes have already been implemented and we in the House are asked to stand up and pass a law which puts legislative effect to that action of the government. That is wrong in principle. I cannot believe how the government is able to do that. I know there is precedent for it in this assembly. We witnessed this in the spring session, last fall and the spring before. The government brought legislation forward to legislate some tax act or some act that was already happening in the general public without a legislative authority. In principle that is absolutely wrong. That is one of the first reasons I am saying no to Bill C-90.

• (1710)

There is another reason. We are witnessing government in the pockets of Canadians, government at the table of Canadians and government in the gas tanks of Canadians. The government is a partner and wants to be an ever increasing and intervening partner in the private finances of individual Canadians.

Look at tax freedom day. It is sometime in July before Canadians are free from taxes. They have finally paid their taxes to the government in July of each year. Canadians are working half of the year to pay their taxes to the government. That is wrong. It is suppressive and it is not good for Canada. That is why the Reform Party has said over and over we must reduce the tax load on Canadians. To do that we must first reduce the deficit. That will lead to a balanced budget and responsible spending. That is what must happen.

We talk about the government at the table. During our recent visit to the maritimes we heard all kinds of presentations from people in the maritimes and Newfoundland who told us the representation in that part of Canada is inadequate. There are major problems not being dealt with. They are suppressed by taxes. They were not listened to in terms of gun legislation, in terms of health care, in terms of tougher criminal laws, and the

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list goes on. The inshore fishermen, the mid-shore fishermen and the hand liners all said they tried to tell the government what it should do but it does not listen.

Some hon. members: Oh, oh.

The Acting Speaker (Mr. Kilger): It would seem the hon. member for Lethbridge has as many supporters for his view on his side as there are dissenters on the other side. I am caught in the middle and I am having great difficulty hearing.

Mr. Speaker (Lethbridge): Mr. Speaker, Canadians want to hear what we say in the House of Commons and they certainly want to judge the points of view the various parties have with respect to a variety of issues.

During my visit to the maritimes I had the pleasure of being in Digby County where we met many friends and people who were interested in the point of view of the Reform Party. My wife and I visited one of the restaurants. We had an excellent seafood dinner, at the end of which I was presented with the bill. I looked at the bill and I said to my wife: "Do you realize you and I were not alone at this table? Do you realize there was a third party sitting here with us enjoying dinner? I am sure it was one of my good colleagues from the Liberal Party acting as a phantom".

When I looked at the bill there was GST at 7 per cent, there was PST at 8 per cent and then there was the 15 per cent tip. About 30 per cent of the bill was this third partner sitting at the table, enjoying the food, but taking it back to Ottawa. Not only is the government in the pockets of Canadians, it sits at our table every day, taking things away from us.

Now let us talk about the gas tax.

• (1715)

Let us talk about the excise tax in this bill where government is in our gas tank. It is unbelievable the percentage of taxes that are now in a litre of gas or a gallon of gas, whichever way you want to describe it. The percentage of take is unbelievable. When we drive up to the pump the government says: "You pay for your gas and we are taking this percentage of that revenue that was paid for the gas". If we compare that to what the retailer gets, the percentage is very minimal for the retailer.

After the new excise tax of 1.5 cents per litre of tax was put on, retailers said to me: "We must take that out of our percentage. We cannot increase the price any more. The competition is very keen at the street level. We cannot increase price. Where does the 1.5 cents come from? It comes out of our net profit".

Anyone who has been in the retail business relative to gasoline sales at the pump or has talked to retailers who sell gas from the pump knows the margin is very slim. Many of them say they sell the gas just to get the customer up to the door, that they do not make any money at it but have to make a gain on the other services.

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By this bill and by its act earlier in the spring in the announcement of the budget, the government only hurt small business across this nation.

The chart sent out to all of us in this assembly reads: Where does your gasoline dollar go? The Government of Canada issued this statement on June 27, 1995. It shows gasoline prices right across Canada. In Vancouver a litre of gas is 59.6 cents and the taxes out of that are 48 per cent. The dealer gets about 5 per cent of it. In Calgary taxes are 43 per cent, dealer 7 per cent; in Regina taxes 49 per cent, dealer 6 per cent; in Winnipeg taxes 44 per cent, dealer 7 per cent; in Toronto taxes 52 per cent, dealer 5 per cent, which is even worse; in Whitehorse taxes 32 per cent, dealer 10 per cent, which is perhaps a little more reasonable and maybe that is the right place to live; in Saint John taxes 42 per cent, dealer 8 per cent; in Halifax taxes 48 per cent, dealer 6 per cent; in Charlottetown taxes 44 per cent, dealer 9 per cent; in St. John's taxes 47 per cent, dealer 7 per cent; in Yellowknife taxes 34 per cent, dealer 13 per cent.

The major portion of the gasoline price is excise taxes. We think there is a cow we can milk continually and increase that tax. I think we have milked it for everything we can. The 1.5 cents per litre is another nail in the coffin of many of the dealers across Canada and the retailer is suffering the consequences of this legislation.

I could talk about the consumer or the person who needs gasoline to go to work, to carry out business in and across Canada. Those people are hurt in a very drastic way. I have heard it being said by the Bloc members, I have heard it from the Liberal members, I have heard it from my colleagues here as Reformers that if we are to improve the economy of Canada it will be the small businessman. The small businessman will do it for us.

When we enact increases in excise tax of 1.5 cents per litre on gasoline it is obvious what that would do to small business across Canada. It only suppresses them. It does not allow them to have that capital to reinvest or to do other things. The government has made a move here contrary to the rhetoric I hear from the Minister of Finance who says the economy will grow, we will help small business and it will be the engine for our economy. I hear him saying all those things with the wave and the gusto of his arms. Here is a policy that cuts the cloth in a negative way.

• (1720)

How can we support this? We cannot. The Reform Party is against it. We will vote against Bill C-90.

Mr. John Richardson (Perth—Wellington—Waterloo, Lib.): Mr. Speaker, I rise to conclude on the government's behalf the section on Bill C-90.

Bill C-90 is just the legalization or legitimization of items covered in the 1995 budget in the areas of air transportation tax,

excise tax on gasoline, and the marketing requirements for tobacco products sold in Prince Edward Island in order to sort the problems out there and to allow for sale the Nova Scotia marked tobacco products. As well, there is a seizure notification provision with respect to offences under the excise tax which will improve the efficiency and effectiveness of the enforcement activities.

This is basically a housekeeping bill that follows up and has to be done to legitimize and formalize our budget process. It also contains important changes with respect to the excise tax rates for tobacco products for sale in Quebec, Ontario, and Prince Edward Island. The amendment contained in this bill will give legislative effect to the modest federal excise tax increases that were announced earlier this year in conjunction with the provincial tobacco tax increases.

No one who sat through this modest tax increase likes it, but this kind of tax was a restructuring type tax. These taxes are necessary to sort out.

The air transportation tax will increase the maximum air transportation tax on the higher domestic and transborder air travel in Canada from \$50 to \$55. This is not a significant amount, but it would assist in underwriting the loss leading operations we have in running our international airports and the airports in Canada.

Gasoline taxes are needed to keep up the Trans-Canada Highway and other vital routes in the movement of goods and services in Canada.

The government taxes were modest in reference to the budget and were based on the need to service our airports and roads across Canada and to restructure some of the taxes in some of the provinces as well as the tobacco selling in Prince Edward Island.

The Acting Speaker (Mr. Kilger): Is the House ready for the question?

Some hon. members: Question.

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

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Kilger): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Kilger): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion the yeas have it.

And more than five members having risen:

The Acting Speaker (Mr. Kilger): Call in the members.

And the bells having rung:

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 45, the division on the question now before the House stands deferred until Monday at the ordinary hour of daily adjournment, at which time the bells to call in the members will be sounded for not more than 15 minutes.

• (1725)

Mr. Boudria: Mr. Speaker, on a point of order, I thought I heard the Speaker indicate that the vote would be at the hour of ordinary adjournment. I was under the impression we had agreed to have that vote at 6 p.m. In any case, I think you would find that is the agreement we had made and what we had indicated. There is already a vote at 6 p.m.

The Acting Speaker (Mr. Kilger): Is there unanimous consent that the hour be set at six o'clock?

Some hon. members: Agreed.

Mr. Milliken: Mr. Speaker, I think you might find consent to call it 5.30 p.m.

The Acting Speaker (Mr. Kilger): Is there unanimous consent?

Some hon. members: Agreed.

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[English]

CRIMINAL CODE

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.) moved that Bill C-260, an act to amend the Criminal Code (replica firearms, theft, import or unlawful use of firearms) be read the second time and referred to a committee.

She said: Mr. Speaker, I have been involved with the gun control issue for almost three years, since the Reform Party asked me to chair a subcommittee on the issue in January 1992. Prior to that date I was blissfully unaware of the topic, since I was not personally affected by the legislation. Since then I have found it to be one subject that evokes a great deal of passion whenever it is debated. Much of the argument is dominated by those who take extreme positions on either side of the argument. That is probably why I was asked to chair the Reform Party subcommittee on the gun control issue.

I do not now own nor have I ever owned a firearm. I do not hunt, target shoot or collect guns, nor would I allow one in my house. However, having spent 15 years living in northern

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Alberta, I recognize that for many people, especially those living in rural Canada, a firearm is a necessary tool in their daily lives.

With this background I set out with four colleagues to examine the question of gun control. I reviewed the legislation that is in place now. I received a number of briefs from organizations like the Gun Control Coalition and the National Firearms Association and countless groups in between. I spoke to Canadians from coast to coast to coast, pro and con. I learned very quickly there is little common ground and I admit that it is likely impossible to come up with a gun control bill that would satisfy everyone. The solution became a little more basic: to address the problems caused by firearms in our society.

With very few exceptions, the central concern everyone has about firearms is their criminal use. People are concerned about the number of crimes that are committed with guns. They are frightened about the apparent increased willingness of criminals to use guns, and they are terrified to hear about random drive-by shootings like the one that killed Nicholas Battersby here in Ottawa last year.

In other words, people wanted the government to enact legislation that would deter criminals from using firearms. In response to those concerns we heard the justice minister making statements last year that he believed only police officers and soldiers should have guns. One can imagine how legitimate gun owners felt when they heard comments like this from the new justice minister.

It was apparent that alternative legislation needed to be drafted. I approached the police and crown counsel and asked them what legislation they needed to assist them in combating the illegal use of firearms. I listened to the current shortcomings of section 85 of the Criminal Code and heard how these weaknesses had led to charges under section 5 frequently plea bargained away. I felt that with improved legislation in section 85 we would be taking a giant step in deterring the criminal use of firearms. On June 15, 1994 I introduced Bill C-260. I remind the House that the government's Bill C-68 was introduced eight months later on February 14, 1995.

• (1730)

Bill C-260 addresses the weaknesses in section 85 and creates new offences for the theft and possession of stolen firearms, the illegal importation of firearms for criminal purposes and makes an individual who illegally sells a firearm that is subsequently used in criminal offence a party to that offence.

Under Bill C-260 anyone convicted of using a firearm in the commission of a criminal offence would receive a minimum five-year sentence consecutive to any sentence for the crime itself. For a second offence the penalty would increase to a minimum 10-years consecutive.

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These minimum sentences would be a real deterrent for any criminal who chose to use a firearm. Not too many criminals would be prepared to risk that additional five-year minimum sentence.

Similarly, the new subsections created by Bill C-260 would also have had a deterrent effect. Today a break and enter conviction usually nets an offender probation or at most, a sentence of up to six months. However, if during that break and enter the offender happens to steal a firearm, that criminal would suddenly be facing a minimum three-year prison sentence, an effective deterrent, as is the minimum three-year sentence for those illegally importing firearms for criminal purposes or illegal resale in Canada. The last subsection of the bill would make those individuals who provide the guns illegally to criminals responsible for their illegal acts. These individuals play an integral role in the commission of these crimes so they should be made a party to those crimes.

Another issue that the bill addresses is the inclusion of replicas in section 85. One reason that section 85 charges seldom succeed is the existence of replica firearms. Currently the crown must prove that the weapon used in the commission of an offence meets the legal definition of a firearm. This is only possible in those instance where the accused is immediately arrested with the firearm still in his or her possession or if a shot is actually fired during the commission of the crime. If neither of those things happens, the crown cannot prove it is a firearm and therefore, no conviction under section 85.

Bill C-260 just requires that the object used in the offence appears to be a firearm. The bank teller who has a firearm shoved in her face during a robbery is just as terrorized by a replica as she would be by a real firearm.

That is the bill, a bill that addresses the problem of the criminal use of firearms, a bill that could be called gun control and crime control. It is not what the government wanted. It wants to control the firearms in the hands of law-abiding citizens so the government gave us Bill C-68.

Only about 20 per cent of Bill C-68 deals with the criminal use of firearms, although the other 80 per cent of the bill will likely make criminals out of a lot of otherwise law-abiding firearm users.

While the section of Bill C-68 that deals with increasing the penalties for the criminal use of firearms has been loudly touted by the government as a get tough policy, it will in reality become a paper tiger.

In British Columbia today the average sentence for a criminal convicted of using a firearm during the course of a robbery is five years. Bill C-68 introduces a minimum sentence of four years. How is this going to deter anyone?

In addition, Bill C-68 introduces a new section to deal with replica firearms. The only problem is that it is now up to the crown to prove that the object used in a crime was either a firearm or a replica. In most cases it will be able to prove neither so the legislation will be used as infrequently as it is today.

I have no difficulty in defending my Bill C-260 compared to the Liberal Bill C-68. I targeted the criminal who uses a firearm during the commission of an offence. The government targeted the legitimate gun owner. This is an example of the basic philosophical difference between Reformers and Liberals. We get tough on criminals. The government gets tough on ordinary Canadians.

• (1735)

Mr. Russell MacLellan (Parliamentary Secretary to Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, on June 13, 1995 the House gave third reading to Bill C-68, an act respecting firearms and other weapons. Bill C-68 is comprehensive legislation concerning firearms which has been extensively researched and debated by members of the House and the House of Commons Standing Committee on Justice and Legal Affairs. It is now being studied by the Senate Committee on Legal and Constitutional Affairs.

Bill C-260, which was presented by my colleague from British Columbia, who previously spoke, is a bill which I believe is basically similar to Bill C-68. Bill C-260 was introduced before the Minister of Justice introduced Bill C-68 and the hon. member might have introduced a different bill had the provisions of Bill C-68 been known to her at the time.

I want to examine the differences between the two bills. I will start with the issue of mandatory minimum sentences.

Section 85 of the Criminal Code now provides for a minimum term of one-year imprisonment for the use of a firearm in the commission of an indictable offence and three years for any subsequent offence, in addition to the sentence imposed for the underlying offence. The maximum is 14 years.

Concerns have been expressed with respect to the way section 85 has been operating because of the large number of charges which have resulted in acquittal or in the charges being withdrawn. Sometimes section 85 charges are withdrawn as a plea bargaining mechanism. Bill C-68 will address the problems relating to section 85 of the Criminal Code.

Specifically the bill states expressly under each of the 10 selected serious offences that the offender will be subject to a mandatory minimum sentence of four years imprisonment if the offender uses a firearm during the commission of the offence. The penalty for using a firearm is blended with the penalty for the 10 offences to which this applies: causing death by criminal negligence, manslaughter, attempted murder, causing bodily

harm with intent to wound, sexual assault, aggravated sexual assault, kidnapping, hostage taking, robbery, and extortion.

When in force Bill C-68 should eliminate the abuses tied to the existing application of section 85 of the Criminal Code, while Bill C-260 would not solve these problems.

I believe the intention of the hon. member is to get tougher on criminals who use firearms in the commission of an offence. In fact the minimum penalties found in her bill would treat offenders who use firearms to commit serious offences more leniently than Bill C-68. Her bill would simply subject all persons who commit offences with firearms, regardless of the severity of the crime, to a three-year minimum prison term, while Bill C-68 ensures that persons convicted of serious violent offences committed with a firearm receive, at a minimum, a four-year prison term.

• (1740)

Bill C-68 also addresses in a comprehensive and effective fashion the problem of replica and imitation firearms. Bill C-68 defines a replica as a device that is not in itself a firearm but is designed to resemble “precisely or with near precision a real firearm”. In contrast a device such as a toy water gun that clearly does not resemble in the last detail a real firearm is not a replica but an imitation firearm. Because replicas are virtually indistinguishable from real firearms, their future sale, purchase and importation will be strictly controlled under Bill C-68 while imitation firearms, such as toy water guns and the like, will continue to sold in stores.

When it comes to a crime, the potential danger is very high, whether a real firearm, a replica or an imitation firearm is used. Bill C-68 will solve evidentiary problems which now exist because of the current section 85 in the Criminal Code. Section 85 encompasses only real firearms. Bill C-68 will include within section 85 real firearms, imitations and replicas.

Bill C-260, presented by the hon. member, would punish offences committed with replicas but not with imitation firearms. Moreover the bill would do nothing to control dissemination of replicas in Canadian society. In effect, Bill C-260 would only come into play after someone had been hurt or killed while Bill C-68 includes preventive action against violent crime by controlling the availability of replicas and imitations.

I will speak to the new offences that the hon. member proposes to add to the Criminal Code. The actions the hon. member seeks to criminalize are already included in Bill C-68

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or in the current Criminal Code. For instance, clause 96 of Bill C-68 makes it an offence to possess a firearm or other weapon that the person knows was obtained through the commission of an offence.

As well, the Criminal Code currently contains an offence for theft and clauses 103 and 104 of Bill C-68 already include offences for illegal importation of firearms. These clauses also include illegal exportation of firearms and therefore are more comprehensive than the ones proposed by the hon. member.

Bill C-260 presented by the hon. member would increase the mandatory minimum sentence for these two offences from one year to three years' imprisonment. The House indicated it to be an appropriate punishment for various firearms offences in Bill C-68 that a one-year minimum sentence is stiff, demonstrating the potential lethal nature of firearms and the danger their illegal and unsafe possession pose to Canadian society. At the same time it is not so harsh as to encourage judges and juries to find ways around them where some sympathetic factual circumstances exist.

These minimum sentences are very important. We want to send a message about the illegal use of firearms.

Keeping people in prison is costly and raising minimum sentences from one to three years, as the hon. member suggests, would cost Canadian taxpayers an enormous amount of money. Moreover, where the facts warrant I am confident that judges and juries will impose harsher sentences. We have to have some faith in our judges and juries. There is a role for minimum sentences but basically the length of the sentences and the incarceration must rest with our courts.

• (1745)

The hon. member proposes to make a person who improperly sells a firearm liable for subsequent criminal actions committed by the purchaser of that firearm. In other words, a person who does not check for a firearms licence before selling the firearm would not only commit a serious offence of illegal transfer but if the buyer commits a murder Bill C-260 would make the seller liable for the murder or murders as an accomplice, even though the seller knew nothing of the purchaser's murderous intentions. Such a result seems to me to be out of proportion with the seller's culpability.

Moreover, based on the jurisprudence of the Supreme Court, it would also be contrary to the Canadian Charter of Rights and Freedoms because criminal liability would not be imposed, not on the intentions of the accused to commit criminal acts and the

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actual doing of these acts but also on the actions that the person did intend and did not foresee.

I cannot support that provision. There are severe penalties in Bill C-68 for illegal transfer. These penalties do not have the risk of contravening the charter of rights and freedoms.

I appreciate what the hon. member is proposing. A lot of what she is proposing is included in Bill C-68. The areas that are not I do not think add anything other than potential contraventions of the charter and completely reducing the authority of our courts in very important areas.

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, we just heard how Bill C-260 has been taken care of by government Bill C-68, a bill that I am not at all convinced has done much good for Canada.

The member for Surrey—White Rock—South Langley has produced a bill very specifically directed at the criminal misuse of firearm. This is where Canadians hope we will direct our efforts. Reformers want cost effective gun control directed at criminals that will be complied with by the Canadian population.

A couple of weeks ago I had an opportunity to be in Labrador and to exchange ideas with a number of individuals. Labrador is a spot where there are few people in a very large area, some 33,000 people. Virtually everyone in Labrador has a firearm, every home has a firearm. I was fascinated to listen to their responses to Bill C-68 and how they received it. They received it much like the people in my own home community, with some suspicion and some misgivings.

A fellow told me a story. Members of the RCMP used to do their policing in Labrador. The Newfoundland constabulary came in and replaced them. The new constables gave out tickets very regularly for putting a shotgun on one's shoulder and driving it out to the tundra on a snowmobile. They could not believe their ears. They wondered how else they were to get out to hunt the ptarmigan but with their shotguns over their shoulders and off they go on their snowmobiles. What did the constables think they would do? This was a normal reaction for people in Labrador. They resisted the constables. They said: "You cannot give us tickets for that. We will all be law breakers".

If somebody carried a shotgun over his shoulder down Bank Street he would be considered a criminal. It is inappropriate in this community. What I am getting at is that the individuals in Labrador have a very strong need for firearms. Giving them tickets and putting them under Bill C-68 for an activity that is normal for them is foolish. They reacted with surprise. They reacted with frustration. They reacted with resentment. They would not comply.

• (1750)

On Bill C-68 I had individual after individual tell me they would not comply. They would not register their firearms. They all agree with the portions of Bill C-68 directed toward criminal misuse. They virtually all disagree with that portion of the bill directed at gun registration.

How did they respond to Bill C-68? They said their member would not listen. They said when they phoned his contact person he argued with them and did not listen. They said their member of Parliament voted against their wishes. They said they could bring him there for a forum with 33,000 Labrador residents who would tell him unanimously that they do not want this bill. This bill is not wanted in Labrador.

They started out puzzled. They then had disbelief that this could happen. Some government members listened to their constituents and were punished for following the wishes of their people. They asked me whether I thought what those members did was democratic and whether the punishment was undemocratic. Then they said that there was nothing they could do. One fellow said that my party was first off against gun registration. He asked if a member of my caucus was directed by his constituents to vote for it and what happened to him? He was given a hearty handshake for doing what he was elected to do, doing what he came to Ottawa to do, that is represent his constituents.

They were no longer puzzled with disbelief. There was a spark of hope, a spark of enthusiasm. They asked me what they could do, how to organize and how to approach Bill C-68 with a different group of individuals.

There was a very plain message there for the government. Canadians expect their representatives to listen to them and to follow their wishes, especially on a bill like Bill C-68 that was not discussed in the election campaign. There was no mandate for Bill C-68 during the election campaign. It would be entirely different if it was a big plank of the Liberal platform. It was not.

Whom can we listen to? We hear that the police support the bill. I want to tell a short story about a policeman. He started in police work some 25 years ago. He caught a guy with a gun in his trunk. He was pretty sure he had robbed a safe. He could not prove it, but the gun in his trunk gave him two years "in the clink", in his words. He is a pretty basic buy.

He had just retired as an RCMP officer. A couple of weeks before retiring he caught a bank robber. The guy shoved a 357 magnum in the mouth of the bank manager and locked him in the safe, scared him so bad that he quit his job. He was so frightened that he quit his job. He could not function as a bank manager any longer. The bank robber was caught. It was witnessed. There was no question. What did he get?

• (1755)

Ms. Meredith: Six months.

Mr. Hill (MacLeod): He got an eight-month suspended sentence.

Officers in Canada tell me that Bill C-68 will not work unless the public supports it. We need laws in Canada against criminal misuse that will be enforced by our police and enforced strongly. Bill C-68 fails.

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, it gives me a great deal of pleasure to speak on the bill presented by the hon. member for Surrey—White Rock—South Langley. I hope all members of the House recognize the merits of the bill and support it.

As Reformers we believe public safety is the number one priority. Our goal is to prevent violent crime while not unduly restricting the activities of legitimate firearm owners. I firmly believe the existing controls on law-abiding, responsible firearm owners are more than enough and no further controls are necessary to ensure public safety. I reiterate that I do not think further controls are necessary for law-abiding gun owners.

The bill focuses on the criminals who use guns and replicas of guns during the commission of crimes, not on law-abiding gun owners. The hon. member is to be commended for presenting such a common sense bill which focuses on the root cause of crime, criminals. The justice minister should take note.

The bill, if passed, will send a clear message to criminals that the use of guns in the commission of crimes will not be tolerated. It increases the minimum penalty for a first offence from one to fourteen years, as it is now, to five to fourteen years and the sentence is to be served consecutive to the sentence for committing the crime. On the second offence the penalty increases from three to fourteen years to ten years to life.

It sets out a new offence for the theft of a firearm punishable by a penalty of three to fourteen years. It states that subsequent sentences are to be served consecutively. That is a key difference between this bill and Bill C-68 where there is no consecutive sentencing but rather concurrent sentencing. For that reason those sentences are not really what is indicated.

As well the bill provides for a new offence for unlawful importation of firearms for the purpose of selling or using them in the commission of an offence. The penalty is three to fourteen years. This common sense bill will help to prevent and deter crime.

Why am I so sure of what the bill will accomplish? As I said earlier, it focuses on the root cause of crime. How many times have we heard the Liberals talk about focusing on the root cause of crime? Usually the root cause of crime according to the Liberals is a whole series of things having to do with the

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background of the criminal. However the root cause of crime is one thing, the criminal, and the bill focuses on the criminal.

Once again I am reminded of Ted Byfield's editorial in the September 11 issue of the *Alberta Report*. In the editorial he refutes the notion that criminals are not responsible for their actions and that society is to blame. He cites the example of New York City and the dramatic decrease in crime experienced as a result of a police crackdown on petty crimes.

The police took the advice of two criminologists—it is very unusual to group criminologists together—who believed that cracking down on so-called petty crime would send a message on what behaviour would or would not be tolerated. The new chief of police in New York City focused on the root cause of crime, the criminal.

• (1800)

When the experiment worked, and it worked extremely well, the old school criminologists were less than pleased because it meant that crime is somehow a voluntary action and therefore the criminal can control what he or she does, contrary to what the Liberals have been saying for some time in the House over the past 30 years. This completely blew their theory that a criminal is not responsible for their actions right out of the water.

I relate this bill back to Bill C-260. This bill focuses on what I also believe is the root cause of crime, criminals. This bill sends a clear message to criminals that the use of guns in the commission of a crime will not be tolerated.

Thinking about this common sense bill I am reminded of the other gun legislation debated in the House quite a lot over the past year. That legislation, Bill C-68, focused on guns and law-abiding citizens who use and own guns. The cornerstone of this legislation, the national gun registry, will not affect criminals.

I know of very few criminals who will register their guns. Instead of dealing directly with criminals, the justice minister's legislation ignores the criminals completely and concentrates on the law-abiding citizens.

Should not the purpose of legislation be to deter and prevent crime? If this is the case it will come as no surprise the Liberal gun control bill will not help to reduce or deter crime. The justice minister on several occasions has been asked to demonstrate to the House that the gun registry would actually reduce crime.

Despite repeated requests in the House during debate, during question period and by letters from groups in my constituency and in other constituencies across the country the response from the justice minister has been that the answer should be sufficiently obvious. This is his favourite phrase. It should be sufficiently obvious that a gun registry will help to reduce crime.

I wonder who it is sufficiently obvious to. Certainly not to the people who talk to me in my constituency and right across the country, most recently in Prince Edward Island. The people of

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Prince Edward Island made it abundantly clear to me last weekend they do not see the connection between a gun registry and preventing crime as being sufficiently obvious.

I have an article from the *Globe and Mail* dated September 20 entitled "Gun registration won't stem crime":

A federal council on crime and safety supports universal gun registration but doubts it would do much to stamp out criminal activity. The national crime prevention council said that it backs the federal gun bill, including the plans to register all owners and their firearms.

The crime prevention council is a group of Liberal appointees. This is a quote from the submission from this Liberal group: "The system is, however, a costly and complicated proposal which may have a relatively limited impact on the prevention of criminal activity or victimization". This is from a submission by this Liberal commission—Liberal thinking at its best. I have heard an awful lot of that over the past few months in the House.

This clearly sums up the difference between the Reform Party and the Liberal Party and their special interest groups. Reform targets criminals who use guns; the Liberals make criminals out of law-abiding citizens. On the one hand the government has presented us with a bill that wants law-abiding gun owners to register their guns. These same law-abiding gun owners will face punishment if they do not register their guns, and many of them will not register their guns. No government can force people to obey a law they never wanted. Who asked for this law?

• (1805)

Bill C-260 is a common sense bill which focuses on criminals who use a gun in the commission of a crime. It sets out harsh penalties for the offences and thus sends the message that this type of behaviour will not be tolerated.

I am proud to support the bill, presented by the hon. member for Surrey—White Rock—South Langley. I thank her on behalf of Canadians across for the effort. I look forward to support from all parties.

Mr. Myron Thompson (Wild Rose, Ref.): Mr. Speaker, a few months back when I was in Kelowna one of the Liberal members and I debated Bill C-68 in front of a crowd of about 400. I felt sorry for her because there were no supporters at that gathering for Bill C-68.

Before the debate started they brought in an RCMP officer who went through section 85. The officer wanted all the people to know what was now in the law pertaining to guns. It took him over an hour to go through all the laws related to guns presently in the Criminal Code. I could not believe all of the things that apply not only to criminals but to law-abiding people. I commend my colleague from British Columbia for being able to find

a flaw in there which really addresses what we need to address, the criminal. I applaud her for coming out with this bill long before we saw Bill C-68.

Her bill is pretty small but it has a lot of meat in it. She probably has an underpaid staff that did a little work and managed to come up with it. The enormous justice department managed to come out with about 190 pages. It called it Bill C-68, the answer to all our problems. It was accomplished by who knows how many highly paid senior bureaucrats, probably all with many degrees in law. They are brilliant people who suddenly out of the blue sky had all the answers to our problems regarding law and order. They would straighten it out.

When I remembered that presentation by the RCMP officer I found it unbelievable how many laws were already on the books. Really what makes it most unbelievable is to come out with a new bill of which 80 per cent applies to law-abiding people.

All this morning and yesterday we debated amendments we wanted to make to Bill C-45. We wanted to get restitution for victims. No, said the Liberals. That did not pass. We wanted to have a review of parole decisions which were not good. A mistake was made, the guy was paroled and he killed again. We think there should be a review. No, said the Liberals. They were little common sense things we wanted to do for the victims, for the innocent of the country.

Instead the Liberals came out with about 190 pages, 80 per cent of which attacked the innocent and the potential victims. Instead of addressing the criminal in all of those pages, with all the high paid lawyers working in the justice department, all of these geniuses, all of these champions of the people, they came out with that while my colleague and a couple of staff came out with something which absolutely makes sense and which I guarantee Canadians want. It attacks the criminal. I really applaud her.

• (1810)

My colleague says it is just duplicating what is there. This bill was presented eight months before Bill C-68 probably was even thought about. I take that back. It had to take those bureaucrats at least a year and a half to make that bill. After all, we have to keep them employed. That is part of job creation, to put a bunch of gobbledegook together and sell it to the public and then sit back and blow your horn that you have really done a great thing.

We are trying to address crime. We are trying to fight criminals. My colleague across the floor talked about how it costs so much money to keep these people in prison. It is such a burden and we cannot afford it. I did a little research from the solicitor general's department. In federal prisons about 65 per cent are violent criminals and 35 are not. In provincial prisons it is the reverse.

With my little back in the mountains brain I tried to calculate that and it sounds like it comes out about half and half. Fifty per cent are violent and 50 per cent are non-violent.

Then I remembered the years I worked voluntarily in prisons, counselling and trying to help young people particularly. A number of 18 and 19-year olds in there were not violent. I could not understand why they were sentenced to prison for as long as they were because they were not violent. There were better things we could have done with these young people. The amazing part about it was most of these young people were in jail because they had a drug problem. If they were not into drugs they would not have been in the problems they were.

What is our justice system doing? We are putting those kinds of people behind bars, we will rehabilitate them, fix them up. Guess what? As I visit every prison across the country I find out by talking to inmates and guards, as will anybody on that side of the House if they do the same, that it is 10 times easier to get drugs in a prison than it is on the streets of the communities.

We have a drug problem. We are putting them in a situation in which it is easier to get drugs than anywhere else. Then six or seven years later we will put them back on the streets. They have gone through X number of programs because they know how to jump the hoops, but we have not taken the drugs away because we cannot control it.

That is not the Liberal way. Let us not get tough on things like that. Let us come out with a big document that says: "You farmer, you duck hunter, you rabbit hole shooter, you gopher shooter, you are the guys we will have to take care of. You have to start registering these things. It is a problem".

The next day we hear the Ontario attorney general saying: "Good grief, the trucks are coming through. We are not stopping them. They are being driven by criminals". They do not even know what is in them. Probably guns.

Then we go out to another border and the boats are coming across with nobody to stop them. The standing orders are if the boat sets at this angle it has probably got booze. If it is at this angle it has probably got guns. If it is at this angle it has probably got drugs. They have no way of controlling it.

To produce Bill C-68, which will do nothing about those kinds of problems, it will probably cost millions. Why not put those millions into border patrol and starting fight crime? That is what the member is wanting to do with her bill. Start fighting crime and quit being so picky over replicas. Walk down the street sometime and if somebody comes up behind you and you do not see them and they stick a pencil in your back and say: "Give me your wallet or I will shoot", I will guarantee you will go through a trauma. It might as well be a .38.

It is the actions they do, these kinds of people. It is those kinds of people we want. Let us get them into jail. Let us look for alternative programs for those who do not belong in there. Let us genuinely start helping those who are helpable and let us start

putting those away who are violent and dangerous and keep them where they belong. It would probably save lots of money there as well.

Do not write any more documents. That is enough of that. All morning long the victims were denied help from the government. All afternoon on Bill C-45 victims were not even talked about by this government. Thirteen Reformers stood in the House and defended the rights of victims. Not one on that side stood and did the same. Instead they voted all those motions down.

I just bet they will vote this motion down. I will bet on it right now, because it just makes sense. It is what Canadians want. They do not use their heads. They listen to the little front row people. Their strings are pulled, the puppets jump up, and they support. That is what has to stop. I am tired of it. Canadians are tired of it. Let us get to work. Let us start fighting crime and quit being so ridiculous.

Ms. Catterall: Mr. Speaker, I rise on a point of order. Debate throughout this day and particularly the speech we just heard and the final remarks from the member for Wild Rose have been permeated with questioning the motives of other members of the House. I believe that is contrary to proper procedure in the House.

I ask, Mr. Speaker, that you take that under consideration and report back to the House on whether members should be encouraged to avoid questioning the motives of other members.

I have a side comment. The other side again made the same error, I believe, accusing me of having a guilty conscience. I go home and I sleep just fine at night, thank you very much.

The Acting Speaker (Mr. Kilger): I thank the hon. member for her intervention. I have been following the debate very attentively. My recollection also allows me to think back to a few months ago when a debate on the same issue raised some very strong views. I find the comments made today were a matter of debate and not a point of order.

There being no further members rising for debate and the motion not being designated as a votable item, the time provided for the consideration of Private Members' Business has now expired and the order is dropped from the Order Paper pursuant to Standing Order 96.

Mr. Boudria: Mr. Speaker, I think the House would consent to calling it 6.30 p.m.

The Acting Speaker (Mr. Kilger): Is there unanimous consent to see the clock as being 6.30 p.m.?

Some hon. members: Agreed.

The Acting Speaker (Mr. Kilger): It being 6.30 p.m., the House stands adjourned until tomorrow at 10 a.m. pursuant to Standing Order 24.

(The House adjourned at 6.18 p.m.)

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