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(HANSARD)

Monday, September 18, 2000

Speaker: The Honourable Gilbert Parent

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HOUSE OF COMMONS

Monday, September 18, 2000

The House met at 11 a.m.

Prayers

• (1100)

[*English*]

VACANCY

OKANAGAN—COQUIHALLA

The Speaker: It is my duty to inform the House that a vacancy has occurred in the representation, namely Mr. Jim Hart, member for the electoral district of Okanagan—Coquihalla, by resignation effective July 19, 2000.

[*Translation*]

Pursuant to subsection 25(1)(b) of the Parliament of Canada Act, I have addressed on Wednesday, July 19, 2000, my warrant to the Chief Electoral Officer for the issue of a writ for the election of a member to fill this vacancy.

[*English*]

KINGS—HANTS

The Speaker: It is my duty to also inform the House that a vacancy has occurred in the representation, namely Mr. Scott Brison, member for the electoral district of Kings—Hants, by resignation effective July 24, 2000.

Pursuant to subsection 25(1)(b) of the Parliament of Canada Act, I addressed on Monday, July 24, 2000 my warrant to the Chief Electoral Officer for the issue of a writ for the election of a member to fill this vacancy.

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BOARD OF INTERNAL ECONOMY

The Speaker: I have the honour to inform the House that Mr. John Reynolds, member for the electoral district of West Vancouver—Sunshine Coast, has been appointed member of the Board of

Internal Economy in place of Mr. Jay Hill, member for the electoral district of Prince George—Peace River.

PRIVATE MEMBERS' BUSINESS

• (1105)

[*English*]

CRIMINAL CODE

The House resumed from May 17 consideration of the motion that Bill C-334, an act to amend the criminal code (wearing of war decorations), be read the second time and referred to a committee.

Mr. Gurmant Grewal (Surrey Central, Canadian Alliance): Madam Speaker, after a wonderful summer it is an honour to be back to represent my wonderful constituents. I believe, Madam Speaker, that you and all other members of the House also had an excellent summer. I look forward to a good session of parliament.

On the first day of the session and as the first speaker, I rise on behalf of the people of Surrey Central to support Bill C-334, an act to amend section 419 of the criminal code which will permit the wearing of war decorations by relatives of a deceased veteran on the right side of the survivor's chest. As we know, our military veterans always wear their medals and stripes on the left side of their chests.

The people of Surrey Central would have me begin my comments today by congratulating my colleague, the hon. member for West Vancouver—Sunshine Coast. Not only is he the sponsor of this bill and today's debate, he has also been appointed to the position of chief whip of Her Majesty's Loyal Official Opposition,

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the Canadian Alliance. We are all very proud of our seasoned parliamentary colleague and are confident that he will do a fine job of whipping us up to the next election.

This initiative by the hon. member is not meant to diminish or dishonour the service, sacrifice and valour of our veterans and those who have been awarded decorations. On the contrary, it is meant to celebrate and recognize the sacrifice in this achievement. It is also meant to recognize and acknowledge bravery, gallantry, patriotism and commitment to our nation.

Those decorations must not be forgotten, put away in dusty boxes or drawers or end up in flea markets just because of a 1920 law that established as a criminal offence to wear war decorations unless the wearer earned them. In those days parliament recognized the need for such legislation. The problem was that these war decorations were being sold and it was not uncommon for someone to purchase them, wear them and thereby falsely give the impression of having earned the decorations they had actually purchased. Legitimate recipients of these medals were concerned about protecting the integrity of these military decorations.

By making it a criminal offence for someone other than the original recipient of the award to wear the decoration, Canadian veterans were sustaining the valour, honour and privileges that accompany these military distinctions.

That was then, but this is now. Today fewer and fewer Canadians are able to wear Canada's war decorations. Our veterans are aging and, sadly, are passing on. The declining membership of the Royal Canadian Legion should give us the common sense to help reconsider the archaic law. It is even more startling since 44% of the members are over the age of 65 and, out of those, over a quarter are over the age of 75.

We need to enhance Remembrance Day services by allowing family members to bring out medals on this day and thereby perpetuate the act of remembrance.

My grandfather fought in the world war and was awarded bravery medals. My brothers, sisters and cousins have perhaps forgotten the stories of bravery of our grandfather. The medals he won ought to be the symbol of refreshing the memory of his bravery today, are locked in boxes somewhere or perhaps even lost. It is because no one after him could ever wear them.

• (1110)

On November 11 at 11.00 a.m. Remembrance Day is celebrated in three legions in my constituency. As an MP, I would like to attend the ceremonies at all three places but I cannot. Last year I sent my younger son Livjot to one of the events to represent me.

I think that Remembrance Day should not only be limited to the older people but rather we should encourage our youth to get involved so that they can get motivation from our veterans to become good citizens.

Livjot also gave a very emotional speech on my behalf, which was highly appreciated. My son said:

The 20th century was a violent century. World peace was won but the human cost defies our imagination. The fear, the sorrow and the horror of war was unimaginable. The price tag of peace was war and 110,000 Canadians dead. Those who came back, no matter how wounded in body and spirit, were determined to build on what they left behind. Together they fought a war and forged a nation, a nation we proudly call Canada.

We must learn from the harsh truths of wars past so that we never repeat humanity's mistakes. Let us remember to pass on their legacy to our children and our children's children, as my dad did today. Love and remembrance last forever. There is a link death cannot sever.

That link is by those medals and war decorations that this bill, if passed, will allow the relatives to wear on Remembrance Day.

The time has come to follow the lead of Great Britain, Australia and New Zealand, our Commonwealth partners, which have already amended their laws to reflect the need to unveil these decorations and re-commemorate the valour of those who were awarded these distinctions.

We live in a relatively peaceful era. Today's generation is very lucky in that regard. Canadian youth need to learn the value of these medals, how they were earned, why they are so important and the great costs at which they were won. By allowing the wearing of Canada's war decorations by close relatives and descendants of our war veterans, and the wearing of these decorations in a manner different than that of the original recipient, we would be protecting the honour, valour and privileges that these medals command. This is important because these decorations and the stories behind them represent our heritage.

In the previous hour of debate the only problem cited by the government and the Tory Party was the definition of a relative. Who would be entitled to wear the decoration won by a deceased Canadian war veteran? I agree that this is an important definition.

My colleague from West Vancouver—Sunshine Coast was generous and showed foresight in leaving the definition of relative open to debate and input from the members and the witnesses appearing before the committee. He did not insist on limiting nor overly extending the category of people who would be entitled to privileges should the House pass the bill.

If the government would allow a free vote in the House, it would be possible to modernize an antiquated law. If the House supports the bill then it will be sent to the committee and the matter of the definition of relative can be decided democratically.

I would suggest that the committee consider requiring a red, green or blue piece of material to be worn on the right side of the

chest as a background for the decoration thus denoting that the person wearing the decoration is the first, second or third descendant generation of the person originally awarded them.

I could also suggest that the committee consider establishing a system whereby the person intending to wear the medal must satisfy a requirement that would show they understand the significance of wearing the medal.

• (1115)

Bill C-334 is striving to make arrangements to address these concerns. It is worthy of serious consideration by the House. It is worthy of proceeding to the committee stage so that the outstanding issues can be dealt with.

I urge all members to support the initiative we have with the bill. Let us do the work necessary to examine this matter totally. Let us prepare for the dwindling number of Canadian war veterans who will be among us in the future. Let us prepare to provide the necessary arrangements to allow the direct descendants and survivors of our military heroes to proudly wear the decorations they have inherited. Let us reflect the need of the times in our laws and let common sense actually work.

Mr. Carmen Provenzano (Parliamentary Secretary to Minister of Veterans Affairs, Lib.): Madam Speaker, I also rise to debate Bill C-334.

Wars indeed are a dreadful indictment of humanity's failure to resolve disputes with civility and reason. Wars mean death and destruction and the slaughter of innocents. Unfortunately, our grandparents and great grandparents were to learn of this reality all too well; on the killing fields of Europe and Asia, in the skies above and the seas below, so many Canadian lives lost.

There are so many acts of courage, many known, countless others unknown and untold. I wonder how many Canadians are aware that more Victoria Crosses have been won by Canadians per capita than by citizens of any other Commonwealth nation. In fact, 94 Victoria Crosses have been awarded to Canadians since the Crimean war, medals for valour for individual acts of courage. How can we know how many other actions were never recorded for posterity.

We were reminded recently of the courage of our young men in battle with the return to Ottawa of Canada's Unknown Soldier in late May of this year. He was disinterred from a burial place not far from Vimy Ridge and formally transferred to Canadian officials at the Vimy Memorial.

We saw how, with all the dignity appropriate to the occasion, he was brought back to the nation's capital to lie in state in the Hall of Honour for Canadian citizens to pay their respects. On May 28, 2000 in a dignified and fitting ceremony televised for all Canadians

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from coast to coast, the body of this young soldier was finally given his rightful burial spot at the War Memorial.

Now nearly four months later, if we visit the young soldier's sarcophagus, we will find Ottawans and visitors from everywhere still paying their respects, still talking about the event and still putting fresh flowers on the memorial. That is the true meaning of remembrance.

I would like to address two issues about the bill that came out in the debates last spring. First, it was said that by wearing a veteran's medals on the right side of the chest automatically indicates to an observer that they are being worn on behalf of the memory of someone else, namely the deceased veteran.

The hon. member for Berthier—Montcalm in support of the bill said "We all know that an individual wears the medal that he won on a battlefield on the left side of his chest. Therefore, we would immediately realize if a person wears such decorations on the right side of the chest, that person is not the one who was awarded the decorations, but a relative". This is an inappropriate assumption; in fact, it is an error on two counts.

First, except for those who have served in the military, most Canadians would not make such a distinction. How would they know on which side of the chest veterans should wear their medals? It is not a matter of common knowledge.

Second, and perhaps more pertinent, it presupposes that veterans themselves wear medals on the left side of the chest and never on the right. This is also incorrect. The matter is more complicated than that. Wearing medals on the right does not say anything about the wearer and whether he or she personally earned the medals. Many veterans wear medals that they themselves have earned on the right. These are what could be called unofficial medals.

• (1120)

The rule is this: Official medals are worn on the left; unofficial medals are worn on the right. An official medal is one awarded to a person by the state, while an unofficial medal is one awarded to a person by some other entity. For example, many of the veterans in the parade to install the Tomb of the Unknown Soldier legitimately and correctly wore medals on both sides of the chest. Service medals were worn on the left, and the legion or other veteran association medals and other medals were worn on the right.

The key points are plain. Wearing medals on the right is in no way a valid indicator that the medals are being worn in honour of a deceased veteran. If this bill is passed, wearing medals on the right will then be taken as indicating that the wearer is a relative of a deceased person who earned the medal. These conclusions could be false and would be in many circumstances. Imagine the confusion on Remembrance Day if this bill were to pass.

The other topic that was discussed at some length during the first debate was the issue of what constituted a relative of a veteran

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since the bill is silent on the matter except for the inclusion of an adopted person. Even those supporting the bill admitted this was somewhat problematic. The hon. member for Berthier—Montcalm said this on that item:

The term relative can be confusing, but it could be clarified. Do first cousins qualify, for instance? Is it only direct lineage or indirect as well? The bill could very easily identify what is meant by relative.

If it is so easy, that task has eluded the draftsman. I am not at all sure it is that easy. Does it stop at grandchildren or great grandchildren?

Even the member for Edmonton East, who is from the same party as the member who is sponsoring Bill C-334, admits that defining the term relative is more than a little problematic. He said:

Where the bill could be improved is with respect to defining the term relative. Relative should be defined to mean the widow or widower of a deceased veteran, or a parent, child, brother, sister, grandparent or grandchild, whether by blood, marriage or adoption. Such definition would appear to provide constructive limitation as to which family members could wear the medals. Nephews and nieces and others not as closely connected to the deceased veteran would not be able to honour him or her through wearing the medals.

Not nephews and nieces. That begs the question, what if they are the only surviving relatives? Could they not rightly claim the same honour to pay their respects to a deceased aunt or uncle?

I quote the hon. member again where he said "The definition of relative could be expanded as times change and circumstances warrant". Expanding the term relative over time might create ludicrous circumstances. The minute we open a door to allowing those who did not earn the medals to wear them, no matter how well defined, that door will remain wide open forever.

The member then proposed that we define what sort of honour relatives could wear, suggesting limitation to Canadian or Commonwealth general service issue medals as opposed to ribbons, badges, chevrons, other decorations and orders. This is just another slippery slope.

In a similar vein, the hon. member for Saint John expressed like-minded concerns. She said during the last debate:

Who qualifies as a veteran? Other than specifying that adopted relatives are also eligible to wear the medals, there are no specifications on who is wearing and parading around in those hallowed decorations of honour. There are no checks to be maintained or record of who is wearing the decoration. Will a veteran's third cousin by marriage be wearing medals or decorations, or the veteran's eldest child? Understandably this is a decision to be made by each family if this were to pass, but where is the honour that goes with wearing the medals? Where is maintaining and restraining enforcement? Certainly there must be a status of decorum that must be upheld and I do not see that in this bill.

• (1125)

She hit the nail on the head when she said later in her submission:

I believe that once a medal recipient has passed on, the decoration should be treated as a representation of the service and sacrifice of the veteran who earned it and

displayed as such. I fear that it will be perceived through the passage of time to be a less substantial piece of jewellery just to be passed around.

Exactly. I am delighted she states our position on this side of the House so eloquently. I commend the hon. member for Saint John, who holds the memory of the sacrifice and heroism of our war veterans near and dear to her heart, for taking the time and effort to call the Dominion Command of the Royal Canadian Legion and the provincial command in New Brunswick, both of which indicated their opposition to the bill. She also noted that her family members who had relatives who served felt exactly the same way.

I end with a quote from my hon. friend opposite, the hon. member for Saint John, who said during the last debate:

I do not believe it is up to the House of Commons to determine for veterans who should be allowed to wear these decorations of honour. I believe we should listen to our veterans as to who they feel it should be.

Mr. Peter Stoffer (Sackville—Musquodoboit Valley—Eastern Shore, NDP): Madam Speaker, on behalf of the New Democratic caucus I would like to extend our warm greetings to all members of parliament, their families and the new pages who are with us for this session. We wish them the best of luck. I send my personal congratulations to all and hope that everyone had a great and relaxing summer with their families and are ready to get down to the nation's business.

It gives me great pleasure to speak on this very important matter. I thank the member for West Vancouver—Sunshine Coast for raising it. I am speaking in favour of this bill not necessarily to contradict my good friend from the riding of Sault Ste. Marie, but to understand why we are doing this.

On a historical note, this is the 60th anniversary of the Battle of Britain. It is the 50th anniversary of the Korean conflict. It is the 90th anniversary of our navy. It is the 75th anniversary of the legion. It is the 55th anniversary of the liberation of my country of origin, Holland. Those anniversaries and special dates could not have been accomplished without the assistance of the Canadian people and their military forces at those various stages of our history.

One certain fact is that Canadian children and students know very little about military history. In fact, when veterans go before school kids, usually during the week prior to Remembrance Day, they are astonished at the lack of knowledge Canadians have about their own military history and the individuals who fought so bravely and gallantly in those battles.

Approximately 120,000 Canadians, mostly the same ages as the pages who are here with us, are buried in over 72 countries around the world. There is a historical cenotaph in Lower Sackville, Nova Scotia built from 72 stones. Those stones represent every country in which we have a military person buried, having died as a result

of peacekeeping missions or conflicts. Those individuals died so that we could live in freedom, so that individuals such as ourselves could stand in the House of Commons to voice our opinions and battle with words instead of with fisticuffs. That is what democracy is all about.

I attended the 38th annual dominion convention in Halifax. A lot of the veterans said that the greatest homage is, "We shall not forget them; they shall be remembered". The truth is that a lot of Canadians do not remember because they do not know.

This bill could enable young people and future generations to understand what Canada and its people went through in those battles of yesteryear. We hope and pray that we never have to go through those types of conflicts ever again as a nation, but I do know that our military would be ready at a moment's notice if there were conflicts around the world that needed to be settled.

The unfortunate part is that most Canadians are forgetting. The gatherings for Remembrance Day ceremonies are becoming larger and larger, but that is due to veterans, their families and the legion.

• (1130)

The issue is quite clear. If we do not allow family members or relatives to carry on proudly with the wearing of their uncles', their fathers' or their brothers' medals, that history may be lost. Those medals could eventually end up in a nice cedar box somewhere in someone's attic and left alone and forgotten. The history will be gone forever. That would be a tragic loss.

Some of the nation's most important battles were Vimy, Dieppe and other areas throughout the world. How many people really know the part that Newfoundlanders played in the war effort? They know in Newfoundland, but not many people around the country know that Newfoundlanders fought before it became a province of Canada. When we mention this to young people they say "Oh, really". They did not know this and it is most unfortunate.

When I went to Holland for the 50th anniversary of its liberation the Dutch children knew more about Canadian history than Canadians do. That is a disgrace. That is very shameful. When this is mentioned to veterans, for example at the Camp Hill hospital in Halifax where many of our aging veterans are living out the last days of their lives, they are very sad and remorseful with the fact that Canadians forget them. Even though we stand up every Remembrance Day and say we will not forget, the reality is that time passes and memory lapses. This bill will bring the memory forward and continue to keep it alive.

My mother, father and oldest brother were liberated by Canadians. My father has now passed away, but on behalf of my family and all Dutch citizens around the world I would like to say thanks once again to the Canadian military and the government at that

time for intervening in order to rescue us and allow us to come to this country and live in peace and freedom.

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I promised my father and all military people that I would never forget. I have passed it on to my children so they will never forget, but there is no guarantee that they will pass it on to their children. There is no guarantee that other children will remember the sacrifices made by our military personnel. This bill is one way of encouraging the memory of the very brave and valiant soldiers, the men and women throughout our country, who have passed on to their glory with God.

I encourage all members of the House to carefully consider this bill and understand that there are differences of opinion. There is no question there were differences of opinion when World War II veterans wanted to get into the legion and World War I vets were hesitant about that. There were differences when the Korean vets came back to Canada as to whether or not it was actually a war and whether they could get into the legion. There is debate as to whether or not current serving military personnel, RCMP officers or firefighters, for that matter, can enter the legion.

The legions know it is a sin that they are unfortunately slowly closing down in smaller communities. They are changing their requirements for entry on a regular basis strictly for survival. Some of the larger legions in the larger centres are doing quite well, but they are struggling as well in some cases. Entry was changed for me to become a legion member. My father served in the Dutch resistance but does not have any medals to show for it. If he did, I would be very proud and honoured to wear those medals on Remembrance Day or at other special ceremonies.

If the government looks at the bill carefully and understands the historical aspect of what it is trying to do, I am sure it would reconsider and show support for this very important legislation.

On behalf of my family and the New Democratic caucus we will support this initiative and will continue to debate it as it goes along.

Mr. Rick Borotsik (Brandon—Souris, PC): Madam Speaker, once again let me echo my colleague's comments from Sackville—Musquodoboit Valley—Eastern Shore. In coming back to the House after our summer recess I know that you are happy, Madam Speaker, to see all of us here. I am very happy to see you in the chair.

I am very pleased to speak on behalf the Progressive Conservative Party to Bill C-334 which has been placed before the House. The Progressive Conservative Party supports the rights of families of veterans to honour the memories of their ancestors and their accomplishments. We support Canadian pride in our country's military history, heritage and the sacrifice that has been made on behalf of all Canadians and Canadian society.

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● (1135)

As my colleagues have said, the PC Party is not in favour of this piece of legislation. I do not believe that it is up to the House of Commons to determine for veterans who should be allowed to wear their decorations of honour. I believe that we should listen to our veterans on this very important matter. They made the sacrifices; they earned the medals; and they have the right to make those decisions.

The offices of the Royal Canadian Legion have expressed their opposition to this bill. My party supports their position. They understand the intent of families who believe they can promote Remembrance Day by wearing the medals but the veterans associations do not agree with this action.

The Dominion Command Office believes and states that medals are not symbols of remembrance. Rather they are symbols of service and commitments made by those men and women who were overseas. Medals are very personal, awarded to specific people for specific details and specific sacrifice. They are intended to be worn by the person who earned them.

The intent of the bill is clearly to honour our valiant soldiers and their services. However, if the wearing of another medal is permitted, the possibility that medals will start to lose their significance is strong. We have to be aware that those who are wearing medals earned by others for their special acts of valour could offend some living veterans who proudly wear their medals on Remembrance Day. Is that fair to our proud living veterans of today?

I agree with the member from the NDP Party for Sackville—Musquodoboit Valley—Eastern Shore. One of the most important functions on a yearly basis that I have to attend is that of Remembrance Day celebrations on November 11. I attend because I have personally suffered a loss in the great war. I lost an uncle in that war, an uncle whom I never knew. When I go to Remembrance Day celebrations it is the memory of that man which makes me stronger as a Canadian, knowing full well that I did not have to fight in my lifetime for Canada. My uncle fought. He gave the ultimate sacrifice. He lost his life on my behalf.

When I go to Remembrance Day celebrations I make sure that I take my children to those services. They must remember too. They never had to fight for the country. They have simply been given a gift by the men and women who have gone before us and who made those sacrifices. That is the remembrance we must have for the people who went before us, not to wear their medals on our chest to show people that we remember. We can remember them in many other fashions or in many other ways.

I am certain that many of the people here today have family members who served with distinction and honour. The family members of deceased veterans certainly have the right to remember

the deeds and the valour of loved ones. However I suggest that there are many other ways to honour those veterans than wearing their medals.

A specific problem with the bill is that it does not stipulate who qualifies as a relative. Other than specifying that adopted relatives are also eligible to wear the medals, there are no specifications on who is allowed to wear these sacred decorations of honour. Will a veteran's third cousin by marriage be wearing the decorations of the veteran, or the veteran's eldest child?

Understandably this is a decision that each family would have to make if the bill were to pass. This vagueness brings into question what honour would go with wearing the medals. Where is the maintaining and restraining enforcement? A status of decorum must be upheld, and I do not see it in the bill.

Every November 11 we see veterans marching with their hard earned medal decorations pinned proudly to their chests. On this day of remembrance we acknowledge veterans for the sacrifices they made. If Bill C-334 were to pass, it is entirely possible that we would be acknowledging persons wearing medals they did not earn them and for achievements they did not accomplish. We could not even be certain that these people were the relatives of a veteran. I suggest to the House that this would be demeaning to the veterans who risked and perhaps even sacrificed their lives.

War decorations say something about the wearer. They say "I am proud to have served my country with distinction and with honour". Were Bill C-334 to pass, this message would be muddled. One could not be certain that someone wearing a medal had served in the military or whether the wearer had a parent who had served, or a brother, or an aunt, or a third cousin by marriage.

● (1140)

As the law currently stands the wearing of war decorations is very meaningful. I fear that allowing anyone other than the person to whom the medals were awarded would depreciate the value of the medals and diminish the privilege of wearing them. We need to encourage remembrance of our war veterans. There are many ways to do it. Let us leave the wearing of war decorations as the exclusive right of those who earned them.

I maintain that we let the veterans themselves tell us what they would like to do. It is their honour and it should be up to them to decide if, when and with whom they would like to share it.

As said earlier the party I represent, the Progressive Conservative Party, certainly extends its gratification and gratitude to all veterans for services rendered to our country. It is they who should wear those medals with pride, not I or any other member of the House, unless in fact we earned them on the field of battle or in the service of our country.

I thank the member for bringing forward the legislation. However the Progressive Conservative Party will not be supporting the proposed legislation.

Mr. Chuck Cadman (Surrey North, Canadian Alliance): Madam Speaker, I too wish to welcome the Speaker and my colleagues back to the House after hopefully a summer of relaxation.

I am pleased to rise today to speak to Bill C-334. This initiative by my colleague from West Vancouver—Sunshine Coast would amend the criminal code to permit the relatives of a deceased veteran to wear any decoration awarded to that veteran.

The amendment stipulates that the relative can wear such decorations only on the right side of the chest and would only be permitted to do so on one day of the year, that being Remembrance Day. To do so at the present time would be in contravention of the criminal code.

The current law was written in the 1920s. I can certainly understand why it made sense then. Legitimate veterans of World War I did not want those who did not serve to be able to buy decorations and wear them for personal gain, status or to perpetrate fraud.

The reality of today is that the vast majority of these veterans have passed on. The coming decades will see the passing of the majority of those who served in World War II and Korea. Their decorations for the most part will be relegated to basements and attics, if not lost altogether. They will turn up in flea markets and junk shops where they will be seen as nothing more than just another bauble, their true meaning lost forever.

I do not think this is the way we want to honour the memory of those who are responsible for the freedoms we enjoy today. I will go so far as to say it is offensive, undignified and a dishonour to their memory. They are priceless and should be viewed that way.

This initiative is not intended to diminish the service, the sacrifice or the valour of the recipients of these decorations. It is meant to recognize and perpetuate the memory of their achievements. My hon. colleague has taken this initiative at the request of the relatives of veterans. They fear that the decorations awarded to their family members are being forgotten.

Great Britain, Australia and New Zealand have recognized the need to amend their laws pertaining to this matter and have acted accordingly. I find it somewhat perplexing that Canada has not followed suit. Are we so arrogant as to imply that Great Britain with its long military heritage and tradition is by simply allowing relatives of deceased veterans to proudly parade their decorations on Remembrance Day somehow degrading the memory of those who were all that stood between freedom and tyranny? Are we

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telling Australians and New Zealanders that we harbour more respect for our veterans than they do for theirs?

If I might be permitted to speak in some very personal terms, my father was a veteran of World War II. He did not serve in what some might mistakenly describe as one of the more glamorous capacities of military service. I use the word "mistakenly" because I have yet to meet any veteran who sees anything glamorous about war.

What I mean to say is that my father was not a fighter pilot or a gunner. He was not a paratrooper or a tank driver. He was not a frogman or a commando. No. My dad drove a truck. He was a convoy driver. He signed up in 1939 when the war broke out and mercifully returned home to Canada when it ended six years later.

He met my mother in Holland when Canadians liberated that country. The site of last spring's ceremonies, the town of Apeldoorn, is my mother's home town. It is where they met. She followed him to Canada in 1947.

• (1145)

My father's brother, my uncle, also served in Europe for the entire war and married a Flemish girl.

In the early 1950s my father did a short hitch with the Royal Canadian Air Force and my family spent two years in northern France. As a child, I played in the forests and fields that had been battlegrounds less than a decade earlier. I visited the still fresh cemeteries in France and Holland. To this day I remember standing before the imposing monument of Vimy Ridge. I vividly remember the bayoneted rifle barrels protruding skyward from the dirt of a backfilled trench.

My father's explanations as to what this was all about had a profound impact on me. Neither of my parents spoke much about the war. They did not have to. My mother's traumatic experience of years under the Nazi occupation was evident in her reaction whenever she heard someone speak with a German accent.

I remember once as a teenager bringing a schoolmate home. He was the son of recent German immigrants. He was tall and lean with sharp square features, blonde hair and spoke with a heavy accent. My mother was very gracious to him but after he had gone she asked me not to bring him around anymore if she was at home. She had no problem and no objection to me associating with him but to be in the same room with him was just too much for her. I learned something that day about the impact of war on people.

As for my father, his demeanour every November 11 was silent testimony to his innermost thoughts and feelings. My dad did not receive any special decorations for distinguished service or valour above and beyond the call of duty. He just got the same service medals given to thousands of other Canadian soldiers.

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When he passed away in 1996 my only request of my siblings was to take those medals home with me. They are a constant reminder to me of who my dad was and the debt of gratitude I owe to him and to the tens of thousands of others like him. They also serve as a tangible reminder to me of the oppression and terror suffered by my mother and millions of others under Nazi tyranny. I am sure that many other children and other relatives of veterans could tell very similar stories.

I do recognize that opinion is divided within our veterans' organizations on this issue and I certainly respect the views of those who oppose the wearing of war decorations by any other than those to whom they were awarded. Perhaps that issue could be addressed at the local level through regulation or by some other means. These things could be discussed at committee.

Personally, why anybody would want to deny a spouse, a child or grandchild the opportunity and privilege of publicly acknowledging their deceased relatives' contributions by parading his or her military service decorations on the one day set aside for their remembrance is beyond me in the first place. However, to label that spouse, child or grandchild as a criminal, thereby lumping them with killers, rapists and thieves, is beyond reason. It is ludicrous.

I have heard it said here this morning that it is not up to the House of Commons to decide who should and should not wear war decorations. It is in the criminal code and it is only this place that can deal with the criminal code. What Bill C-334 does is it removes the aspect of relatives of deceased veterans wearing war decorations on Remembrance Day from the Criminal Code of Canada. Persons other than relatives would still be covered under the statute, as would anyone wearing the decorations on any day other than November 11.

I encourage my colleagues in this place to support sending this initiative to the standing committee.

Mr. David Pratt (Nepean—Carleton, Lib.): Madam Speaker, I echo the comments made earlier in terms of welcoming yourself, my colleagues and the House of Commons staff back from a long summer vacation.

I am pleased to join my colleagues to discuss the pros and cons of Bill C-334. I will concede that there are responsible, reasonable and well-intentioned arguments on both sides of the ledger. That is why it is difficult to definitively come down on one side or another. However, making decisions is part of our job and in this case the appropriate decision is in my view to deny passage to this bill.

I certainly can see the point made during the last debate on the bill. Our war veterans are a dwindling national resource. As we start this new century we are losing many of them very quickly. Such are the ravages of time and old age. Slightly more than

400,000 of our war veterans are still with us and of those who are their average age is now approaching 80.

• (1150)

This fact of time and history imposes on us a duty to honour our commitment to remember their sacrifice for now and for future generations. The question that arises is how best to do this.

Bill C-334 takes the position that allowing relatives of deceased war veterans to wear their medals is one way to keep that memory alive. I disagree. My colleagues on this side of the House have already made the case of the legion's opposition to the bill and I believe this to be the strongest argument against the passage of the proposed legislation.

That said, I would like to point to some of the remarks made by the hon. member for West Vancouver—Sunshine Coast during the debate in May. Let me just pick out a few of the comments and questions he raised. He said:

My initiative comes from the relatives of veterans who fear that decorations awarded to their family members are being forgotten and put away in dusty boxes and drawers. They, like me, believe the time has come to move with the times and not let these precious decorations collect dust somewhere.

He later said in his speech:

Why should it be a crime for a relative to want to display the decoration and thus honour their deceased relative?

Later still he said:

Would it not be a positive gesture to remember them by allowing their families to proudly display their decorations as their veteran family members pass on?

Finally, the hon. member stated:

I believe these decorations are a birthright for the family members of those who were awarded them and sadly can no longer display them.

There is absolutely nothing in the current criminal code legislation that prohibits the displaying of medals. There is nothing that suggests that medals have to be put away in dusty drawers nor does the current legislation say that it would be a crime for relatives to want to display the decorations. The prohibition simply applies to the wearing of medals by anyone other than the veteran himself or herself.

We all encourage family members to proudly and publicly display the medals of their parents and grandparents either at home or on loan in more public facilities, such as local libraries and museums. They could even consider making a donation of these medals to their local institutions for public display.

I would like to make the case that taking the time and effort to display medals in this way will be considerably more meaningful than the option being considered by the bill: wearing the medals

one day of the year and then, by implication, putting them back in a box to be worn the next Remembrance Day.

We should consider this proposition very carefully. One way is to try to picture what it must have been like for those who actually served in war and so reflect on why they might take some umbrage at someone else wearing their medals. For those of us who have not experienced warfare, it is almost impossible for us to imagine what it was like.

In many theatres of operations the weather was often very cold and frequently wet. The battlefields, especially in the first world war, were seas of mud, at times waist deep or deeper. Soldiers carried 40 pound sacks of equipment and provisions on their backs. They ate, slept and fought in trenches or makeshift barricades. They did not see their homeland or loved ones for years and those who were the lucky ones survived. Medical conditions often defied description.

In the first world war there were no antiseptic surgical techniques. Antibiotics were non-existent. Many men who escaped death at the hands of human enemies died from diseases such as influenza, pneumonia or infections. In such conditions the nursing sisters, brave women who often lost their own lives in such hellish conflict, struggled to comfort soldiers' broken spirits as they tended their broken bodies.

Our veterans faced implacable enemies, fiercely determined to fight to the bitter end. It was kill or be killed. It is a wonder that these men and women, considering the things they were called upon to do and what they were forced to witness, kept their humanity at all, and yet they did. When they returned home they picked up their lives and started work on building their country and raising their families. For their service, sacrifice and courage under fire they were awarded medals.

Let us look at the most famous medal of all in the Commonwealth, the Victoria Cross. On it are inscribed two simple words: For Valour. In my view it would be a sacrilege and an outrage for anyone to wear such a medal, relative or not, other than the person who won such a high honour.

The irony of this is that many VCs were awarded posthumously because the recipient died in service to his country and to his comrades in arms. If we could agree that the VC should not be worn by anyone but the recipient, then it would be hard not to see the same principle apply to all medals for service and courage.

• (1155)

Far better and more honourable than appropriating the medals is to honour the memory of our veterans through the retelling of their exploits. We can do that. We can write their histories in places like parks and street names. We can write them in places of dignity and circumstance, like the National War Memorial, and in the glorious

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landscape we have been blessed with where the names of many of our mountains, rivers and lakes now proudly bear the names of our beloved veterans.

We can write the memories of these brave men and women and the principles they fought and died for in our hearts. We will carry these memories with us from the past into the future.

If we go to any gathering, meeting or convention of veterans anywhere in the country we will see, in their binding friendships forged in the crucible of war, our history laid out plain and clear, living and breathing. We must all reclaim that history. We cannot allow it to perish, not even when the last of our surviving war veterans passes on, especially not then.

The reclamation is not to be found in the wearing of medals not earned through one's own actions. We know what to do. We give our past a future by putting it in the hands of the next generation. It is our duty to tell our children and our children's children the story of courage and sacrifice, the story of Canada's veterans. It is only fitting and proper that we do so. It is their heritage too.

Bill C-334 does nothing to that end. Its passage will cause grief and anger among those who served. I cannot and will not support the bill.

Mr. Reed Elley (Nanaimo—Cowichan, Canadian Alliance): Mr. Speaker, on the wall of my bedroom there is a picture frame. In that frame there are six war medals. They are the medals of my grandfathers and my father, awarded to them when they served in the first and second world wars.

My grandfathers came home from those wars. Both of them had suffered severe injuries. One of them limped all the rest of his life. The other had considerable pain in his shoulder. One received the wound at Vimy Ridge and the other at Hill 70. My father was in the medical corps of the Royal Canadian Air Force. In his duties he probably saved the lives of many flyers who had crashed during the war.

I am proud to have those medals on the wall of my bedroom. I would be even prouder to be able to wear them on the right side of my jacket on Remembrance Day. Those three men, my grandfathers and my father, are no longer with us. The sad fact of the matter is that within the next 10 years there will be hardly any of our war veterans alive at all.

How will we remember them? Will we be able to remember them adequately?

What this bill simply does is it says that those of us who knew these people, who knew of these people and of their sacrifices for Canada, would be able to put those medals on our chests on Remembrance Day and that at the services around the cenotaph be able to say clearly, articulately and proudly to those who ask

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“These are the medals that were given to those who fought for, served and gave up their lives for this country”.

When little boys of five, six or seven would come to me and ask about those medals, I would be able to say “Those are the medals of my grandfathers and my father”.

I would ask all members of the House to give their consideration to this bill, indeed their approval of it, send it to committee, get it talked about and to finally put it into the law of the land so that we might have the right to continue to remember these veterans because soon they will not be with us at all. We should never forget.

● (1200)

Mr. Robert Bertrand (Pontiac—Gatineau—Labelle, Lib.): Mr. Speaker, I am pleased to speak to Bill C-334.

Before I get to the specifics of the proposed legislation, I would like to preface my remarks by reflecting on the nature and scope of the sacrifice of Canada’s veterans, especially during the last century. It sounds a little bit odd that we can refer to the wars we have participated in as wars of the last century. It is a testament to the sacrifice of our grandparents and great-grandparents that we can now say we have been involved in another world war since the first half of the 20th century.

It is a sad fact of 20th century life that if we want to trace the history of our nation, we merely need to visit cemeteries and memorials here in Canada and in the Commonwealth war cemeteries the world over. During the two world wars, the Korean war and in peacekeeping missions, over 116,000 of our young citizens were slain for the cause of peace and freedom. Of their courage there has never been any doubt; courage in action, in conditions that go almost beyond description. Consider for example the killing fields of the first world war, the so-called war to end all wars.

[Translation]

At the turn of the 20th century, Canada was a small nation in terms of population: fewer than eight million, yet it was a nation full of promise.

During this war, more than 66,000 young Canadians were to shed their life’s blood on the battlefields of France and Belgium. At its end, names such as Arras, Amiens, the Somme, Vimy Ridge and Beaumont-Hamel were graven forever in our history.

The death statistics for World War I are beyond belief. In fact, the actual figures will never be known, but this was truly a world war. Of the sixty-five million enlisted, ten million lost their lives. Another twenty-nine million were wounded, taken prisoner or reported missing in action. The beloved sons of so many nations were lost, and along with them the enormous potential of a missing generation.

[English]

The second world war would again plunge the world in darkness and cost the lives of over 45,000 of our young soldiers, sailors and air crew. Korea a few years later would take another 516. It is in this context of such carnage that we can begin to discuss the notion of courage and the medals that come to symbolize courage under fire. For indeed by some definitions, courage means medals and citations for bravery.

The Victoria Cross is the Commonwealth’s highest designation of valour. When we read the exploits of those who have won it, their acts of bravery are almost impossible to imagine. The irony is that when we talk to veterans about courage, they almost never see themselves as heroes.

In fact, one of our VC winners, Fred Tilston, who passed on just a few years ago, used to joke about it. When asked what it took to win the Victoria Cross, he summed it up in one word: inexperience. I guess he was poking a bit of fun at himself. Fred, like most veterans, was very modest about his courage.

Perhaps English writer G. K. Chesterton had it right when he said that courage is almost a contradiction in terms. It means a strong desire to live taking the form of readiness to die. I guess in many ways that is how courage showed itself for the Canadians who went to war. Ordinary men and women were called upon to do extraordinary things in the most frightening of times. By that measure, all those who served were very, very courageous.

It is in these multiple meanings of courage, service and sacrifice that I want to turn to the specifics of Bill C-334.

● (1205)

[Translation]

The Deputy Speaker: I am sorry to interrupt the hon. member but the time provided for the consideration of private members’ business has now expired and the order is dropped to the bottom of the order of precedence on the Order Paper.

I must also advise the hon. member that he will have five minutes when this bill comes back to the House.

* * *

[English]

BUSINESS OF THE HOUSE

Mr. Chuck Strahl (Fraser Valley, Canadian Alliance): Mr. Speaker, after our summer recess it is important for Canadians to know what business the government has on the agenda, given the events of the summer, the problems at Burnt Church, the organized crime problems in Quebec and across the country, even some of the gasoline and heating oil tax issues, all those things. My question

for the government House leader is, what is the business of the House for today and the rest of the week?

Hon. Don Boudria (Leader of the Government in the House of Commons, Lib.): Mr. Speaker, today it is the intention of the government to commence the debate on Bill C-38, the financial institutions bill, which we would propose to do immediately after this statement. If there is time permitting later today, we would then proceed to Bill C-41, the veterans benefits bill.

Tomorrow it is my intention to call Bill C-33, the species at risk legislation, followed by, if time permits, report stage of Bill C-14, the Manitoba claims bill.

On Wednesday, I would like to call the Manitoba claims legislation if we have not terminated it.

On Thursday, I would like to designate the day as a supply day in the name of the Canadian Alliance.

On Friday, we would like to proceed with Bill C-41, the veterans benefits legislation, if we do not succeed in doing the bill today.

I also wish to inform the House that it is the intention of the government, and indeed of House leaders of all parties, to ask that the Standing Committee on Natural Resources and Government Operations hold an informal hearing this Thursday for the purpose of consulting with the interim privacy commissioner. Following that particular meeting, it would then be the intention of the government to bring forward a motion for the appointment of the privacy commissioner at another sitting of the House.

There have been consultations, and so far they are incomplete, in regard to the status of Bill C-3, the youth justice bill, which, shall I be generous, is somewhat stuck in a particular committee of the House. I intend to come back to the House later today once these consultations are complete.

[*Translation*]

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, since we are discussing the business of the House, I intend, as I announced earlier, to ask for the unanimous consent of the House to amend the order of business as follows.

The preliminary discussions I had with my colleagues lead me to believe that the vast majority of opposition members in the House would agree to support the request for the unanimous consent of the House that I am going to submit to the government. That request has to do with the very serious events that have recently taken place in Quebec and that now make the fight against organized crime the top priority. It is extremely urgent that this parliament, which is aware of its responsibilities, look at this issue and make a number of decisions.

I am asking for unanimous consent for the following:

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That, notwithstanding any standing order, Motion No. M-428, listed under the Private Members' Notices of Motions, be debated immediately;

That the debate take place during the time normally allotted for government orders;

That any member taking part in this debate not speak for more than 20 minutes;

That it be possible for a member to split his or her time with another member;

That a period of not more than 10 minutes be provided for questions and comments following the speeches; and

That 15 minutes before the end of the debate, the Speaker shall interrupt the proceedings and put forthwith every question relating to the motion.

• (1210)

It concerns Motion No. M-428, which I made a point of including on the Order Paper so it would be available for all parliamentarians and which reads as follows:

That the freedom of the press and the public's right to know be recognized as fundamental to democracy, this House will not yield to attempts by criminal groups to intimidate democratic institutions, and this House request that the government prepare and bring in, by October 6, 2000—

Of course, we could agree on a different date. Depending on the outcome of our consultations, the date could be changed.

—a bill making it a crime to belong to a criminal organization, if necessary invoking the notwithstanding clause of the Canadian Charter of Rights and Freedoms.

Since the members have known about this motion for some time already and the problem is extremely grave not only in Quebec, but in the rest of Canada, although more so in Quebec, I therefore seek the unanimous consent of the House to change the order of proceedings for today.

Hon. Don Boudria: Mr. Speaker, there were preliminary consultations this morning. I have not finished consulting members on this side of the House. I am therefore unable at this time to give unanimous consent to this proposal, or to any amendment since the House leader of the Bloc Québécois himself has said that there may be an amendment.

However, at 3 p.m., immediately after or perhaps just before oral question period, if the member wishes to put his question again, if there is some sort of consent for a debate later today, we could agree on a formula.

One way or another, I would like to raise this matter in the House at 3 p.m. I will therefore have to withhold unanimous consent until such time as a proposal is made, i.e. immediately after oral question period.

The Deputy Speaker: Perhaps after routine proceedings.

Is there unanimous consent for the request made by the hon. member for Roberval?

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Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: The hon. member for Roberval will be able to make the request again later this afternoon, after routine proceedings.

Mr. Michel Gauthier: Mr. Speaker, so I understood from the comments made by the hon. government leader.

Since the opposition is unanimous, the government is giving the matter some thought and we will perhaps have a positive response—hopefully, anyway—if I move my motion again a bit later today. That is what I understood.

The Deputy Speaker: I cannot speak for the government House leader, but his statement is available for all members. What is clear is that he has asked the hon. member to put his request to the House again later today.

GOVERNMENT ORDERS

[*Translation*]

FINANCIAL CONSUMER AGENCY OF CANADA ACT

Hon. Jim Peterson (for the Minister of Finance) moved that Bill C-38, an act to establish the Financial Consumer Agency of Canada, be read the second time and referred to a committee.

He said: Mr. Speaker, I am very pleased to rise to speak to Bill C-38 concerning our financial institutions, which I introduced to the House last June 13.

• (1215)

[*English*]

This is the seventh major initiative of the government dealing with our financial institutions in the last four and a half years.

Early in 1996 we brought in Bill C-15 which enhanced the powers of the Superintendent of Financial Institutions to undertake early intervention with respect to troubled institutions, thereby enhancing the safety and soundness of our entire system.

In 1997 we entered into the WTO agreement on financial services, enhancing the access of Canadian financial institutions to foreign markets throughout the world. Again in 1997 the government brought in Bill C-82 to strengthen consumer protection by prohibiting coercive tied selling.

In 1998 probably one of the most important measures was passage of the bill which allowed the mutualization of some of our

major insurance companies and put over \$10 billion in the hands of policyholders.

In 1999 we passed the bill dealing with foreign banks being allowed to operate as branches in Canada, utilizing the capital of their global entities in order to enhance their capacity to lend to Canadians.

In June 2000 the money laundering bill was passed, which is a direct blow to organized crime by clamping down on money laundering through our institutions.

Our seventh initiative is Bill C-38. As we all know this is a tremendously important bill in size and in consequences. It amends 22 acts and establishes one entirely new act that covers almost 900 pages. It is so important because as we know our financial services sector is truly a driver of our economy.

[*Translation*]

There are more than 500,000 Canadians employed in this sector. Its payroll is in excess of \$22 billion annually. It accounts for approximately 5% of our gross domestic product, and close to \$50 billion annually in exports from this country. It also pays over \$9 billion in taxes yearly to all levels of government. This is the most heavily taxed industry in Canada.

Given the direct and indirect importance of the financial sector, one of which I am extremely proud, the strategic framework within which it operates must foster opportunities for growth, for export and for job creation, to the benefit of our economy as a whole.

[*English*]

Bill C-38 implements a policy framework which ensures that the sector continues to make its crucial contribution to our economic well-being by enhancing its ability to compete in the new world of globalization and rapid advance in technologies, by making it easier for these institutions to seize opportunities both in Canada and abroad, and by following a balanced approach that is in the interest of consumers and the sector itself.

As we all know Bill C-38 is the culmination of a process of very extensive consultations. This process began in June 1996 when we announced the creation of an advisory committee to review the payment system. This was followed in late 1996 by the establishment of the task force on the future of Canada's financial services sector, a task force which was known as the MacKay task force and which reported to us in September 1998.

Following that report the House and the Senate finance committees held extensive consultations throughout Canada and reported back to us by the end of the year.

• (1220)

All this advice was considered very carefully in the preparation of the June 1999 policy paper which gave the government response

to all consultations and input from colleagues in the House. Over the past year, following tabling of this white paper, more extensive consultations were undertaken so that we could enact in legislation the results of all the undertakings and considerations. I tabled that bill in the House last June 13.

[*Translation*]

More precisely, Bill C-38 encourages the efficiency and the growth of Canadian financial institutions in international markets, fosters competition within the country, enhances the protection of consumers of financial services, and improves the regulatory framework.

[*English*]

In terms of promoting efficiency and growth we have a holding company structure which will give greater flexibility for these institutions to compete with monoline institutions doing a single type of business. They will enjoy a lighter regulatory regime through that holding company.

In terms of ownership we are permitting up to 20% of the shares of larger institutions to be used for strategic alliances to allow our banks to enter into joint ventures with other institutions both domestically and abroad. We have enhanced the range of permitted investments for our financial institutions.

[*Translation*]

Through guidelines, we have stressed the possibility of mergers, thus recognizing that such mergers can be a viable strategy. A new transparent review process will be put in place to evaluate mergers and to protect public interest.

[*English*]

In terms of fostering domestic competition we will be allowing new entities to establish with lower capital requirements. We will have three levels of institutions: those with equity exceeding \$5 billion, those with equity under \$1 billion and those medium size ones in between. Finally large banks with equity over \$5 billion will be required to be widely held under the new 20% ownership regime. This new ownership regime will encourage the establishment of community banks.

[*Translation*]

We have also included provisions whereby co-operatives, credit firms and credit unions could get involved in the establishment of a national service entity. Such an entity would allow co-operatives to adopt a national structure, while fostering competition with large Canadian and foreign institutions.

[*English*]

By accommodating new entries into our payment system for life insurance companies, for securities dealers and for money market mutual funds we will see enhanced competition domestically.

Looking at what the bill does in terms of empowering and protecting consumers, it will ensure access to basic financial

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services regardless of income or place of residence, including access to low cost accounts and a process that will govern the closure of any branches.

[*Translation*]

It establishes the financial consumer agency of Canada to strengthen the monitoring of protection measures for consumers and to extend the scope of consumer awareness activities.

[*English*]

It establishes the independent Canadian financial services ombudsman to deal with disputes with institutions.

• (1225)

In terms of improving the regulatory framework we have a streamlined approvals process. We have significant amendments to the governance and oversight of the Canadian Payments Association, and we have new powers for the Superintendent of Financial Institutions to deal with potential risks.

This is an era of extremely rapid change and global competition. We recognize that our financial institutions must have flexibility and freedom to adapt to changing times. The world will not stand still. Nor will the sector. Nor will we. This is why constant attention to fostering competitiveness and to ensuring safety and soundness are so important and are for the benefit of all Canadians.

In keeping up to date we have ensured that this legislation has a five year sunset clause, unique among institutions in the world, to ensure that constant review processes are in place and to ensure that our institutions can adapt.

[*Translation*]

Second, the government is prepared, if it deems appropriate to do so, to reassess the legislation before the scheduled five year period between reviews, to ensure that the framework remains adapted to a rapidly changing market.

[*English*]

Third, the bill allows for many key elements to be dealt with by regulation so that we will not have to come back to the House through the cumbersome procedure of legislative change in order to allow our financial sector to adapt.

The legislation provides a new policy framework that will keep our financial institutions strong, safeguard the interests of Canadians, continue to contribute to job creation and economic growth, and maintain the safety and soundness of our financial sector.

I thank colleagues for their very valuable contributions to the bill. They will see many of their ideas and suggestions reflected in it. It is because of the extensive consultation and co-operation of all members that the early passage of the bill is supported by consumer and industry groups alike. We in the House look forward to early passage.

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Mr. Richard M. Harris (Prince George—Bulkley Valley, Canadian Alliance): Madam Speaker, I too am pleased to rise today to speak to Bill C-38. In listening to the secretary of state's words one would think that the Liberal government had run quite a race since 1993 to get all these things done.

In reference to our banking industry and to choices for Canadian consumers of financial services, while the secretary of state talks of seven positive initiatives taken by the government in fact only two will have a direct result by way of possible increased competition and allowing our domestic banks to move into the 21st century and to catch up to what has already happened in many foreign countries.

Probably a majority of the House, and maybe even the secretary of state himself, does not know that Canada has lagged behind other countries including some of our major trading partners in modernizing our banking and financial structure.

The secretary of state may be quite proud of the legislation. There are some good things in it. For the most part we will support it, but I advise him to be cautious when talking about the speed of the race the Liberals have run since 1993 in getting our banking institutions up to par with the countries with which we do business. I am sure the secretary of state is having some second thoughts now that he reflects on that speed.

• (1230)

There are some parts of Bill C-38 that we certainly agree with and parts that we do not. There are even some parts missing which we will likely address with some amendments as the process moves along. With the secretary of state's encouraging words that we help him get speedy passage of the bill, I am sure the government will view the amendments that come from the Alliance Party in particular with an encouraging welcome attitude and will want to see those amendments become part of this great financial services bill.

Let us deal with some of the good things in the bill, which incidentally in many respects were spelled out for the government in the November 1998 banking report by the member for Prince George—Bulkley Valley acting as the official opposition critic for banks and financial institutions. In the 100 page report entitled "Competition: Choice You Can Bank On", we clearly called for more competition and better service in banking. We also recommended that merger proposals be evaluated under individual merit and that mitigating factors be built into the proposals so that when the Minister of Finance and all those concerned looked at these proposals they would be able to say "Yes, this is a good proposal; it has merit. Let us approve it", or "No, this one is not. Let us not approve it". It would do away with the blanket approach to the determination of mergers.

We in the official opposition outlined a plan in 1998. The plan offered choice and competition in the financial sector. It provided an action plan for change that the government is just now beginning to follow to allow our domestic banks to compete more effectively in the global marketplace.

It is about time. The secretary of state knows, as does his government, that the ratings of our big five domestic banks have increasingly shrunk in the global scale. Major banks all around the world, with much more ease than we can imagine, have begun to amalgamate and merge and build their positions to even greater strength, therefore capitalizing on the opportunities in the global marketplace. Our banks, unable to merge, unable to build through acquisitions and other arrangements because of regulations, have had to sit by and watch these wonderful opportunities pass them by and be scooped up by the big world banks that have had the ability to strengthen to a size where they can take advantage of these opportunities.

Only now are our Canadian banks, our big five, going to be able to really look ahead. Madam Speaker, you have to understand, and I am sure you do, that banking institutions simply cannot work on short term planning. They need long terms, longer terms than can be imagined, longer term vision and longer term business plans. That is the nature of their business.

The government has been basically sitting on its hands since 1993. Our domestic banks were placed in the position that they simply did not know what lay ahead from the government in the regulatory field. They did not know what path the government was going to follow which would allow them to make plans 10, 15 and 20 years down the road.

It has not been a speedy process. We are now just getting to the point where Canadian banks can heave a sigh of relief and start to concentrate on some long term plans, to look at some opportunities in the global market. Our Canadian banks will now be able to compete as a result of many of the features of the bill. Let us not allow the secretary of state or the Liberal government to take any credit for the so-called haste with which they have dealt with this issue.

• (1235)

There are some other points we want to talk about. The banks have been calling for a provision that would allow them to break up some of their structure into holding companies so they could operate under a more flexible regulatory system. Finally the government will make those allowances. The banks can now start to make some progress on some of the plans they had put on hold because there was no direction from the government.

We are also happy to see the increased access to the Canadian payment system. It will allow life insurance companies and money

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market mutual fund security dealers to have increased access, to clear funds themselves without having to go through the banks.

There is something missing in the bill with respect to credit unions becoming more like national banks. I am surprised it is missing because the MacKay task force report recommended that the government consider allowing what it called co-operatively held banks in reference to credit unions. A co-operatively held bank that would evolve out of a credit union simply means that every member of that co-op, which would now be engaged in bank-like activities, would be a voting member of that banking structure. The government has not allowed that and we wonder why it has not. If the government were committed to offering more choices in banking services to Canadian consumers and small business enterprises, why would it not have made this provision?

We intend to introduce amendments during report stage that will give the government a chance to rectify that omission which it allowed to happen in preparing the bill. One thing we are not happy about is the omission of the provision for credit unions to become co-operatively held banking institutions.

We are also happy that the government in its wisdom has maintained a restriction on banks entering into the auto leasing and insurance business. We commend the government for that. At the same time we remind the government that in our 1998 report, of which I have a copy for the secretary of state but I am sure he must have read it in the preparation of Bill C-38, we too called for the government to hold the line on this. Auto leasing and insurance is a very competitive and vibrant business sector in Canada and we felt the choices offered to consumers were very wide and that it was operating very well.

We have a little trouble with the FCAC, the ombudsman office, the financial consumer agency of Canada. Trust the government to come up with a bureaucratic sounding title for what will be, from all looks at this thing, another bureaucracy within the government that will die a slow death because of the inefficiencies that generally evolve out of government bureaucracies.

This could have been quite simple. The government could have made a provision for the setting up of a very independent ombudsman's office for banking, one that would oversee the financial services sector. This office would report directly to parliament, to the elected representatives of the country. But no, the government chose to create the office with a commissioner who will be appointed by the Minister of Finance.

• (1240)

One would think that the Liberals would have run out of Liberal friends by now, but one more is coming down the tube and will be the FCAC commissioner. That office will report directly to the

Minister of Finance. Anything that we get from that office will have first been vetted through the Minister of Finance. In other words, we will only hear what the Minister of Finance wants us to hear. We will not be permitted to question the commissioner ourselves. This is significant. It is so like the government to restrict access of the opposition parties to the agencies it creates because it does not fit in its agenda.

We are happy of the government's lowering of the capital requirement to establish small banks. We commend the government on that. We think we will see some movement in the setting up of regional and community banking services. We would like to think that the government will be encouraging more competition from these types of businesses. We support that.

We have a problem with the demands on the government that it must begin to or continue to operate money losing accounts for Canadians as individuals or small businesses. While the government may think that this is a good thing for political reasons, the fact is this is an intrusion on private business. The government is taking this a little bit too far.

How can the government say to a business that it must operate a segment of its business but it is not allowed to make money? In fact it will probably have to lose money, but the government has decided that the business must operate a section of the business on a money losing basis. This is what the government has done in the bill. It has said to the banks that no matter who comes in and asks for an account at the bank, the bank has to pretty much open an account for them. Whether that account is operated in a responsible fashion or not, the bank still has to provide access for that person to have an account at one of that bank's branches. The banks themselves will say that the government is telling them how to run their own businesses.

Bank closures have become a reality in this country. It is common knowledge that the banks for the most part are over infrastructured as far as branches go. In many cases banks are looking to close down this infrastructure because they are money losing branches and banks are simply not in the business of operating at a loss on behalf of their shareholders. As little red tape as possible is necessary to allow banks to make prudent business decisions.

The banks have recognized they have a corporate community role in many small towns across the country. They will not arbitrarily close branches. They will make provisions such as did the Bank of Montreal with the sale of some of its branches to the credit union people. This was a prudent business move. People did not lose their banking services. The name changed but the services are still there. This is just good business. I trust the government will allow the banks to make those decisions themselves as to how they want to structure their operations so that they can assure their shareholders that they will be able to do it by making money.

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• (1245)

The secretary of state will get a chuckle out of this one. He may think that I have more guts than brains talking about this, but there is nothing in Bill C-38 that addresses the very real problem of the taxation regime in which the banks are forced to operate. The secretary of state knows that the banks, among all the corporations in Canada, are charged at more levels of tax than any other type of business in Canada. Even companies like Bombardier, SNC Lavalin and Magna International have less structures of tax than banks do.

One of the things the Canadian banks have been telling the government is that if it expects them, as domestic banks, to be able to compete in the global economy and take advantage of the opportunities, they need to be on a level playing field with other banks around the world. The government has yet to address the very real problem Canadian banks have in their global competition goals, which is the taxation regime that they must operate under in this country. We are surprised that the government has not addressed this in the same way that it has not addressed tax relief in so many other areas, whether it is personal income tax, corporate tax, fees, services or EI premiums.

This is not a government that is friendly to people who work hard to be successful and try to earn money. It is the first one in line to penalize success. It has been doing this to our banking institutions for years. It has acted as a disincentive for our Canadian banks which have to compete on an uneven tax playing field.

I will close by saying that we will be supporting the bill. We hope it passes in a timely fashion, as the Minister of Justice would like to pass some of her legislation in a timely fashion. We ask that the government look seriously at the amendments we will be putting forward. We hope that a spirit of co-operation will prevail as we discuss our needs and the government discusses its bill passing needs as far as its timelines.

Our party will be actively involved in the process of Bill C-38 as it moves along.

[*Translation*]

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ): Madam Speaker, I heard some applause. It is a very odd way to start a pre-election period to have one of my Liberal colleagues applaud my rising to speak. Should I assume that he will agree with everything I say about his government in the next few minutes?

I am pleased to rise and speak to this important bill. It is an important bill because we have been waiting for it for over seven years, and that things kept being postponed in recent years. I see the Secretary of State for International Financial Institutions, who was acting as chair of the Standing Committee on Finance at that

point. He knows what I am talking about on the subject of delays. There was a delay of at least two years in the government's introduction of a bill on financial institutions.

Everyone here can testify to the Bloc Québécois' interest in this amendment to the laws on financial institutions. Two and a half years ago, when Mr. McKay introduced his proposals, the Bloc Québécois presented a submission to the Standing Committee on Finance. Rather than question witnesses, that time we had decided to contribute to the debate on the amendments to legislation on banks and financial institutions in general by presenting a submission in more or less the following vein.

• (1250)

When we look at the way things are changing on the international scene, the first thing we notice is that they are moving very quickly with what they call the globalization of markets, especially with the increased opening up of a number of western countries in the financial sector, and the fact that, in the electronic commerce sector, the establishment of virtual banks is allowed. Banks without a national base in certain countries serving a certain clientele are being allowed to open what are called virtual banks. They offer consumers financial products without an actual physical location for the delivery of such products.

International competition is heating up. Even the six largest banks in Canada are small compared to American or certain Asian, particularly Japanese, banks.

What is needed is a legislative environment conducive to increasing the ability of our financial institutions to hold their own against international competition as well as the competition that will inevitably begin to appear—and of which there are already signs—within the markets of Quebec and of Canada.

The Bloc Québécois supports the spirit of the legislation and several of its provisions. The competitive environment calls out for a bill such as this, which amends the Bank Act and legislation governing financial institutions in general.

That having been said, there are a number of problems with this bill and we intend to move amendments at report stage. I hope that members on the other side will give these amendments their attention, will note that we are open to 90% of what is in the bill; there is perhaps 10% of it that falls short and could be improved.

First, and not least, it is clear from a reading of the many pages of this bill and its schedules, a weighty 900 pages or so, that far too much discretionary power rests in the hands of one man, the Minister of Finance.

Throughout the bill, whenever there are provisions concerning banks, insurance companies, trusts, anything to do with the financial sector, the minister always reserves the right to deter-

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mine, based on criteria known to him alone, whether or not an operation is acceptable. He alone defines certain concepts such as low-fee retail deposit accounts.

We know that the Minister of Finance claims to be concerned about improving the access of the most disadvantaged in society to banking and other services, but he is still leaving himself room to define in future what would be best for the least well off, such as those living in certain poorer neighbourhoods in Montreal or other large cities, or certain remote, rural areas.

There are way too many areas where the Minister of Finance, alone, has a decision making power and a power of life or death over certain transactions for us to be pleased with this bill.

Generally speaking, we would have liked more clarity regarding the decision making process and also more specifics regarding certain concepts, such as the minimum fee deposits for the poor. This is our first general comment.

The second one concerns consumer protection. It goes without saying that we cannot be opposed to any measure seeking to increase consumer protection.

However, we are opposed to provisions that duplicate and overlap those that are already included in the Quebec consumer protection act. Incidentally, consumer protection is an exclusive provincial jurisdiction. While there may be cases of specific protection with regard to banks, which fall under federal jurisdiction, consumer protection or the protection of privacy is, generally speaking, a provincial jurisdiction.

• (1255)

Yet, the bill constantly refers to new federal government initiatives in an area which, in the case of Quebec, is well covered by very comprehensive provincial legislation. We can think, among others, of the consumer protection act, the privacy act, the insurance act, the trust companies act, the Quebec savings banks act and the credit and securities act, all of which include provisions to ensure consumer protection.

There comes a time when a consumer no longer knows which legislation to turn to. Does the matter come under the jurisdiction of the federal government? Does it involve the new consumer protection legislation contained in Bill C-38? Or is it the Quebec consumer protection legislation which applies in this particular case? In short, in some respects, instead of improving consumer protection, I would say that certain clauses of Bill C-38 only add confusion. A lesser understanding means, of necessity, lesser protection for the consumer.

Another case concerns the protection of another category of consumers to which I have already referred, namely the most disadvantaged consumers. The minister has taken the trouble to include in Bill C-38 the concept of the low-fee retail deposit

account. He says that it has long been argued that there are certain areas of major cities such as Montreal, Quebec City, Vancouver and Toronto that are greatly disadvantaged. So much so that when people in financial difficulty, people with less money than the Minister of Finance, the banks, and their branches in particular, show discrimination toward them.

When we undertook the process of reviewing the financial institutions legislation, we often ran into cases of people who had been totally denied permission to open an account because they did not have a fixed income, had not worked for some time, or could not produce any identification, and so on.

Now the minister is introducing his concept of the low-fee retail deposit account, but does not tell us what this will mean. This is a lovely concept that may appeal to certain consumer associations, but where is the minister headed with this “low-fee retail deposit account?” Who will this “low-fee retail deposit account” be aimed at? What sort of fee will it entail? Will it really be available to those who, in the past, have had trouble getting quality services without being discriminated against?

Let us not forget that a bank operates in a competitive environment and that a bank is there to make profits. We are not, nor have we ever been, against profits. It must be borne in mind, however, that banks, like most financial institutions in Canada, are active in a very regulated, and therefore protected, environment. They are protected by a decision of parliament: the public decided that the regulatory framework for Canadian banks would be a protective one. We would not want to let our banks go like that.

In return, banks have a responsibility to the public, as do those holding voting shares. This concern with the responsibility of banks is absent from the bill. We are not looking for measures that would make it impossible for banks to make profits. But some effort is required, particularly since—as I mentioned—the banks are working within a regulatory framework decided by parliament. Within parliament, people elected by the public decided to protect the banking sector. I would say that the banks therefore have a certain duty to the community that is absent from the bill.

When it comes to a real social and community role for banks, or to put it another way, if the banks are going to remember what they owe us for bringing in tight regulations to protect them, we would have liked the Minister of Finance to pay attention to our proposals, including the one from the member for Hochelaga—Maison-neuve, who introduced a bill on community reinvestment by banks.

• (1300)

He has been fighting this battle for a long time. He brought us in the Bloc Quebecois into the fray. We fight almost daily for

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community reinvestment in the most disadvantaged regions, the most remote regions in Quebec and in the rest of Canada, as well as in the most disadvantaged neighbourhoods in Quebec and Canadian cities.

What does community reinvestment mean? It means—and it relates to a practice that has been in existence in the United States since the start of the 1970s—ensuring that certain banks are accountable to the community in specific regions or disadvantaged neighbourhoods in big Canadian cities. It involves, for example, evaluating in a given year all of the deposits taken in by these banks in neighbourhoods where in recent years a rate of unemployment higher than the national average has been observed. It involves noting the deposits made in these banks by both individuals and businesses and the loans and advances given out by the branch to the community, in a disadvantaged community in Montreal for example, just to see whether a discrepancy does not exist between what it takes out and what it injects back into the community through loans and advances.

If there is a discrepancy, that is, if the branch in one of Montreal's poorest neighbourhoods, for example, took in more in deposits than it gave out in loans to individuals and advances and loans to SMBs in the neighbourhood, it would be considered to be a problem and the banks could be asked to make an extra effort to contribute to the community.

The banks in this community reinvestment environment would be accountable to the local residents and to parliament. At some point, an accumulation of bad reports on the banks or financial institutions in certain poor neighbourhoods in the major cities or in certain remote regions would provide sufficient authority, I would say, to influence in general terms community reinvestment by the banks right across Canada.

From a local point of view, provisions for reinvestment in the community such as those in the bill introduced by my colleague, which we intend to introduce again through amendments to the banking bill, would also mean that representatives of the community could meet annually with managers of the bank branch in their neighbourhood or region to discuss the contribution it was making to the community, look for ways of improving things and identify mutually interesting projects that the community's deposits could be used to fund.

There have been a number of good results in the United States. It seems funny to be citing the United States as an example of progressive measures but, in the United States, making communities and banks accountable has meant that, at a certain point, the banks—and this is unusual, it is not often seen in Canada—became known for contributing to the advancement of communities.

In fact, at one point, in certain of the poorest regions of the United States, some of the most down and out were allowed to cash government cheques for free.

They went to those branches and there was no longer any charge for government cheques. For the most disadvantaged, the fees charged for banking services were very low or not levied at all for the most common services. The banks had been offering this since the early 1970s.

It was also agreed, after various discussions with the community, with representatives of bank branches in the United States, to freeze funds for a number of days or weeks. When we met with consumer protection representatives, they told us that funds had been frozen for more than a week.

• (1305)

In the United States, based on a concept called community reinvestment requiring the banks to be accountable to the community, this led to certain provisions, among them ones including those forbidding branches from freezing funds.

Based on this development of community reinvestment, some U.S. banks even decided to reduce to a minimum the mortgage charges to first-time property owners. This they did as a result of discussions with the community on the possibility of a two-way relationship between the least well-off in the area served by the bank and the bank, since it stood to gain in the long term from the improved financial position of the members of its community.

We would have liked to see the Minister of Finance take this type of novelty a little more seriously, not that it is really a novelty because it dates back to the 1970s in the United States. We would like him to lend an attentive ear to the arguments raised by my colleague from Hochelaga—Maisonneuve and all the members of the Bloc Québécois relating to the possibility of reinvesting in the community.

We are not asking the banks to take over from the government. After the carnage wrought on social programs by this Liberal government, I believe we might even have been entitled to call upon the banks to compensate for it, but we are not, despite the billions of dollars in profit the banks are raking in.

We are not against the banks making profits, as the banks' profits are also, to a certain extent, our profits. The trust funds, the pension funds of the people of Quebec and of Canada also make profits.

What we are saying instead is that the banks have the means of balancing out the deposits they receive with the reinvestment they can make in certain communities that are worse off than others.

There was another problem relating to the people who were the most disadvantaged and were living in the least advantaged areas of major cities, or in remote areas. The closure of branches of banks and financial institutions in general was, is and always will be the problem with this bill.

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Some regions do not or no longer have access to quality banking services, because branches were closed. It was no longer profitable for major Canadian banks to provide remote communities with complete services, as can be found in major centres.

There are poor neighbourhoods in Montreal—earlier we mentioned Hochelaga—Maisonneuve—where one must look hard to find a bank branch that provides full services. There are no longer such branches. Why? Precisely because it was not profitable for the banks to provide these services.

Since the community groups that appeared before the committee raised this issue time and again, we expected the bill to include provisions to prevent, in certain communities, people from being treated like second class citizens, like nobodies, because they have less money than those living in neighbouring communities.

There is nothing in this bill to prevent branch closures in those areas where poverty is a more serious issue than in other neighbourhoods or other regions of Quebec and Canada.

The only measure included in this bill—and I doubt any consumer association will applaud this initiative—is a requirement to give a six month notice before closing a branch. But whether a branch closes immediately, or in two, three, four or six months, it will close at some point. Entire communities will get fewer and fewer services from Canadian financial institutions, particularly banks, because this bill includes no provision to protect them.

The appointment of an ombudsman is a step in the right direction, but it is clearly not enough. The bill should show that the Minister of Finance wants to prevent people from not having access to banking services and to the so-called new economy.

• (1310)

There is no political will in this bill, not even the desire to find ways to prevent the most disadvantaged in our society from being totally excluded from the financial sector and the banking services available elsewhere in Canada.

In addition to the issues for consumers, the bill contains an enormous problem. It concerns the ownership of Canada's major banks and major financial institutions.

I listened to the Secretary of State for Financial Institutions discussing the importance of the flexibility given the financial institutions to enable them to continue their activities, to meet their competition and to respond to the development of new markets.

There is, however, a difference between the flexibility found in certain aspects of the bill and the fact that some of our financial

institutions and banks could literally be given to foreigners, for example, or to a single investor, who could wield either total or partial powers of life and death over these institutions or their administration.

We supported flexibility from the start. Indeed, when we tabled our brief with the Standing Committee on Finance over two years ago, we proposed a more flexible regulatory framework in fact, so that the small and medium banks could join with other financial institutions, something the existing legislative framework does not currently permit, but the bill would.

Therefore, a bank could join with a trust company, with an insurance company or with other stakeholders in the financial sector to create a sort of consortium, a firm that could meet the challenge of the major international institutions either in the Canadian market, because they will no doubt penetrate it, some of them already have—there is the MBNA, for example, and its virtual banks—or in international markets by ensuring that strategic alliances will give us significant blocks to meet the international competition there.

I have to hand it to the Secretary of State for Financial Institutions, he did a good job. I want to salute him in passing, because he chaired the Standing Committee on Finance for several years. He worked very hard on this bill and he delivered the goods when it comes to flexibility for financial institutions, strategic alliances and the right way of making them more competitive.

Where I part company with him and with the Minister of Finance, however, is when it comes to bank ownership. An individual's right to hold a certain percentage of shares varies with the size of these banks in Canada.

I still have a lot of trouble with this and I have had no answers to the many questions I asked the Minister of Finance in meetings of the Standing Committee on Finance or here, during oral question period.

I have had no answers as to the reason for such amendments. Why, for instance, when it comes to the largest bank in Canada, the Royal Bank, will an individual now be able to hold 20% of shares? It has gone from 10% to 20% of voting shares. Why is it that when it comes to the largest bank in Canada, it can now be 20%, but no more? The limit is set at 20%. Does anyone know why? The reason is that it is dangerous, according to the Minister of Finance and the secretary of state, his spokesperson.

It is dangerous because an individual holding too many shares in a bank could have unprecedented power over the policies of that bank. He could also create problems for market competitiveness. I will come back to this shortly.

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This is the percentage for the largest bank in Canada—a maximum of 20%.

But when it comes to the largest bank in Quebec, the National Bank, whose capitalization is in the middle range, an individual may hold 65% of voting shares.

• (1315)

Why this distinction? I have asked this of the Minister of Finance. Why different treatment? When it is a matter of protecting a major Canadian bank, then the maximum is 20%, but when it is a matter of protecting the biggest Quebec bank, it can be up to 65% of voting shares. It was enough to have 50% plus 1; with 65%, I do not know if the constitutional debate has so obscured people's vision that it is no longer seen that a majority for a single share holder is over 50%, that is 50% plus 1. Now it has gone up to 65%. Even 50% plus 1 would have been too high anyway.

The principle of what is called diffuse bank ownership, i.e. allowing capital to be broadly distributed in the hands of a number of individuals, relates to several fundamental elements in the banking sector. First of all, its stability, and second the fact that it might be unwise for a single individual to have considerable power over the savings of individuals.

The fundamental aspect underlying this division of ownership is to avoid cases of unfair competition, which I shall explain. A rich industrialist in the manufacturing sector could buy up 65% of voting shares in a bank like the National Bank.

For those who are not familiar with it, the National Bank is the bank of small and medium sized businesses in Quebec. It is the one that makes the most loans to these businesses. The industrialist purchases 50% plus 1—no need of 65%—of the voting shares of the National Bank. That business person, who is involved in a given economic sector, could decide to refuse to lend money to someone who wants to borrow from the National Bank to invest in the same manufacturing sector in which the bank owner is involved.

Certain things were possible in the past, are possible today and will be possible in the future. In fact, this is why, in the past, a single individual could not hold more than 10% of the shares of a bank. Currently, we can see at shareholders' meetings that a person who holds 10% of the shares of a bank has a great influence on the direction in which it is going.

So, we have a situation where a business person involved in a given sector could refuse to grant a loan to someone who wants to borrow from his bank, because that person is in the same industrial sector. The business person would in effect get rid of a competitor because he controls the capital and has the power to decide whether the other business person who wants a loan will survive or not. Such situations could occur in the future.

There is also the possibility of takeovers by foreign interests. Under the provisions of this bill, what would prevent the Royal Bank from being the target of a takeover bid? Why should we, in Quebec, put up with the risk that a foreign investor could get 50% plus one of the shares of the National Bank, thus taking control of that institution, moving its head office and its decision making centre elsewhere, eliminating specialized jobs and adversely affecting Quebec's economy? We are not prepared to take such a risk and rather resent the situation.

This is why we are asking that there be no difference between the treatment given to major Canadian banks and to our largest bank in Quebec. If the percentage of voting shares that can be held by a single individual is increased from 10% to 20% in the case of major Canadian banks, the same change must be made for Quebec's largest bank.

• (1320)

Not only does it require an increase from 10% to 20%, as in the case of large banks, but if an individual had 10% of the voting shares and wanted to increase his share to 20%, he would be subject to what the minister calls at page 56 of the bill, in clauses 395 and 396, an "approval process".

A set of criteria would determine whether the fact of increasing one's holdings by ten percentage points met the following criteria. I would add others, but I will begin by identifying those that are there. I would also have some questions for the Minister of Finance and his secretary of state on a provision that strikes me as a bit odd. There are no doubt answers, as the minister always has answers. They are not always the right ones, but we will not go into that.

The bill provides that any particular transaction aimed at, for example, increasing by 10% the shares held by an individual would be subject to a set of criteria. The minister identifies eight of them. The first involves the minister considering:

(a) the nature and sufficiency of the financial resources of the applicant or applicants as a source of continuing financial support for the bank;

That is right. That is reasonable. They cannot have anyone holding shares do just anything and interrupt the continuing business of the bank. They will also consider:

(b) the soundness and feasibility of the plans of the applicant or applicants for the future conduct and development of the business of the bank;

This applies to amalgamations, combinations and the like. Under the third criterion, the minister would consider:

(c) the business record and experience of the applicant or applicants;

Other criteria are:

(d) the character and integrity of the applicant or applicants or, if the applicant or any of the applicants is a body corporate, its reputation for being operated in a manner that is consistent with the standards of good character and integrity;

(e) whether the bank will be operated responsibly by persons with the competence and experience suitable for involvement in the operation of a financial institution;

That is quite right. One must be very responsible, particularly with other people's money. Let us not forget that these are our deposits in all the major Canadian banks.

(f) the impact of any integration of the businesses and operations of the applicant or applicants with those of the bank on the conduct of those businesses and operations;

This is the clause that covers the particular case I mentioned earlier. A business person buys the majority of shares in a bank and refuses to make a loan to a competitor in his industrial sector. The minister will take this into account. There is nothing wrong with that.

(g) the opinion of the Superintendent regarding the extent to which the proposed corporate structure of the applicant or applicants and their affiliates may affect the supervision and regulation of the bank, having regard to

(i) the nature and extent of the proposed financial services activities to be carried out by the bank and its affiliates, and

(ii) the nature and degree of supervision and regulation applying to the proposed financial services activities to be carried out by the affiliates of the bank;

This is normal. They have to comply with certain rules. Rules are made to be complied with. So even without this criterion, should the superintendent decide that the applicant or applicants are not complying with the rules, the Minister of Finance will take this into account.

Finally, the same clause also includes the following provision:

(h) the best interests of the financial system in Canada.

We would like to see the minister of finance add other criteria to the bill. We are going to move certain amendments to round them out. As members know, Quebec is now a distinct society. We are familiar with the historic words. The Prime Minister has already admitted that Quebec is a distinct society. The fact of the matter is that Quebec is indeed a distinct society financially. It has jurisdictions and institutions to which it is attached. The National Bank is an institution we wish to keep, particularly for its contribution to the economic and financial development of Quebec as a whole and of Montreal in particular as an international financial centre.

Incidentally, Quebec's minister of finance, Mr. Landry, wrote a letter to his federal counterpart on June 7 to express his concerns about the new legislation and to ask for safeguards regarding the public interest of Quebecers.

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Four criteria should be added. That is not asking too much. We know that with the very specialized and competent human resources that are available in the House of Commons we can draft provisions covering these four additional criteria, which would apply strictly to Quebec, given the special nature of the National Bank.

• (1325)

First, Quebec's minister of finance is asking that we take into account the changes that affect the banks' current operations, including the services available in Quebec and in Canada, because the minister does not mention the services available in his criteria. Service to consumers does not seem to be his main concern.

In proposing an increase in the percentage of the voting shares of a Quebec or Canadian financial institution held by an individual, the government should take into account the impact of that change on the level of the portfolio.

The first additional criterion when the Minister of Finance decides whether or not he will accept that a shareholder can increase his share in a bank should be the impact of the change on the bank's current operations, including available services.

The second criterion that the Minister of Finance should add to the list that I mentioned earlier is the effect of the change on employment. That is important. Why is employment not considered in the criteria proposed to us by the Minister of Finance in clause 396?

Does this mean that employment is not important for the Liberals, for the Minister of Finance and for the Prime Minister? Not important to them? Minister Landry and the Bloc Quebecois are calling for an examination of the effects on employment of this additional participation relating to voting shares, both at headquarters and in the branches, including professional positions and those requiring specialized expertise.

It is important to maintain these specialized resources if we want to have financial strength for Quebec. These are not to be found on every street corner.

The third criterion is the effect of change on the economy and the technological development of Quebec. This too is important. On the Canadian level, this does not even appear to be the object of any specific criteria for the federal Minister of Finance. This is scandalous.

Finally, the effect of change in the financial sector of Quebec and the role of Montreal as a financial centre, particularly as far as keeping final decision-making centred in Montreal is concerned. These criteria must be maintained.

I wish to inform hon. members that the Bloc Quebecois will be presenting amendments for this purpose at the report stage, in order

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to ensure that this important bill is complete. With a bit of good will from the other side, that could be accomplished. We support this bill overall, but the three points to which I have referred are so problematical that they will force us to vote against it tomorrow morning.

[English]

Hon. Lorne Nystrom (Regina—Qu'Appelle, NDP): Madam Speaker, I welcome you back for another continuation of this session of parliament.

We are starting this leg of this session of parliament with a very interesting bill before the House, Bill C-38. It is a bill to make a number of changes to the financial institutions in our country. It is a rather historic bill with some 900 pages. I understand it is the most voluminous bill we have ever dealt with in the history of this country, some 900 pages and the consequential changes which affect about 4,000 pages of existing legislation. In addition, there are many things in the bill that are left as orders in council and guidelines.

I do not think there is anyone in the House who can pretend that we have a good grasp of the overall impact of the bill. The minister, if he says he does, is very unique because the bureaucrats tell me that there is no one who has a total grasp of all aspects of the bill, including all the experts.

There are many experts of course who have expertise in various parts of the bill but no one can really tie it together in terms of all the consequences.

• (1330)

It is a very comprehensive bill. Where did it come from? In 1996 the government established a task force headed by Mr. Baillie, replaced later on by Mr. MacKay of Regina, to look at financial institutions and make recommendations to parliament and to the Minister of Finance to reform and change our financial institutions.

That task force went on from 1996 to 1998 at a cost of \$3.5 million. It made a comprehensive and sweeping set of recommendations to the Parliament of Canada. The finance committee undertook hearings on the MacKay task force recommendations in October, November and December 1998, if I recall correctly. We also made our recommendations to parliament and to the Minister of Finance.

The Department of Finance issued a paper in June 1999 in which it made some comments and 57 recommendations arising out of the report. In the year 2000 we finally have before the House this very voluminous bill that makes all kinds of changes.

In a bill of this sort there are many positives and negatives. Our party will be voting against it on second reading and will continue

to take that position unless a number of fairly sweeping changes are made to the bill.

Before I get into some of the negatives, I want to say that there are also a number of positives. The bill expands access to the payment system in the country. The payment system is there for the chartered banks. Bill C-38 will expand access to that system, in particular to the insurance companies, some of the brokerage houses and other financial institutions. We see this as a positive step in terms of competition in the financial industry. It is something that is supported by the insurance industry and others as well.

Another positive aspect of the bill is the expanded powers for our credit union movement. The credit union movement comes under provincial jurisdiction today. The legislation would allow them to have a national service entity where we could have easier transactions made from province to province. A member of parliament for example from Nova Scotia could go out to B.C. and do his banking in a credit union more easily than now because credit unions are currently regulated on a provincial basis and not on a federal basis.

There is also some talk about the possible creation of a credit union bank. This was a recommendation of the MacKay task force. It is not in this legislation, primarily because there is no consensus, as I understand it, in the credit union or co-operative movement on whether or not it is the right way to go. I think there is an openness in the House and in the government to the idea of a national credit union bank if indeed there is consensus evolving in the credit union movement and if the minister nods his approval to that. That would come some time in the weeks, months or years ahead. That is certainly a good possibility.

Under the current legislation a credit union could own a bank. For example, the Van City Credit Union could buy or operate a bank but the bank would have to be a subsidiary of the credit union and not owned directly by individual members of the credit union. This gets us into some of the detailed debating we will be having in the committee if the bill goes there in the next few days.

We support the idea of a financial services ombudsman. When it comes to the ombudsman it is a step in the right direction. We now have an ombudsman funded by individual banks and therefore there is a built-in conflict of interest in a real sense and in a perceived sense. The new financial ombudsman would not be a creation of the banks. It would have an independent board that is not drawn from the federal government or the banks. It would operate independently.

A concern I have about the ombudsman—and we will get to it in committee as well—is that I do not think it has enough power to enforce some of the findings that occur in terms of a levelling of fines and sanctions on banking institutions that may violate the rules and regulations pertaining to those institutions. We will be

looking at more details from the minister at committee stage, but at least we have the establishment of a financial service institution which is a positive step in the right direction.

• (1335)

Let me reminisce. In 1989 an old friend of mine, the then member for Nickel Belt, John Rodriguez, introduced in the House a private member's bill to establish an office of the financial ombudsman or banking ombudsman that had sweeping powers to look out for consumers and to impose fines and sanctions on financial institutions that violated the rules and regulations. Some progress has been made, but hopefully we can strengthen it at committee stage.

Part of the bill that is going in a positive direction is some of the consumer protection agencies. They are very timid in my opinion. We now have the possibility of a lifeline account where some four to twelve transactions in a bank account are free of charge. If I understand correctly, it also says that no one can be denied a bank account as long as he or she has two pieces of identification and as long as there is no fraud. One cannot be denied a bank account whether the person is poor, unemployed or whatever. A lot of people now have difficulty establishing a bank account.

This is very vague in terms of what is actually in the legislation and of the details for individual banks. My understanding is that there will be negotiations between the new consumer agency and individual banks. There will be a memorandum of standing, an MOU, signed with each individual bank which might differ from bank to bank or financial institution to financial institution in terms of their obligations. The minister confirmed that as well. We want to scrutinize that carefully to make sure we can maybe strengthen it on behalf of consumers.

Another positive aspect in the legislation is something for which we have lobbied for a long time. It does not expand the power of banks to get into auto leasing or the sale of insurance. Members will recall a lobby a couple of years ago when this idea was floated, particularly by the MacKay report when it recommended that banks be allowed to sell insurance and get into the auto leasing business. There was quite a lobby in the country and we were all contacted. The influence of that lobby has paid off and that provision is not in the legislation today. That is a very positive step.

Those are some of the positive aspects of the bill. Some are not as strong as we had hoped, but at least they are steps in the right direction.

I come to some of the concerns. My major concern is the changing of the wide ownership rule. I am afraid this opens the door to more concentration of who owns the banking institutions and to foreign control and influence in our banking institutions. This has been a debate in cabinet. I would like to make sure that Canadians know this fairly radical change is being suggested.

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Under the current legislation nobody can own more than 10% of the banking shares in any bank. All a wealthy individual can buy is 10% of the Royal Bank or 10% of the Bank of Montreal. This rule was brought in to parliament in the mid-1960s by the Pearson government when the Chase Manhattan Bank was in the process of trying to buy the Toronto-Dominion Bank. There was great concern about losing our financial institutions so the House of Commons brought in the 10% and 25% rule. No individual could have more than 10% of the shares in any bank and foreigners, put together, could not have more than 25% of the shares of a bank. The 25% rule went by the way with the signing of the free trade agreement with the United States. That has been gone now for a few years.

Today the 10% rule still applies. The government will raise the 10% to 20% for voting shares and the 10% to 30% for non-voting shares, opening the door for more concentration in the banking industry and for more billionaires or wealthy banks in the United States to buy huge chunks of Canadian banks and therefore have control over the Canadian banking industry. I do not think that is the way the Canadian people want to go.

Canadians are already concerned that we have given away too much of our national sovereignty. We have sold out too much of our country. We have erased too much of the border. I think Canadians are saying that we should not get rid of the 10% rule and should make sure Canadian banking institutions remain in the hands of Canadians and regulated by the Parliament of Canada on behalf of the Canadian people. I think that is the way we ought to go.

• (1340)

People are saying maybe we need this kind of change to compete in the world. Our banks are actually pretty large on the world scale. We have some of the largest banks in the world today, ranking 15th, 16th or 20th in terms of size. If our banks need to be bigger to compete in the world, for economy of scale, they could form a consortium. They would still have the same effect and efficiencies as if we were to change the rule in terms of amalgamating with other banks and ownership changes. We could do the same by consortium.

Another point I am concerned about is the ownership rule. The government has decided to categorize banks into three different categories: large, medium and small.

An hon. member: Good idea.

Hon. Lorne Nystrom: It may be a good idea, but I have some questions about the rules pertaining to each of these three. A large bank is any bank with equity over \$5 billion. That includes the big five Bank of Montreal, Royal Bank, TD Bank, Scotiabank and CIBC.

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Then there is a mid-size bank with equity between \$1 billion and \$5 billion. My friend from the Bloc Québécois was referring to this. That includes la Banque Nationale which is a fairly large bank based in the province of Quebec, the Banque Laurentienne and the Bank of Western Canada. The wide ownership rule does not apply to them. For them, only 35% of the equity or voting shares have to be widely held. In other words, an individual could purchase 65% of the shares of la Banque Nationale, the Banque Laurentienne or the Bank of Western Canada. That is a real concern in the province of Quebec and elsewhere. Why would we have different rules apply to these banks which are a bit smaller than those which apply to the Royal Bank, CIBC and Bank of Montreal?

The Chase Manhattan Bank or Citibank of New York could buy la Banque Nationale just like that. The headquarters would go out of Quebec and Canada and we would lose an important part of our banking industry. Why has the minister decided to have different rules and regulations for mid-size banks compared with big banks? Why can the minister himself change the rules? Why is parliament not supreme in changing those kinds of rules?

There is also a third category of bank called the small banks. They are banks with equity of under \$1 billion. There are no restrictions at all on the ownership of small banks. The hon. member for Kamloops, Thompson and Highland Valleys could start a bank. It could go up to \$1 billion with no restriction on ownership. He could give it away as a gift to one of his friends in Finland or wherever he wants. There are no rules or restrictions at all. We could have the bank of Tim Hortons across the country. There could be the bank of Safeway or Loblaws. The bank of Tim Hortons could be the biggest bank if it keeps on going the way it is.

There are no rules or regulations. It is totally unrestricted with regard to ownership. We are asking why there is this great change and this great difference between small, medium and large banks. This is of particular interest in the province of Quebec with la Banque Nationale.

Outside the wide ownership rule a second concern I have with the legislation as written is that far too much power is being given to the Minister of Finance. I see the parliamentary secretary across the way shaking his head. We have seen a disturbing trend for the last 20 or 30 years. More and more power is taken from the Parliament of Canada which represents the people of the country and put in the hands of the Minister of Finance, other ministers and in effect in many cases in the hands of senior bureaucrats. The parliamentary secretary can confirm that the Minister of Finance can change some of these ownership rules with the stroke of a pen without going back to parliament.

In effect the minister has become a banking czar who can determine many things such as whether or not, for example, a merger will go ahead. In the legislation there is now a process for mergers, but it is only a process for mergers.

• (1345)

It is the minister himself or herself, whoever that minister may be, who will make a decision about mergers in the future, whether it is a good merger or a bad merger, according to the process that is set in place. Why should that not be parliament? Why should it not be the finance committee that recommends to parliament whether or not a merger is good or bad for the people of this country? Why not democratize this institution and make meaningful the role of a member of parliament elected by the people? Yet, this power is concentrated in the hands of the Minister of Finance concerning mergers, acquisitions, ownership rules and many other things. In this bill of 900 pages, the power is with the new banking czar, the Minister of Finance.

Some Liberals across the way say that we have a very competent Minister of Finance. Even if we concede that, and that is very questionable because no human being should have that power, he will not be the Minister of Finance for much longer. There will soon be somebody else.

Do we want to give this kind of power to the member for Wild Rose, for example, if he becomes Minister of Finance, or to the member for Brandon—Souris if he becomes the Minister of Finance? That is what is written in the legislation. This bill is saying to hand power over to the Minister of Finance to make important decisions over mergers, acquisitions, ownership rules, regulations and so on.

Even when it comes to the banking ombudsman, the guidelines are not written. There have been memoranda of understanding. There will be all kinds of rules and regulations that are still being debated and decided by the Minister of Finance and sometimes not even recommended by the cabinet of this country.

We are going in the wrong direction in terms of the lack of power in the House of Commons and about authority being taken out of the House of Commons and transferred to the Minister of Finance and transferred to bureaucrats, however competent they may be. That power should be here in the House because we are responsible to the people and we are accountable every three, four or five years to the people in our ridings. That is where the power should reside.

I mentioned the consumer agencies. I think that in principle many of these agencies are going in the right direction. I do not think they have enough power or legislative clout to adequately protect consumers. Many of the rules and regulations are still being decided in terms of guidelines and the memorandum of understanding.

I referred already to mergers to a certain extent. We have in the bill the guidelines and the process as to what must happen when a merger occurs. These guidelines are common sense guidelines in terms of a public debate. We need a process where the details are

revealed as to why the parties want to merge and the like. It is the Minister of Finance who has the power. It would be similar to what happened in 1998-99 when the TD and the CIBC wanted to merge and when the Royal Bank and the Bank of Montreal wanted to merge. It was the Minister of Finance after pressure from the public, instigated primarily by our party and our friends on the progressive side of the Canadian population, who started to make this an issue across the country.

In my last minute, there is nothing here to establish a community reinvestment act. There is nothing here that will prevent bank branch closures except the notice in the cities of four months or a notice in the rural areas of six months, but there is no empowerment of the community that would prevent a closure if that bank branch were profitable, so again it is a Mickey Mouse approach.

The final point is that there is nothing here in terms of taxes on banks. We all heard the news a while back where the Minister of Finance, because of current changes in the tax system based on 1999 profit levels, was giving the banks an extra tax cut of \$500 million a year. These are the most profitable companies in the country and yet they are getting big tax cuts.

Mr. Mac Harb (Ottawa Centre, Lib.): Madam Speaker, I have a comment concerning Bill C-38. First, let me congratulate the minister as well as his department on introducing legislation which will ensure competition as well as choice for consumers of financial services in Canada.

My point focuses on some of the comments made by the minister which now exist in the proposal dealing with MacKay task force recommendation 22.

• (1350)

The MacKay task force stated that further legislation should permit co-operative banks and other financial institutions to be chartered as new institutions with ownership and governance to be based on co-operative principles, subject to compliance with applicable provincial legislation. Provincial credit union and credit union centrals should be able to continue as co-operative banks under the Bank Act.

The House committee on finance as well as the Senate banking committee have both agreed with the task force recommendations. I understand that the bill already provides some additional flexibility as well as scope for the credit unions. I was quite encouraged to hear the minister stating that the Department of Finance is committed to continuing to work with the credit unions and co-operatives, so they can pursue more the co-operative bank model.

I look forward to working with the minister and the finance committee to see that the co-operative movement gets involved with this legislation as it passes through the legislative process. It

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is my hope that they will take into consideration their comments and their input.

Hon. Lorne Nystrom: Madam Speaker, I am sorry, I missed the last comment of the member for Ottawa Centre.

Mr. Nelson Riis (Kamloops, Thompson and Highland Valleys, NDP): Madam Speaker, I listened with interest to my hon. colleague who as usual gave a very profound address in terms of the nature of this omnibus legislation. He pointed out the reasons why we are concerned about a number of features, one which makes the Minister of Finance virtually a banking and financial czar of the country. As capable as he may be, this obviously causes Canadians some concern.

I have a question for the member. A number of American states have legislation that would require a bank that takes in deposits from a particular region to reinvest in that particular zone. In other words, if we take money from a particular region or community, we are obligated to write loans to benefit the businesses or people of the particular area. It is called the community reinvestment act.

I know my friend across the way is aware of the act. It is something we have been pushing for. The member mentioned in his presentation that it is absent from this legislation. Can he see any reason why it is absent? If not, is it something that the government ought to consider amending or perhaps we can assist by presenting an amendment later in the process ourselves?

Hon. Lorne Nystrom: Mr. Speaker, rest assured there will be an amendment for a community reinvestment act. There is no reason why we could not do what a number of American states are doing and require a bank to invest a certain amount of their portfolio in the region or the state or the area from where they get their funds from the ordinary people, which would lead to economic development in the particular area. It is called the community reinvestment act.

I do not know why it has not been done before. Maybe it is because the banks are big contributors to the Liberal Party. They are putting a lot of money into its campaign fund. I also notice that it is not just the Liberal Party any more. I noticed that the new leader of the Alliance, that Fred Flintstone on rollerblades, is having a fundraiser in Toronto very soon. They are charging \$25,000 a table. Those tables will be bought by wealthy bankers, wealthy business executives and CEOs. That shows that the Reform Party, now the Alliance, has lost touch with its grassroots.

It is for those reasons that we do not have a community reinvestment act. The bankers contribute to the funds of the Liberal Party, and now the Alliance Party. They try to govern in the interests of the big bankers and the wealthy in this country. Imagine that, \$25,000 a table. I can hardly believe what I read this morning in the *Globe and Mail*.

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Mr. Nelson Riis: Mr. Speaker, I rise on a point of order. I know you were paying attention to my colleague's remarks, but I think he erred when he said that the Canadian Alliance was actually having a fundraiser where people were paying \$2,500 for a table. Surely he must be wrong.

Some hon. members: Twenty-five thousand.

• (1355)

The Speaker: Order, please. What we will do is have statements by members as there is only a minute left. When the hon. member reviews *Hansard* he will see what was truly said. I think I have ruled on the point of order.

STATEMENTS BY MEMBERS

[*Translation*]

JOURNALIST MICHEL AUGER

Mr. Mauril Bélanger (Ottawa—Vanier, Lib.): Mr. Speaker, journalist Michel Auger of the *Journal de Montréal* and the *Journal de Québec* was attacked last Thursday. Immediately expressions of sympathy poured out across Canada in reaction to the horror of this attempted murder of an honest worker concerned with keeping the public properly informed.

Michel Auger was the victim of an act that makes no sense in a democratic society where the public has a right to information, where law prevails in fact.

My remarks are directed primarily at Mr. Auger to let him know of our support and our hope for his speedy recovery.

We wish you a quick recovery, Mr. Auger, in the assurance that you will be able to return to the job that you love and do with such love, professionalism and diligence.

The Canadian public hopes you may recover your health quickly. Your colleagues have continued to express their support for you since the attempt took place. You must no doubt find this very moving.

In our own way, we in parliament offer the same support. We wish you back among us very soon.

* * *

[*English*]

GRAIN TRANSPORTATION

Mr. Garry Breitkreuz (Yorkton—Melville, Canadian Alliance): Mr. Speaker, in June of this year the government passed Bill C-34, the new grain transportation legislation.

Since it came into effect on August 1 our grain transportation system has begun to crumble. Rail cars are not being delivered promptly because the Canadian Wheat Board continues to control and dictate to farmers and companies where the rail cars will be delivered. This is costing farmers money as they incur increased storage costs and are trucking their grain further distances.

As part of the new legislation, the Canadian Wheat Board is to tender 25% of its annual capacity. The wheat board put out its initial tender asking for 250,000 tonnes of grain. It received contracts for only 7% of their proposal. This tendering system is not working because the wheat board has too much control over grain transportation. Tendering agreements will only work if there is a completely commercial and contract based system.

The government is completely responsible for the loss of \$300 million to farmers because of this flawed transportation system. Farmers have lost \$300 million and something needs to be done right now.

* * *

BATTLE OF BRITAIN

Ms. Carolyn Bennett (St. Paul's, Lib.): Mr. Speaker, it is with great pride that I rise today to recognize the 60th anniversary of the Battle of Britain, three months that now military strategists and historians have defined as one of the most important turning points in the second world war.

Yesterday at the Air Force Association of Canada's anniversary ceremony here in Ottawa, my father-in-law, Peter O'Brian, provided his observations based on his role as a Spitfire pilot serving with the Royal Canadian Air Force. He was among many Canadians who heroically helped fight this vital victory for freedom.

During World War II, Winston Churchill's valiant and inspirational speeches brought people together to fight a common cause. It was 60 years ago that during the Battle of Britain, Churchill left a moving motto for humanity "to value freedom far above their lives". In Churchill's words "Never in the field of human conflict was so much owed by so many to so few".

The 60th anniversary provides an opportunity to thank the 99 Canadian pilots who took part in this historic air defensive and particular the less than a dozen who are still with us again—

The Speaker: The hon. member for Lac-Saint-Louis.

* * *

[*Translation*]

JOURNALIST MICHEL AUGER

Mr. Clifford Lincoln (Lac-Saint-Louis, Lib.): Mr. Speaker, I am certain I speak for my colleagues from all the parties in the

House in expressing my revulsion at the attempt against journalist Michel Auger of the *Journal de Montréal*, which nearly cost him his life.

Of the most basic individual rights in a society, we defend zealously the freedoms of expression and of opinion guaranteed by the charters of rights of both Canada and Quebec.

• (1400)

[*English*]

No society can function freely when random violence and threats to human life interfere with our most cherished human freedoms, especially the freedom of expression.

[*Translation*]

We congratulate Mr. Auger on his great courage in the face of the threats he has received over the years and wish him a speedy and full recovery.

* * *

[*English*]

ERIC LAMAZE

Mr. Dennis J. Mills (Toronto—Danforth, Lib.): Mr. Speaker, the story of Eric Lamaze is a story of success and accomplishment rather than failure. His first exposure to cocaine was as a fetus. His mother was a cocaine addict and he was effectively a street kid from the beginning of his life. He has no father; his mother does not even know who his father is.

While there have been a few bumps in the road, through determination and hard work Eric Lamaze has overcome his disability. All the medical experts agree that his success is a miracle.

There were catastrophic circumstances surrounding his latest infraction which was put before an independent adjudicator, Professor Ratushny. No party at the hearing disputed the catastrophic circumstances surrounding the infraction. No party disputed the overwhelming medical evidence. The legal process ran its course and Professor Ratushny has agreed on the basis of all the evidence that Mr. Lamaze was not responsible for the catastrophic circumstances that led to his latest infraction. It is therefore no surprise that Professor Ratushny has reinstated Mr. Lamaze effective immediately without conditions.

I call upon the Canadian olympic—

The Speaker: The hon. member for Saanich—Gulf Islands.

* * *

SIMON WHITFIELD

Mr. Gary Lunn (Saanich—Gulf Islands, Canadian Alliance): Mr. Speaker, I stand to salute a proud young Canadian.

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With incredible determination and stamina, Simon Whitfield won Canada's first gold medal in the 2000 Olympics in Australia and the first ever Olympic medal in triathlon.

Only 25 years of age and ranked 13th in the world, Simon swam 1.5 kilometres, biked 40 kilometres and ran 10 kilometres to win Olympic gold. He was in 28th place after the swim, 27th after biking and 1st at the finish line. I was awestruck as I watched him turn the final corner and unleash incredible energy to sprint past his opponent as the finish line came into sight.

The only thing greater than the energy he found to sprint into first place was his love for Canada. Simon was overcome with emotion as our national anthem was played and our flag was raised to the top in his honour.

On behalf of all Canadians, I salute a great young athlete. Simon, we are all very proud of you.

* * *

TORONTO GARBAGE

Mr. Peter Adams (Peterborough, Lib.): Mr. Speaker, there is a move afoot to ship Toronto's garbage to the Adams mine in Kirkland Lake. This concerns me greatly, not only because the mine and I share a name.

Even if the mine is watertight, which it is not, this is no solution for urban garbage. The only way to deal with garbage is to reduce, reuse and recycle it. Dumping garbage is like scratching a festering sore; it makes the problem worse. Putting garbage out of sight and out of mind makes the real problem, the production of garbage, even more difficult to deal with. In this case the extraordinary cost of shipping garbage to northern Ontario makes things worse.

I urge Toronto and the government of Ontario to reconsider this decision at least until metro becomes a national and international leader in recycling.

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[*Translation*]

JOURNALIST JEAN V. DUFRESNE

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, with the death of Jean V. Dufresne, Quebec has just lost one of its greatest journalists after a remarkable 45 year professional career with several newspapers, as well as on radio and television.

Once Jean V. Dufresne had carried out a careful investigation and checked his facts, he provided his readers with articles written in a finely honed language, always beautifully expressed, in a French of as fine a quality as it is possible to have.

He was self-taught, with a passion fuelled by his great curiosity, which gave him a very broad knowledge in a great variety of areas.

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When another journalistic great, René Lévesque, was at the start of his political career in 1960, he recognized Dufresne's talent and sought him out as his private secretary.

It did not take Jean V. Dufresne long, however, to return to journalism and to his cherished freedom. What was most important to him was to serve the public, and the means he chose was the essential democratic function of understanding and passing on that understanding, of informing people.

My sincere condolences to his family and friends.

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[English]

COMMEMORATIVE STAMP

Mr. Sarkis Assadourian (Brampton Centre, Lib.): Mr. Speaker, on May 16, 2000 I wrote to Hon. André Ouellet, P.C., Q.C. to request that Canada Post create a stamp in recognition of the Armenian community's 1,700th anniversary of Christianity as a state religion.

I am proud to inform the House that Canada Post has officially announced that the stamp will be issued in 2001 to mark this important milestone in the history of the Canadian Armenian community.

• (1405)

Canada is the first country to issue such a stamp highlighting our government's commitment to inclusiveness and multiculturalism.

I thank the many ministers, members of parliament and members of the Canadian Armenian community who expressed their support for this stamp initiative by writing to me and to Canada Post. The beautiful stamp illustrating traditional Armenian religious art will be enjoyed by everyone around the world.

* * *

AIRLINE INDUSTRY

Mr. Jay Hill (Prince George—Peace River, Canadian Alliance): Mr. Speaker, today is day 47. On August 3, Air Canada CEO Robert Milton made a 180 day commitment to improve customer satisfaction as a result of his chaotic merger with Canadian Airlines. He certainly has his work cut out for him.

For air travellers this has been a summer of discontent plagued by repeated cancellations, numerous delays, lost luggage, a reduction in service and a threatened pilots strike. Even the transport minister and his luggage arrived at different destinations.

It takes more than a glossy public relations campaign to fix what is wrong with Canada's airline industry. While the Canadian Alliance encourages Mr. Milton's initiatives, we are steadfast in our commitment to competition and fair business practices. On that

note, I encourage the Competition Bureau to resolve the allegations of predatory pricing and unfair competition against Air Canada.

I call on the transport committee to invite Mr. Milton to appear at the end of his 180 day campaign to present his progress to Canadians through their elective representatives. Then Canadians can present their verdict.

* * *

2000 OLYMPIC GAMES

Mr. Bryon Wilfert (Oak Ridges, Lib.): Mr. Speaker, together with all residents of my riding of Oak Ridges I want to wish all our athletes at the Olympic Games in Sydney good luck and best wishes for success.

I know that these members of our Olympic team will represent Canada and their hometowns with pride: Garret Pule of Markham in the 4x100 metre freestyle; Rob Rusnov of Richmond Hill in archery; Carl Georgevski, an assistant coach in athletics; Tammy Sutton-Brown of Markham in basketball; John Pearce of Stouffville in the equestrian events of team and individual jumping, backed up by the efforts of Donna Peacock, a groom from Stouffville; Mathieu Turgeon of Unionville on the trampoline; and Colleen Smith of Markham in softball. I know they will be aiming for personal bests and giving their best efforts in the first games of the new millennium.

Australian athletes are certainly benefiting from performing in front of their home crowds. I hope we can look forward to the same benefit if Toronto succeeds in hosting the 2008 Olympic Games.

* * *

FUEL COSTS

Ms. Louise Hardy (Yukon, NDP): Mr. Speaker, winter is coming and soaring fuel costs mean that Canadians spend more money on energy and transportation than on food and clothing combined. In northern Canada one community has been forced to lay off staff in order to pay for heating fuel. Transportation has always been expensive in the north but with rising fuel costs it will become impossible.

The Liberal government no longer regulates energy prices or even monitors gasoline prices. This allows unaccountable oil companies to set prices with no concern for the hardship they inflict. In an emergency resolution, the NDP federal council called on the Government of Canada to ensure that the cost of home heating, transportation and electricity remain affordable for all Canadians.

I would like to take a moment to welcome a page from the Yukon, Jamie Furniss. His mom phoned and asked us to welcome him.

[Translation]

SYDNEY OLYMPIC GAMES

Mr. Robert Bertrand (Pontiac—Gatineau—Labelle, Lib.): Mr. Speaker, the Sydney Games are in full swing and the Canadian delegation has already made its presence felt.

We have seen the magnificent win by Simon Whitfield, the first-ever gold medal winner in the men's triathlon, and the performance of swimmer Curtis Myden, who won the bronze in the 400 metre individual medley.

The young people on our delegation have sacrificed years out of their lives to earn the honour of representing Canada in this landmark event.

We wish them the best of luck and thank them for all of the efforts and sacrifices that have brought them so far.

Thanks are also owing to those who have been behind them throughout their careers—their coaches, their parents and their friends. Their contribution also deserves recognition.

Good luck to all our wonderful Canadian athletes. We are anxiously awaiting their return home.

* * *

ORGANIZED CRIME

Mrs. Pierrette Venne (Saint-Bruno—Saint-Hubert, BQ): Mr. Speaker, the escalation of violence is a sign of the powerlessness of the police to do anything about organized crime, which is growing faster than our efforts to come up with a means of stamping it out. This is why, for years now, the Bloc Québécois has been calling for real anti-gang legislation which would give the police the tools they need to combat this form of crime.

On September 14, the Bloc Québécois accordingly gave notice of a motion calling on the federal government to introduce anti-gang legislation before October 6, 2000.

• (1410)

We believe that the House must make it very clear that it does not intend to yield to criminal groups' attempts at intimidation. Members of the House must join forces, stand firm against the actions of members of organized crime and demand that the federal government amend the legislation immediately.

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[English]

WHARVES

Mr. Mark Muise (West Nova, PC): Mr. Speaker, last year when the Liberal government decided to divest itself of the Digby wharf,

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the PC Party expressed concern that local stakeholders would no longer have any input in the management of their wharves.

Already our fears have come true. Since the federal government transferred responsibility of the wharf to the Maritime Harbours Society, docking fees have increased significantly and services such as garbage removal and water delivery appear to have been eliminated.

The federal government has given Maritime Harbours Society, a supposedly non-profit organization, over \$3 million to operate the wharf yet our local fishermen are refused entry into the society.

If the purpose of the divestiture was to give local communities greater input into the future of their wharves, the Digby experience shows it was a complete and utter failure. Wharves are the lifelines of all coastal communities.

By failing to recognize their importance the Liberal government puts at risk the livelihoods of all Atlantic Canadians, a prospect I refuse to accept.

* * *

THE LATE MEL SMITH

Mr. Ted McWhinney (Vancouver Quadra, Lib.): Mr. Speaker, the late Mel Smith served as constitutional adviser to the government of British Columbia through a number of different premiers.

B.C. constitutional positions included the notion of the province as a distinct society, a constitutional idea accepted and confirmed by the present federal government in a joint resolution of both Houses of parliament recognizing B.C. as a fifth region within the federal constitution.

His book *Our Home or Native Land?* aroused lively debate as to the constitutional status of aboriginal land claims and the Nisga'a treaty in particular. The federal government expressly provided in the federal legislation enacting the Nisga'a treaty that it is legally subject to the constitution and the charter of rights.

* * *

STOCKWELL DAY

Mr. Chuck Strahl (Fraser Valley, Canadian Alliance): Mr. Speaker, it is a new day in Canada. There is a new guy in town and his name is Stockwell Day.

He is the conductor of the new Canadian Alliance political train that is sweeping across the country picking up passengers from all parts of Canada and from all walks of life. His destination is the House of Commons. He is bringing with him a new agenda, an agenda of respect for the House of Commons, for tax dollars and for all Canadians.

Stockwell Day is a truly national leader with a genuine national vision, a proven policy track record and a love for Canada.

Oral Questions

Canadians young and old are looking for change, hope and a new political home. They are finding it in the Canadian Alliance.

It is too bad the government has been derailed by its old style Liberal politics, its old style Liberal governing and its old style of Liberal leadership. In other words, the old Liberal Party is parked on a siding and the new Canadian Alliance Party is picking up speed.

On behalf of all Canadians and the House of Commons, we welcome the new Alliance leader. He is ready to govern. He is ready to go. He is the new Leader of the Opposition and the next prime minister of Canada, Stockwell Day.

Canadians are worried about their heating fuel and filling up their cars and truckers are threatening to strike, but the government keeps on taxing and coming up with excuses.

Why did the finance minister not keep his word?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, I thank the member for pointing out that we have eliminated the deficit. That has certainly changed a great deal of the particular debate.

I would also like to point out for the hon. member that we have cut taxes substantially. If you take a look, Mr. Speaker, we as the federal government have cut taxes more for Albertans than has the Alberta government.

Miss Deborah Grey (Leader of the Opposition, Canadian Alliance): Mr. Speaker, in fact people from coast to coast are not taking any heart from this finance minister when they are filling up their gas tanks.

This Thursday the official opposition will put forward a supply day motion which will call for lower gas taxes. The government charges GST on its own tax on gas. We want that to stop. The government upped the gas tax to lower the deficit. We want it lowered again. These are common sense ways to bring relief to Canadians.

Will the Prime Minister allow a free vote by all his members on our motion? Yes or no.

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, we have made it very clear that we are going to cut taxes, that cutting personal income taxes is our priority. We have dealt with the issue of gas taxes.

Let me be very clear. There is a lot of pain out there for people who are paying for home heating fuel, for people who are paying for gas at the pump. The real problem is that oil prices are too high and it is going to take international concentration to make sure that we get those taxes down.

That is one of the things we will be discussing at the G-7 meeting in Prague. It is one of the reasons all of the finance ministers will be coming together to make sure that we have two things: lower oil prices but at the same time sustainable energy prices so that the oil companies and those—

The Speaker: The hon. member for Calgary Southeast.

Mr. Jason Kenney (Calgary Southeast, Canadian Alliance): Mr. Speaker, the finance minister said that he has dealt with the tax on gas. He has done that by raising the excise tax by a cent and a half supposedly to eliminate the deficit which is gone. He has done it by soaking gas consumers with the GST tax on tax.

The Liberals had a committee in 1998 which said the government should stop the double taxation on gasoline. Even its own members do not want to charge tax on tax through the GST.

ORAL QUESTION PERIOD

• (1415)

[English]

GASOLINE TAXES

Miss Deborah Grey (Leader of the Opposition, Canadian Alliance): Mr. Speaker, we are excited to have our new leader in the gallery today, but we are more thrilled that he will be on the floor of the House of Commons tomorrow.

Since he was the Alberta treasurer our new leader has been asking the finance minister to cut gas taxes. We are headlong into a fuel crisis now and the government is still inflating the price at the pumps.

Why has the Prime Minister not cut the gas tax?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, first I would like to thank the member from Pickering who raised this subject a lot sooner than any member of the Alliance or Reform.

We have made it very clear that if there is going to be a cut in gas taxes it must go into the pockets of Canadians, not into the pockets of oil companies. That means the size of that cut must be substantial which will require federal-provincial co-operation.

I have said that we are quite prepared to sit down with the provinces at any time to see if this is where their priority lies.

Miss Deborah Grey (Leader of the Opposition, Canadian Alliance): Mr. Speaker, I bet the member from Pickering does not like that in his pocket. In the finance minister's 1995 budget he upped the gas tax by a cent and a half every litre. He said he did that to help reduce the deficit. The deficit has been gone for two years now but the tax is not.

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In the middle of a gas crisis, why does the finance minister continue to impose double taxation on consumers at the pump?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, the first thing I would like to do is congratulate the member for Calgary Southeast on his appointment as finance critic. I would also like to congratulate the former finance critic, the member for Medicine Hat, on his promotion.

• (1420)

Let me simply say that the issue of GST on gasoline taxes, an issue that the hon. member from Pickering has been raising for quite some time, is obviously something that the government will look at. For the hon. member to raise the whole issue of the GST, given what happened two or three weeks ago and the confusion that seemed to reign in Jurassic Park—

Some hon. members: Oh, oh.

The Speaker: The hon. member for Calgary Southeast.

Mr. Jason Kenney (Calgary Southeast, Canadian Alliance): Mr. Speaker, I am sure the hon. member for Medicine Hat is pleased with that and the fact that his appointment as critic has scared off the foreign affairs minister.

For this minister to raise the GST is really something special. This is from the government that was going to scrap, kill and abolish the GST. This is the same government that told us in a report that it would “consider removing the GST from other taxes and apply it only to the wholesale price for gasoline in the retailer margin”. That is what the liberal caucus report said two years ago. There has been no action on that to this date.

Why will the Prime Minister not allow a free vote so his members can represent their constituents when we bring forward a motion to end the double taxation of gasoline later this week?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, one must wonder about the crocodile tears being raised by the hon. member for Calgary Southeast. The fact is that his party has brought forth a flat tax that would provide somebody earning \$1 million a year with a \$130,000 tax cut compared with \$1,400 for somebody making \$40,000.

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[Translation]

ORGANIZED CRIME

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, the public is fed up with seeing criminal gangs call the shots in Quebec and in Canada.

Is it not our duty as parliamentarians to take control of the situation, to react, to make the public feel more secure, in short to assume our responsibilities?

Will the Prime Minister pledge today to give his full attention to this issue and to draft real anti-gang legislation?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we have shown in the past and we continue to show that we are very concerned about this issue. This is why the Minister of Justice and the solicitor general met last week with their provincial and territorial counterparts to move ahead on this matter.

I should point out to the hon. member that, in 1997, the Minister of Justice proposed measures regarding this issue which were supported by the Bloc Québécois. At the time, the Minister of Justice was congratulated by the Quebec government and he enjoyed the support of editorial writers in Quebec.

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, we did support Bill C-95. It is obvious that this legislation is inadequate as a response to the needs and the situation that confronts us.

This week, a federal report revealed that jury members, lawyers, police officers and even parliamentarians are being threatened.

Will the government realize that we currently do not have all the necessary means at our disposal to fight organized crime? Will the Prime Minister assume his responsibilities and say “Enough is enough. Our society will not be controlled by criminal gangs. We will react with adequate tools and we will use all available means”? Will the Prime Minister assume his responsibilities?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the hon. member will realize that we significantly increased resources at the Department of the Solicitor General to allow the RCMP to do its job properly.

A problem of this nature is not just a federal responsibility since the administration of justice within the provinces is the responsibility of the provincial governments, which must also take the necessary measures to ensure that the police can do its job effectively under the circumstances.

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, in Quebec the issue of organized crime is one of great concern. It should be of similar concern to the government opposite.

As my party leader has said, a federal report shows beyond a shadow of a doubt that judges, juries, lawyers, crown counsel, even elected officials, not only in Quebec but throughout Canada, are increasingly being intimidated. The whole offensive deployed against organized crime ends, more often than not, in proceedings being dropped or in an acquittal.

Does the Prime Minister not see this as an indication that the weapons we have at our disposal are woefully inadequate and that anti-gang legislation is required?

Oral Questions

• (1425)

[English]

Hon. Anne McLellan (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, let me reassure the hon. member, everyone in the House and all Canadians that this government takes organized crime very seriously. That is why organized crime is the number one law enforcement priority of this government.

My colleague and I, the solicitor general, have instructed our deputy ministers to travel to Quebec tomorrow to meet with Quebec officials. We will be working with other provincial and territorial colleagues. If we need new laws in this country to break the back of organized crime, we will have those new laws.

[Translation]

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, for the past five years the Bloc Québécois has been calling for legislation to fight organized crime effectively.

In 1995, there were 28 organized motorcycle gangs in Canada. Today there are 35. Something is amiss on the other side of the House.

Will the Prime Minister act like a real head of government, assume his responsibilities and ask the House to debate, vote on and pass anti-gang legislation?

[English]

Hon. Anne McLellan (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, let me say again that this government has taken the threat of organized crime very seriously. Since 1994 we have been working with the provinces, the territories and law enforcement agencies all over the country to make sure that we have the right laws in place.

Let me assure the hon. members of the opposition that if we need new laws we will get new laws.

Let us look at law enforcement and what we need to do in terms of making sure the police have the tools and the resources necessary to fight organized crime. That is why my colleague, the solicitor general, has been so successful in getting more finances for the Royal Canadian Mounted Police and other law enforcement agencies to fight organized crime.

* * *

DRUGS AND PHARMACEUTICALS

Ms. Alexa McDonough (Halifax, NDP): Mr. Speaker, my question is for the Prime Minister.

In Canada today we spend more money on drugs than we do on doctors. For seven straight years the federal Liberal government

has been promising to bring in a drug plan and promising to do something to drive down the cost of prescription drugs.

My question for the Prime Minister is very simple: Where is the drug plan?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, on Monday, exactly a week ago, the Prime Minister, all the premiers and the leaders of the territories managed to have an historic accord on health. In this accord the provincial governments and the federal government have agreed on a plan to deal with all the elements of the health of Canadians.

Ms. Alexa McDonough (Halifax, NDP): Mr. Speaker, the only premiers who got exactly what they wanted were Klein, Harris and Bouchard, and the Prime Minister knows it.

Today there are seniors everywhere who are being forced to choose between the prescription drugs they need and the groceries they require. What do the Liberals do? They applaud. One out of ten patients in this country cannot afford to pay for his or her prescription drugs. What do the Liberals do? They applaud again.

I ask the Prime Minister, again, where is the drug plan?

Hon. Allan Rock (Minister of Health, Lib.): Mr. Speaker, one of the elements that was agreed to among all governments in the health action plan was that we would work together to solve some of the problems the member referred to.

Let us look at the NDP's position on health. In the 1997 election it said it wanted to move the cash floor and the transfers for health purposes to \$15 billion. We have now undertaken, under the plan, to move it to \$21 billion. The NDP said it wanted to add \$7 billion to the transfer for health care. We have now added five times that much. It wanted to add \$2.5 billion—

The Speaker: The hon. member for Saint John.

* * *

FUEL COSTS

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, Canadians could be faced with one of the coldest winters on record, made worse because of the skyrocketing price of heating their homes. Senior citizens and the less fortunate in our country will be hit the hardest by their heating costs.

Will the Prime Minister help low income families and the seniors of this nation by immediately cutting the GST on home heating fuel?

• (1430)

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, there is no doubt that higher oil prices are causing great pain and that governments at both levels, federal and provincial, have to deal with it. However, let us understand where the problem lies.

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The problem lies not in the gas prices themselves, which have not gone up, but in the fact of these very high oil prices. That is what we as a government and other governments around the world have to deal with. It makes no sense to have a small cut, which would occur if only one level of government acted alone, because it would simply disappear into the pumps or into the profits of the oil companies. It would not benefit those people—

The Speaker: The hon. member for Saint John.

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, I would like us to deal with what we can deal with in the House. I would like the government to deal with that.

Canadian truckers have seen a 40% increase in the cost of diesel fuel and are facing difficult decisions about keeping their rigs on the road. We must think about the effect on our economy if those trucks do not deliver.

The Minister of Finance keeps saying that he has to talk to the provinces. He never talked to the provinces when he raised the taxes, so why talk to the provinces when he has to lower them?

Will the minister commit right here and now to cut in half the excise tax on diesel fuel?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, surely the hon. member knows of the presence of the GST tax credit. Surely the hon. member knows that in our last budget we indexed all the benefits and that these accrue directly to senior citizens.

At the same time, surely the hon. member knows that the last time her leader was in government he raised the excise tax six times. It was also his government that introduced the tax on diesel fuel.

* * *

ORGANIZED CRIME

Mr. Myron Thompson (Wild Rose, Canadian Alliance): Mr. Speaker, back on March 5, 1998 in the *Edmonton Journal*, the justice minister promised to protect prosecutors, prison guards and police officers reportedly intimidated by members of outlaw biker gangs. This promise was as empty as her 1997 promise to make the Young Offenders Act a priority.

In light of the horrific incident involving crime reporter Michel Auger, why has the minister done nothing about the bloody turf war in Quebec and many other parts of the country?

Hon. Anne McLellan (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, as we have already made clear, since 1994 organized crime and fighting organized crime has been a priority of the government.

As the hon. member should know, and I look forward to hearing his views on it, we issued a consultation paper just a few months ago in terms of the intimidation of key actors in the justice system.

What I find interesting is that nobody, as far as I know, from the official opposition has bothered to comment on that paper.

Mr. Myron Thompson (Wild Rose, Canadian Alliance): Mr. Speaker, I do not hear much consolation for Mr. Auger.

I have heard the minister say “since 1994”. It is now 2000 and nothing is happening. “If we have a need for legislation” she says “then we will have legislation”. One hundred and fifty people have died as a result of gang wars in Quebec alone. Organized crime is threatening the economic and social stability of the country.

No more promises. It is time for action. After six years, can the justice minister explain to me why there is no plan to deal with this deadly problem?

Hon. Anne McLellan (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, not only is there a plan, there is a plan that federal, provincial and territorial ministers agreed to last year and reiterated their commitment to just last week when we met at Iqaluit.

The hon. member wants to know what we are doing. Well I guess since 1994 he has been asleep. He has missed the anti-smuggling initiative. He has missed the witness protection program. He has missed Bill C-17. He has missed integrated proceeds of crime. He has missed Bill C-95. He has missed Bill C-8. He has missed the cross-border crime forum. He has missed the joint statement on organized crime. He has missed Bill C-51. He has missed the Extradition Act. He has missed the \$15 million for surveillance at international airports.

[Translation]

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, the Minister of Justice is quick to remind others of things they have forgotten.

However, she herself has forgotten that the governments of Quebec, Ontario, Saskatchewan and Manitoba, the Sûreté du Québec, the Press Council, the Fédération professionnelle des journalistes du Québec, are all calling upon her to pass anti-gang legislation. Has she forgotten this already? Is she going to come up with it?

• (1435)

[English]

Hon. Anne McLellan (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, as the hon. member knows, my predecessor, the then minister of justice, worked with

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Quebec officials and other provincial officials to put in place an anti-gang law that came into force in 1997.

We know by working together that organized crime is pervasive, insidious and that it evolves. Therefore it is important that our laws evolve. My deputy minister and the solicitor general's deputy minister will be in Quebec tomorrow meeting with their counterparts to see what changes we need to make to our laws more effective to break the back of organized crime.

[Translation]

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, I would remind the Minister of Justice and the Prime Minister that amending the criminal code is their responsibility. It is up to them. The citizens of Quebec, all of these organizations, and all of these governments want to know this evening whether there will be anti-gang legislation or not.

I would ask the Prime Minister to look straight into the camera and to tell all Quebecers who will be watching this evening "Yes, there will be anti-gang legislation". That is what is expected of him.

[English]

Hon. Anne McLellan (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, as I have already said, my officials and the solicitor general's officials are going to Quebec tomorrow. They will be meeting with Quebec officials and other provincial and territorial counterparts.

If we need changes to the criminal code to effectively fight organized crime those changes will be made.

[Translation]

Mr. Rahim Jaffer (Edmonton—Strathcona, Canadian Alliance): Mr. Speaker, the Minister of Intergovernmental Affairs is of the opinion that taking a firm position in connection with biker gangs is too extreme.

What we in the Canadian Alliance find extreme is the current wave of violence and the underfunding of our police forces.

Could the minister tell us again what he considers too extreme?

[English]

Hon. Lawrence MacAulay (Solicitor General of Canada, Lib.): Mr. Speaker, if my hon. colleague heard the last budget he would be well aware of what the government did. It put its money where its mouth was and made sure that the RCMP and other police forces across the country had the tools to do the job. The RCMP received \$585 million, out of which \$116 million went to upgrade CPIC to make sure that we had the most up to date computer system across the land.

The government will continue to make sure that police forces have the tools to do their job.

[Translation]

Mr. Rahim Jaffer (Edmonton—Strathcona, Canadian Alliance): Mr. Speaker, the minister's words are far from reassuring. The Canadian Police Association is calling for a law with some teeth and the RCMP is calling for more funding.

Is the minister of the opinion that the Canadian Police Association and the RCMP are extremist organizations?

[English]

Hon. Anne McLellan (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the premise of the hon. member's question is, with all due respect, ridiculous. We are working closely with the Royal Canadian Mounted Police. As the solicitor general has indicated, the government has provided an unprecedented infusion of new resources to the RCMP so it can work with its provincial and territorial counterparts to fight organized crime.

Let us not forget that local and provincial policing is a local and provincial matter. However, we are at the table doing our share. As I said before, if we need new laws to fight organized crime we will work with our provincial and territorial colleagues to make sure that we have those effective laws in place.

* * *

[Translation]

EMPLOYMENT INSURANCE

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ): Mr. Speaker, what is unfortunate about EI reform is the minister's insensitivity to the terrible consequences for our seasonal workers and their families.

With surpluses of more than \$6 billion annually, how can the minister justify her continued assault on seasonal workers, such as those in the Saguenay—Lac-Saint-Jean, North Shore, Charlevoix, Gaspé and lower St. Lawrence regions, and their families?

[English]

Hon. Jane Stewart (Minister of Human Resources Development, Lib.): Mr. Speaker, on the contrary, the hon. member will know that by statute, every five years we have to review the employment insurance boundaries. We are implementing those changes as we speak.

We are very concerned about the impact of these changes on seasonal workers in western New Brunswick and on the north shore of Quebec. Last week I along with my colleagues, the ministers of revenue and labour, were pleased to announce changes that will transition us over four years to these new boundaries. That is

absolutely out of respect for the impact that these have on seasonal workers.

• (1440)

[Translation]

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ): Mr. Speaker, the minister talks about a solution when, in fact, she is keeping the workers in suspense by postponing cuts for a few months for lack of political courage. This is a fine example of Liberal compassion.

Will the minister admit that postponing EI cuts for a year is an admission of failure and that her reform is ridiculous and cannot be implemented in the regions without great hardship to workers and their families?

Hon. Jane Stewart (Minister of Human Resources Development, Lib.): Not at all, Mr. Speaker. Today, I met with representatives of those workers and we had a good discussion on the problems faced by seasonal workers. I can say that we share the same objectives. I invited them to work with my department to find lasting local solutions and I hope they will accept the invitation.

* * *

[English]

FISHERIES

Mr. John Cummins (Delta—South Richmond, Canadian Alliance): Mr. Speaker, the fisheries minister appointed Bob Rae as mediator in Burnt Church. However what is at issue here is not a matter for mediation. It is a matter of conservation.

Miramichi Bay is closed to commercial fishing for conservation reasons. The minister's own office admits that the 40,000 pound quota he allowed during this closed time has been caught. It was caught weeks ago.

Why will the minister not act to protect the lobster in Miramichi Bay and remove the illegal traps?

Hon. Harbance Singh Dhaliwal (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, I thank the hon. member for his question as it gives me the opportunity to update him and the House.

Since the Marshall decision last year a lot of progress has been made. I am happy to report to the House that we have 29 agreements with the first nations out of 34. Twenty-nine first nations have signed agreements. The government has made a major commitment with the \$160 million initial investment to respond to Marshall.

I want to tell the hon. member and the House that conservation is a priority. We will ensure that we uphold the law, but we want to

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resolve these issues with dialogue and co-operation, not through confrontation.

Mr. John Cummins (Delta—South Richmond, Canadian Alliance): Mr. Speaker, the minister is trying to sell mediation but he is ignoring conservation. He is creating confrontation. When will he haul the traps?

Hon. Harbance Singh Dhaliwal (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, an eminent Canadian, Bob Rae, former premier of the province of Ontario, is there mediating. He is bringing the parties together. He is working with the community. He has asked for a few additional days to bring the parties together.

We should respect that request and make sure that we make every effort to resolve the matter in a peaceful and co-operative way. That is exactly what we are doing.

* * *

[Translation]

EMPLOYMENT INSURANCE

Mr. Ghislain Fournier (Manicouagan, BQ): Mr. Speaker, the economy is in good shape and yet seasonal workers in the regions have again been the victims of federal government cuts.

Likewise, the average rate of unemployment among the Montagnais Innu workers is 35%, and all too often they cannot claim employment insurance.

When will the Minister of Human Resources Development propose permanent solutions, real ones that take the regions and the activities found there into account?

[English]

Hon. Jane Stewart (Minister of Human Resources Development, Lib.): Mr. Speaker, indeed the hon. member is correct. The economy is doing extremely well. We want to make sure that the economy does well in his part of the country as well. That means for sure having employment insurance there for seasonal workers when they need it, but it also means working on the ground with employers and employees to build a new economy on the north shore of Quebec.

I have asked the hon. member to join me and his constituents and employers to deal with the issue because if we do not things will just carry on as is. For this side of the House that is unacceptable.

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FOREIGN AFFAIRS

Mrs. Sue Barnes (London West, Lib.): Mr. Speaker, last week in Winnipeg dozens of young people from war torn countries came together to share the horrific realities of their lives with delegates to the international conference on war affected children. One could not help but be extremely moved by their plight.

Oral Questions

Will the Minister of Foreign Affairs tell us the outcome of these important meetings attended by delegates from 120 countries and other multilateral organizations?

• (1445)

Hon. Lloyd Axworthy (Minister of Foreign Affairs, Lib.): Mr. Speaker, I thank the member for London West for having come to the conference and helping to make a contribution along with the many guests that we had from other countries.

I can report to the House that a 14 point action plan was put in place that will bring together governments, NGOs and young people in a network that will begin to develop a major momentum toward a special UN session that will take place next year.

One concrete way was that we were able to successfully negotiate an agreement with the governments of Sudan, Uganda and Egypt and ourselves to begin the release of abducted children who have gone into Sudan. The release actually started to take place yesterday. It is a good example of how Canada can provide real leadership in the world.

* * *

HUMAN RESOURCES DEVELOPMENT

Mrs. Diane Ablonczy (Calgary—Nose Hill, Canadian Alliance): Mr. Speaker, the Liberal ethics counsellor was surprised that René Fugère escaped prosecution. He was an unregistered lobbyist who documents show helped at least seven different clients get over \$1 million in HRDC grants.

It turns out there has never been a successful prosecution under the weak Lobbyists Registration Act. In spite of this, the Liberals just issued new rules requiring grant applicants to identify anyone lobbying on their behalf.

Will the HRDC minister tell Canadians how new grant rules under an unenforceable act can possibly help to protect the money of Canadians?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, I will try to clarify a couple of things here.

First, the provisions of the Lobbyists Registration Act will be reviewed by the industry committee in the upcoming months as was forecast when the bill was enacted in the House early in the administration of the government in its first mandate.

Second, I believe that any rules with respect to bidding on government contracts are in compliance with Treasury Board rules.

Mrs. Diane Ablonczy (Calgary—Nose Hill, Canadian Alliance): Mr. Speaker, the minister has just admitted that the act is ineffective. That is probably why just recently there have been three cases of unregistered lobbying by businessmen with close ties

to the Liberal Party. These cases were all dismissed and no action was taken.

Yet just last week the HRDC minister said that new rules under the act were part of the overall tightening of the grants and contributions system. Why does the minister think unenforceable rules can help to protect the money of Canadians?

Hon. Jane Stewart (Minister of Human Resources Development, Lib.): Mr. Speaker, very clearly the Minister of Industry has indicated that he will take action in this regard.

Let me say again that on a number of occasions in the House I said very clearly that the administrative weaknesses in my department were unacceptable. I would note however that we have implemented and are implementing an aggressive and comprehensive program. Most recently, a third party in PricewaterhouseCoopers has identified that we are on track in meeting our commitment to Canadians.

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HEALTH

Ms. Judy Wasylycia-Leis (Winnipeg North Centre, NDP): Mr. Speaker, by the health minister's own admission the future of medicare requires predictable, significant federal funding as well as plans for renewal.

Some progress has been made. We acknowledge that in terms of past transfers. However we also know that the future of universal public health care depends on national home care and a national drug plan. Neither of those issues are on the radar screen of the federal government.

My question today is simple. When will we see action on those two long overdue problems? What is the next step of the health minister?

Hon. Allan Rock (Minister of Health, Lib.): Mr. Speaker, I invite the hon. member to look again at the health accord that the Prime Minister negotiated last week. In that health care agreement among all governments in the country both home and community care and pharmaceutical issues are dealt with expressly.

Governments gave their commitments to work together on both to strengthen investments in home and community care and to work to find a way to manage the cost of pharmaceuticals so that price or cost is not an impediment to access for Canadians anywhere in the country.

This is an unprecedented accord with 14 governments signing on, all moving in the same direction, combining more money with a sensible plan.

• (1450)

Ms. Judy Wasylycia-Leis (Winnipeg North Centre, NDP): Mr. Speaker, I do not need to tell members of the House that the

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deal struck on September 11 offers very little hope for Canadians in the way of a national drug plan or home care.

Our question today is simply to try to find out when the government intends to live up to its seven year old commitments to national home care and pharmacare. When will the minister live up to the words he said in March 1998, that home care is the next frontier for medicare?

Will the minister at least give the House assurances that these issues will be placed on the agenda of the next meeting of health ministers due to take place in two weeks' time?

Hon. Allan Rock (Minister of Health, Lib.): Mr. Speaker, I am astonished to hear how the member characterizes this remarkable agreement.

Fourteen governments including three NDP governments signed on to this agreement, which means a 35% increase in federal cash transfers for health, targeted funding of \$1 billion for equipment renewal, \$800 million to accelerate primary health care reform which the member knows is fundamental, and \$500 million for information technology to integrate the system and make it more effective.

It is apparent that Canadians are better off taking the advice of Roy Romanow's NDP than the NDP sitting opposite in the House.

Mr. Greg Thompson (New Brunswick Southwest, PC): Mr. Speaker, the latest infusion of money into the health care field is the best example yet of the Prime Minister's quick fix. He is basically saying "take the money and run, and by the way don't get in my way because I am getting ready for an election".

When can we expect a comprehensive national plan to deal with the future of health care? We are tired of the quick fix. When can we expect a date for a national plan?

Hon. Allan Rock (Minister of Health, Lib.): Mr. Speaker, members of the Progressive Conservative Party ought to be the second last people in the House to be critical of this health agreement. The last people, of course, ought to be Alliance Party members.

The Conservatives and the Alliance in their election platforms in 1997 said that if they were ever elected they would change the system so that all the money through tax points would go to the provinces and Ottawa would have no role and no means of ensuring the principles of the Canada Health Act are respected. That would be the end of medicare in the country. That would be the end of access across Canada to health care services.

The hon. member, his party and the Alliance should be ashamed of that position and Canadians should be very proud of the Prime Minister.

Mr. Greg Thompson (New Brunswick Southwest, PC): Mr. Speaker, this is the minister that has taken a wrecking ball to health

care in the country. With all this money we are going back to 1994 levels. Think about it for just a minute. How can he be proud of that record?

Canadians want a plan for the future, not a quick fix. When will he show some leadership on this file? We want a plan, a plan for the future, as do all premiers of the country.

The document to which he alludes was written by Homer Simpson, presently the aide to the minister.

Hon. Allan Rock (Minister of Health, Lib.): Mr. Speaker, we can refer to the commentary last week by experts throughout the country who looked at the Prime Minister's achievement in negotiating this unprecedented agreement and confirm that it is good news for Canadian health care.

Michael Decter, former deputy minister in Ontario and now chair of the Canadian Institute of Health Information, said this was an agreement with substantive progress for medicare renewal in Canada.

It is clear, as we have always said, that a combination of more money with a coherent plan where governments work together toward reforming, improving and modernizing medicare is what the Prime Minister has achieved.

Mr. Ovid L. Jackson (Bruce—Grey—Owen Sound, Lib.): Mr. Speaker, my question is for the Minister of Health. Last week the Government of Canada reached a remarkable agreement with governments of all political stripes across Canada.

That initiative will infuse \$21 billion into the Canada health and social transfer to the provinces. Could the minister tell us about this initiative and explain to all Canadians, including my constituents of Bruce—Grey—Owen Sound, how this initiative will help the health care of all Canadians?

Hon. Allan Rock (Minister of Health, Lib.): Mr. Speaker, it does bear repeating. We have been saying for some time that the difficulties facing medicare require not just money but a plan, and now we have that.

• (1455)

There is \$21 billion of additional money, targeted money for specific priorities, but perhaps most important of all is that the Prime Minister negotiated an agreement that expressly acknowledges the role of the Government of Canada in the process of medicare renewal. The federal government is a full partner and participant in renewing medicare.

Unlike the Alliance and unlike the Conservatives, the Prime Minister recognizes there is a national interest in the country. Medicare is a national undertaking and the Government of Canada has an essential role to play in protecting that interest.

*Oral Questions***PUBLIC WORKS AND GOVERNMENT SERVICES**

Mr. Werner Schmidt (Kelowna, Canadian Alliance): Mr. Speaker, last week the minister of public works was caught red handed doling out \$1 million to his old Liberal friend, Michele Tremblay.

The minister claims these contracts were legitimate, but it was a non-tendered contract that guaranteed two more contracts to Madam Tremblay. The Liberal government issues non-tendered contracts, over \$1 billion a year, contracts the auditor general says should have been tendered. Why does the minister continue to use non-tendered contracting as a billion dollar patronage business?

Hon. Alfonso Gagliano (Minister of Public Works and Government Services, Lib.): Mr. Speaker, the hon. member should check the facts. He would realize that there was only one contract at the beginning, which was a pilot project given according to Treasury Board guidelines. All the other contracts were tendered and the best contender got the contract. We have been following Treasury Board guidelines and the public tendering process.

Last spring we had this debate in the House. I tabled a letter where we made it clear to the officials of the Canadian Information Office that anywhere in my department any contract above \$25,000—

The Speaker: The hon. member for Charlevoix.

* * *

[Translation]

EMPLOYMENT INSURANCE

Mr. Gérard Asselin (Charlevoix, BQ): Mr. Speaker, the government has announced a one year moratorium for the unemployed in Charlevoix and on the North Shore.

Is the Minister of Human Resources Development proposing a temporary solution to save face before the elections, in order to then continue to give them the shaft after the elections?

[English]

Hon. Jane Stewart (Minister of Human Resources Development, Lib.): Mr. Speaker, the hon. member is wrong. In fact the transition period is over four years. It recognizes that indeed one side of the employment coin has to do with employment insurance, but the other side has to do with diversifying the economy.

I am looking forward to working with my colleague, the minister of revenue, and I hope with members on the opposite side, their constituents and employers, to broaden the economic diversity of that region so that indeed the people of the north shore of Quebec can benefit from the great economy we have here in Canada.

HOUSING

Ms. Libby Davies (Vancouver East, NDP): Mr. Speaker, today housing activists are building a house at the site of the housing ministers conference in Fredericton, the ministers' first meeting in five years. The message to the ministers is quite clear: This national crisis requires a national solution and restoration of the federal funding for social housing.

Will the Prime Minister direct his ministers today to support the provinces and the municipalities with real bricks and mortar and money to build housing, rather than the straw house announcements and statements we have seen to date? Will we get some real housing programs?

Hon. Alfonso Gagliano (Minister of Public Works and Government Services, Lib.): Mr. Speaker, I thank the hon. member for her question. It gives me the opportunity to inform the House that after question period I will be going to Fredericton to meet my colleagues, all the ministers of housing in the country. Tonight and tomorrow we will be discussing how we can improve the situation and how we can give Canadians some relief and make sure that every Canadian has decent housing.

I look forward to this meeting. It is true that we have not had a meeting in the last five years, but we are glad that we will be there to discuss these important issues.

* * *

TRANSPORT

Mr. Bill Casey (Cumberland—Colchester, PC): Mr. Speaker, my question is for the Minister of Transport. When the Digby wharf in Nova Scotia was divested, the Department of Transport gave a cheque for more than \$3 million to the Maritime Harbour Society, a non-profit society. Within days it appears that \$1 million was transferred out to a private corporation and then another \$300,000 a few months later. Some \$600,00 are scheduled to be transferred out next month.

Will the minister demand an accounting of this taxpayer money and stop all further transfers until he is assured that this money will benefit the users of the Digby wharf?

• (1500)

Hon. David M. Collenette (Minister of Transport, Lib.): Mr. Speaker, I am very grateful to the hon. member for raising this with me before question period but I have not had a chance to get to the bottom of it.

Under the terms of the divestiture fund, there is a specific list of what the money should be spent on and there is provision for an annual audit. Hopefully we will have some clarity later on in the week, and I hope to get back to him either privately or in the House.

Points of Order

[Translation]

HIGH TECH INDUSTRY

Mr. Robert Bertrand (Pontiac—Gatineau—Labelle, Lib.): Mr. Speaker, according to Mosel Vitellic Inc. and the government of Quebec, the federal government is dragging its feet in its decision to set up a semiconductor plant in Quebec.

[English]

My question is for the industry minister. Why is the government delaying an investment that is so important for the high tech industry in Quebec and in Canada?

[Translation]

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, it is not a matter of delaying a decision. In reality, there is the possibility of a very significant investment for Canada in the semiconductor manufacturing sector.

In addition, since a large amount of money is involved, a thorough investigation is necessary before we make an offer. We are continuing to negotiate with the company and with other interested parties so a decision may be made at the right time.

* * *

POINTS OF ORDER

ORGANIZED CRIME

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, following what took place this morning in the House, and with the hope of enlisting the co-operation of all the parties, I would like to reiterate this afternoon the request for unanimous consent that I made this morning but was asked to postpone until now so that consultations could take place.

● (1505)

Since opposition parties unanimously agreed to hold a debate starting now on Motion M-428, listed under the *Private Members' Notices of Motions*, and to have a vote at the end of that debate, as is normally the case, I am asking for the unanimous consent of the House to proceed in that fashion, namely to have a debate followed by a vote on the issue of organized crime. This is a crucial and extremely important issue in Quebec.

Hon. Don Boudria (Leader of the Government in the House of Commons, Lib.): Mr. Speaker, the government would be prepared to adopt a different version of the motion, which I have here with me. We are not prepared to pass the motion as it was read earlier today. However, I do have an alternative motion, which I could propose, once the House has dealt with the one presently before us.

Mr. Michel Gauthier: Mr. Speaker, am I to understand that the leader of the government would agree to have a debate on the issue of organized crime, provided members are not actually required to vote? Is he basically refusing to give unanimous consent?

The Speaker: This is somewhat unusual. Normally, we ask if the hon. member has leave to move the motion, then it is moved. However, it seems to me that if we are to carry on like this, we could hear what he has to say. Perhaps the government House leader could simply read what he has to propose, and I will then give my ruling.

Hon. Don Boudria: Mr. Speaker, I will read the motion the government is prepared to accept. The member opposite is free to put it in his name, because the initiative was his. I would be in full agreement with that. A motion acceptable to the government would read as follows:

That at 6:30 p.m. this evening, or at the end of consideration of Bill C-38 now before the House, the House will not proceed to adjournment proceedings pursuant to Standing Order 38, but will continue to sit for the purpose of considering Motion No. M-428;

This motion was moved by the hon. member for Roberval, the Bloc Quebecois House leader. The motion continues as follows:

That, during the said debate, no member may speak for more than 20 minutes, followed by a 10-minute question-and-comment period, provided that the Standing Orders respecting the division of speaking times shall apply; and

That, during the said debate, the Chair shall receive no call for quorum, dilatory motion or request for unanimous consent, and that when no member rises to speak, the House shall adjourn until the next sitting day.

The Speaker: Agreements are being worked out on the floor of the House of Commons. I will hear from the member for Roberval for a few seconds.

Mr. Michel Gauthier: Mr. Speaker, I know you like it when we get along well here in the House. I know that you will not prevent me from getting along well with my hon. colleague.

As I understand it, the government is refusing to give its consent for a vote. It is agreeing to a debate this evening, but does not want a vote. Is that what I am to understand?

Mr. Gilles Duceppe: So let it refuse. We asked—

The Speaker: Order, please. Members can see what happens when we take that approach. I do not think I have a response to that and I will have to make a ruling.

[English]

Mr. Randy White (Langley—Abbotsford, Canadian Alliance): Mr. Speaker, not having the motion from the Bloc in front of me and trying to understand what the government is proposing, I am still uncertain whether the government is talking about a vote

Routine Proceedings

on its proposal. Would the government mind clarifying that to the Speaker, please?

• (1510)

The Speaker: Let me deal with first things first. What we have on the floor is a motion for unanimous consent as put forward by the member for Roberval.

[Translation]

I am going to set that aside and we will immediately proceed with this motion.

Does the hon. member have permission to put the motion before the House?

Some hon. members: Yes.

Some hon. members: No.

Mr. Michel Gauthier: Mr. Speaker, on another matter but still relating to organized crime.

In order to be prudent, since this is of such importance to us, I sent you a letter earlier today indicating that, if unanimous consent were refused by the government, I would appeal to the Chair in order to request, in keeping with the standing orders, that we be allowed an emergency debate this evening on this matter.

The Speaker: I did indeed receive the hon. member's letter, but before that I had received another from the hon. member for Pictou—Antigonish—Guysborough. At the end of routine proceedings, I shall therefore hear both the hon. members, and when I have heard everyone who wishes to contribute, I shall bring down my ruling.

For the moment, since we have decided that the motion was set aside, we will now proceed to routine proceedings.

ROUTINE PROCEEDINGS

[English]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Derek Lee (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, pursuant to Standing Order 36, I have the honour to table, in both official languages, the government's response to 50 petitions.

* * *

ORDER IN COUNCIL APPOINTMENTS

Mr. Derek Lee (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I am

pleased to table, in both official languages, a number of order in council appointments recently made by the government.

Pursuant to the provisions of Standing Order 110(1) these are deemed referred to the appropriate standing committees, a list of which is attached.

* * *

INTERPARLIAMENTARY DELEGATIONS

Mr. George Proud (Hillsborough, Lib.): Mr. Speaker, pursuant to Standing Order 34(1), I have the honour to present to the House, in both official languages, the seventh report of the Canadian NATO Parliamentary Association which represented Canada at the spring session held in Budapest, Hungary from May 26 to 30, 2000.

* * *

A DAY FOR HEARTS: CONGENITAL HEART DEFECT AWARENESS DAY ACT

Mr. Greg Thompson (New Brunswick Southwest, PC) moved for leave to introduce Bill C-492, an act establishing a day for hearts: congenital heart defect awareness day.

He said: Mr. Speaker, I know this is something that is very dear to your heart in the efforts you have made as Speaker in the House. This is an act establishing a day for hearts: congenital heart defect awareness day.

I have a couple of statistics which will only take a minute. It is important for Canadians to hear this. We hear so much about adult heart disease, and rightly so, but how many people are aware that heart disease or, more properly, congenital heart defects affect more than 32,000 infants in Canada. One in every 100 births in the country is affected each year.

Beginning on February 14, 2001, Valentine's Day or heart day, would be a day for hearts: congenital heart defect awareness day.

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

* * *

• (1515)

EMPLOYMENT INSURANCE ACT

Mr. Peter Stoffer (Sackville—Musquodoboit Valley—Eastern Shore, NDP) moved for leave to introduce Bill C-493, an act to amend the Employment Insurance Act (persons who leave employment to be caregivers to family members).

He said: Mr. Speaker, it gives me great pleasure to present the third part in my trilogy on health care reform.

This bill will recognize those caregivers, in most cases those people in what is called the sandwich generation, who look after their children and infirmed individuals, their parents.

Routine Proceedings

Any individual who has looked after a mother, father, uncle, or anyone through the later stages of Alzheimer's knows exactly what this bill would do. The bill would allow people who need to take a year off work to access EI funds for up to 52 weeks in order for them to stay at home and look after their infirmed relatives. Relative is defined within the bill itself.

We do many things for the front end of a person's life, through maternity or paternity benefits, however we do not do anything at the back end of a person's life. This bill corrects that mistake.

I hope that this bill will be part of the sweeping changes throughout Ottawa and that all parliamentarians will carefully review this great piece of legislation and will support it not only to save taxpayer dollars in the health care system but to help people as well.

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

* * *

[*Translation*]

ROBERT MARLEAU

Hon. Don Boudria (Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I move:

That the House, desiring to record its deep appreciation of the distinguished and faithful service of Robert Marleau, Esquire, as Clerk of the House of Commons, designate him an Honourary Officer of the House of Commons with an entrée to the Chamber and a seat at the Table.

Some hon. members: Hear, hear.

[*English*]

The Speaker: Does the hon. member have permission to put the motion?

Some hon. members: Agreed.

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

Some hon. members: Agreed.

(Motion agreed to)

* * *

COMMITTEES OF THE HOUSE

PROCEDURE AND HOUSE AFFAIRS

Mr. Derek Lee (Scarborough—Rouge River, Lib.): Mr. Speaker, following House leader consultations, I believe you will find consent for the following motion. I move:

That the membership of the Standing Committee on Procedure and House Affairs be modified as follows: Joe Jordan for Gar Knutson, John Reynolds for Jay Hill, David Ifody for Raymond Bonin; and that the following members be added to the list of associate members of the said committee: Garry Breitreuz, Gar Knutson, Jay Hill and Steve Mahoney.

The Speaker: Does the hon. member have permission to put the motion?

Some hon. members: Agreed.

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

Some hon. members: Agreed.

(Motion agreed to)

* * *

PETITIONS

HOUSING

Mr. Peter Adams (Peterborough, Lib.): Mr. Speaker, I have a petition from the people of Peterborough riding and beyond who are concerned about homelessness.

The petitioners point out that homelessness and housing insecurity include those who are visible on the streets or staying in shelters and those who live in overcrowded, illegal, temporary or transient accommodation, and those at imminent risk of losing their housing.

Shelter is a basic human need. The federal government has the ability and responsibility to affirm a national role in this matter.

The petitioners call upon parliament to make affordable housing and ending homelessness an immediate priority by declaring that safe affordable housing shall be a fundamental human right in Canada.

● (1520)

BIOARTIFICIAL KIDNEY

Mr. Peter Adams (Peterborough, Lib.): Mr. Speaker, I have another petition from people who are interested in the development of research into the bioartificial kidney in Canada. They point out that 18,000 Canadians suffer from end stage kidney disease and that those on kidney dialysis and those successfully transplanted recognize the importance of the bioartificial kidney approach to their problem.

The petitioners call upon parliament to work and support the bioartificial kidney which will eventually eliminate the need for both dialysis or transplantation for those suffering from end stage kidney disease.

[*Translation*]

IMPORTATION OF PLUTONIUM

Ms. Jocelyne Girard-Bujold (Jonquière, BQ): Mr. Speaker, I am pleased to table in the House a petition signed by 259 people from Quebec, including from the Saguenay—Lac-Saint-Jean area.

The petitioners are asking the Canadian government and parliament to take all necessary action so that the public and its representatives are consulted on the principle of importing plutonium, commonly known as MOX.

Routine Proceedings

[English]

CANADA HEALTH ACT

Mr. Svend J. Robinson (Burnaby—Douglas, NDP): Mr. Speaker, I have the honour to table a petition which has been signed by several hundred residents of Ontario. It has been organized by the Save Medicare Committee and Russ Rak of the CAW Local 222 Retired Workers Chapter.

The petitioners urge that the federal government preserve and enforce the Canada Health Act, the foundation of medicare in every province and region of Canada, and maintain the five principles of medicare: universal coverage, accessibility, portability, comprehensive coverage, and federal funding based on non-profit administration and provision of health care.

Therefore the petitioners urge parliament to enshrine the Canada Health Act and the five fundamental principles of medicare in the Canadian constitution to guarantee national standards of quality publicly funded health care for every Canadian citizen as a right.

DIVORCE ACT

Mr. Ted McWhinney (Vancouver Quadra, Lib.): Mr. Speaker, I am pleased to present a petition signed by 139 residents of Vancouver Island. It relates to divorce. Taking note of the divorce rate in Canada, the petitioners call on the Parliament of Canada to take immediate steps to amend the Divorce Act, taking into consideration the recommendations made by the parliamentary Special Joint Committee on Child Custody and Access.

[Translation]

GASOLINE PRICING

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, I am pleased to table in this House a petition signed by over 700 people from my riding regarding the excessively high gasoline prices.

The petitioners are calling upon the government not only to adopt a resolution to thwart the world oil cartels, but more importantly to allocate adequate funding to research into alternative energy sources so that, in the near future, Canadians and Quebecers are no longer forced to use oil.

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, I am pleased to table in this House a petition signed by 400 people from central Quebec and the Eastern Townships.

Given the soaring price of gasoline at the pump and for various other reasons, the petitioners are calling upon the government to pass a resolution to thwart the world oil cartels in order to bring down overly high gasoline prices and to allocate adequate funding

to research into alternative energy sources so that, in the near future, Quebecers are no longer forced to turn to oil as a main energy source.

GENETICALLY MODIFIED ORGANISMS

Mr. Ghislain Lebel (Chambly, BQ): Mr. Speaker, I am pleased to table in this House a petition signed by 115 people who want to be informed about the food they eat, especially with regard to genetically modified organisms.

Canadians have the right to know exactly what they eat. Genetically modified foods can be cause for concern in many respects.

Therefore, these 115 petitioners are asking the government to make labelling of genetically modified products mandatory.

* * *

● (1525)

[English]

QUESTIONS ON THE ORDER PAPER

Mr. Derek Lee (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, the following questions will be answered today: Nos. 85, 106, 107 and 108.

[Text]

Question No. 85—**Mr. Ted White:**

With respect to the customs declaration form given to travellers entering Canada, E311-99: (a) which government departments, agencies and organizations have access to the information contained on the form; and (b) which laws are, or could be, enforced using that information?

Hon. Martin Cauchon (Minister of National Revenue and Secretary of State (Economic Development Agency of Canada for the Regions of Quebec), Lib.): The following is a list of government departments, agencies and organizations that are authorized under section 108 of the Customs Act to have access to E311 travellers' information:

The Canadian Food Inspection Agency, which administers the Plant Protection Act and the Health of Animals Act; Health Canada which administers the Controlled Drugs and Substances Act; Citizenship and Immigration Canada, which administers the Citizenship Act and the Immigration Act; Environment Canada, which administers the Convention on International Trade in Endangered Species of Wild Fauna and Flora; and Statistics Canada, which administers the Statistics Act and is the only department that receives information on an ongoing basis due to its statistics collection mandate.

Human Resource Development Canada, HRDC, which administers the Employment Insurance Act. It is important to note that the

Canada Customs and Revenue Agency previously had a memorandum of understanding, MOU, with HRDC to share form E311 information. However, since the privacy commissioner's challenge began before the federal court, this information sharing agreement has been suspended. The matter is currently before the courts.

Should a request be made for personal information by a source not mentioned previously, authorization must be received from the traveller specifically stating approval to release the information, as is required under the Privacy Act.

Question No. 106—Mr. Ted White:

With regard to the reported health effects of baby foods containing soy proteins or soy products: (a) has the government taken action to investigate reports that these foods may cause medical problems such as autoimmune thyroiditis, birth defects, malignancies, and other types of diseases because of the hormone-like effects of some soy products; (b) if so, what investigative action has been taken; and (c) as a result of its investigation, does the government have a plan to require health warnings like those required by the World Health Organization on the labels of baby foods?

Hon. Allan Rock (Minister of Health, Lib.): (a) and (b) The government has investigated the reports on medical problems allegedly caused by soy based infant formula and it has reviewed the scientific literature related to this issue. With the exception of infants with rare medical conditions, such as soy allergy and congenital hypothyroidism, it was concluded that these foods do not pose a risk to those infants that consume them. The government is continuing to monitor the scientific literature for evidence of any health related concerns associated with soy based formula and its constituents.

Recently published preliminary results from a large retrospective study that has followed up adults who were fed soy based formula as infants indicates no significant differences between individuals fed soy formula compared to those fed cow milk based formula in the following variables: weight and height, measurements of precocity and a large number of reproductive and non-reproductive outcomes.

(c) We are not aware of a requirement from the World Health Organization for a health warning on the labels of baby foods.

With regard to soy based infant formulas, Health Canada does not recommend their use for the routine feeding of babies. The statement of the joint working group of the Canadian Paediatric Society, Dietitians of Canada and Health Canada, Nutrition for Healthy Term Infants, published in 1998, emphasizes that breastfeeding is the optimal method of feeding infants and encourages exclusive breastfeeding for at least the first four months of life. Cow's milk based infant formulas are recommended as the standard product for healthy term infants who are not breastfed.

Nutrition for Healthy Term Infants states that soy based formulas should be used only for those infants who cannot take dairy based products for health, cultural or religious reasons, such as a vegan lifestyle, or galactosemia, a metabolic disorder where infants are

Routine Proceedings

unable to metabolize galactose, a sugar in milk. This reiterates the recommendation that was made in "Feeding Babies" published by Health and Welfare Canada in 1986.

Nutrition for Healthy Term Infants also states that soy protein based formulas are inappropriate for infants who are not breastfed and who are at high risk of atopic disease or for those infants with a documented allergy to cow's milk protein. The formulas that should be used in these instances are formulas based on hydrolyzed milk protein; for infants with documented milk allergies, the protein should be extensively hydrolyzed.

Question No. 107—Mr. Gilles Bernier:

With respect to the proposed regulations to change the employment insurance boundaries based on statistical data on unemployment rates in New Brunswick: (a) was this statistical data provided by a public or private source; (b) what is the name of that source; (c) what formula was used to evaluate this data; (d) what period of time was used in collecting this data; (e) what federal ridings in Canada will be affected by these proposed boundary changes; (f) was only a sample from each province used for calculating this statistical data; (g) what area in New Brunswick was used for the collection of this statistical data; (h) what number of workers were used in the collection of data; (i) how were full time workers defined in the collection of data and how many were part of the sample; (j) how were part time workers defined in the collection of data and how many were part of the sample; (k) how were seasonal workers defined in the collection of data and how many were part of the sample; and (l) did the collection of data include consultation with the major employers in the region of New Brunswick Southwest?

Hon. Jane Stewart (Minister of Human Resources Development, Lib.): With respect to the proposed regulations to change the employment insurance boundaries based on statistical data on unemployment rates in New Brunswick, the response is as follows:

(a) The statistical data was provided by a public source; (b) The name of the public source is Statistics Canada. (c) The data was evaluated using regression analysis and mapping of aggregated and disaggregated indicators. (d) The data came from the 1996 census, from neighbourhood income and demographics data for 1997 and from labour force survey data up to April 2000; (e) No analysis was made of which federal ridings will be affected by these changes; (f) Basic census data are collected for all households in Canada and from one out of every five households on topics such as education, ethnicity, mobility, income and employment; neighbourhood income and demographics data are produced by Statistics Canada on an aggregated basis from all income tax returns filed; the Labour Force Survey is a monthly survey which is based on over 50,000 households in Canada; (g) All areas of New Brunswick were covered by the data. (h) All workers in Canada were covered by the data, numbering 15,047,895 workers; (i) There was no analysis done on full time workers compared to other workers; (j) There was no analysis done on part time workers compared to other workers; (k) Seasonal employment was approximated on the basis of whether workers were employed for 26 weeks or less in the year, producing an estimate of 3,016,430 seasonal workers in Canada and 114,075 in New Brunswick. (l) There was no special data collection or consultation aimed at major employers in New Brunswick or elsewhere, aside from the overall opportunity for public comments.

*Routine Proceedings***Question No. 108—Mr. Gilles Bernier:**

With respect to applications received by the Department of Public Works and Government Services for the fiscal years 1998-99 and 1999-2000: (a) how many were received for the sponsorship of community festivals and events in each province and region; and (b) how many were rejected in each province and region?

Hon. Alfonso Gagliano (Minister of Public Works and Government Services, Lib.): Mr. Speaker, the 1998-99 declined v received by region are:

Region	Declined	Received
East	2	25
National	20	45
NCR	1	1
NWT	—	1
ON	21	56
Other	2	2
QC	54	221
West	3	9

The 1999-2000 declined v received by region are:

Region	Declined	Received
East	14	30
National	35	66
NWT	—	1
On	27	51
Qc	212	406
West	10	22

* * *

[English]

QUESTIONS PASSED AS ORDERS FOR RETURNS

Mr. Derek Lee (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, if Questions Nos. 50, 70, 87, 90 and 93 could be made orders for return, these returns would be tabled immediately.

The Speaker: Is that agreed?

Some hon. members: Agreed.

[Text]

Question No. 50—Mr. Svend J. Robinson:

What funds, grants, loans and loan guarantees has the government issued in the constituency of Burnaby—Douglas for each of the following fiscal years: (a) 1997-1998; (b) 1998-1999; and in each case, where applicable: (i) what was the department or agency responsible; (ii) what was the program under which the payment was made; (iii) what were the names of the recipients if they were groups or organizations; (iv) what was the monetary value of the payment made; and (v) what was the percentage of program funding covered by the payment received?

Return tabled.

Question No. 70—Mr. Gerry Ritz:

For each of the fiscal years from 1994 to 1998, what were the infrastructure expenditures under the Canada Agri-Infrastructure Program (CAIP), including but not confined to: (a) contractor; (b) location; (c) nature of work undertaken; and (d) total moneys awarded including supplementary funds if any.

Return tabled.

Question No. 87—Mr. John Duncan:

How much federal money in the form of grants and contributions has gone to assist the fin fish aquaculture business, broken down by province, and by year, for each year since 1994?

Return tabled.

Question No. 90—Mr. Dennis Gruending:

With respect to contracts entered into by the government with companies, foundations, and other bodies for consulting services from 1993 up to and including the present day: (a) what contracts has the government entered into with Cantox Inc., its subsidiaries, divisions and representatives for the provision of services; (b) what is the complete list of all documents received by the government, its departments, agencies and other bodies from Cantox Inc., its subsidiaries, divisions and representatives in relation to these contracts; and (c) what are the contracts the government currently holds with Cantox Inc. or any of its subsidiaries?

Return tabled.

Question No. 93—Mr. John Williams:

How much money has the government provided to Intrawest Corporation for each of the fiscal years from 1995-1996 to 1999-2000 for the development and expansion of projects at Mont Tremblant, Quebec; and wherever applicable: (a) what were the funds allocated for; (b) did the project have a cash flow forecast; (c) how many jobs were created from the government's contribution; (d) was there a budget proposal submitted to the government; (e) did Intrawest Corporation owe money to the government at any time; and (f) was there financial monitoring of the project by the government?

Return tabled.

* * *

[English]

STARRED QUESTIONS

Mr. Derek Lee (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, would you be so kind as to call Starred Question No. 73.

[Text]

***Question No. 73—Mr. Guy St-Julien:**

From April 1, 1994, to January 31, 2000, in the constituencies of Abitibi—James Bay—Nunavik and Témiscamingue, what grants and contributions did the federal government make, through Human Resources Development Canada and, wherever applicable: (a) under what program and on what date was the money paid out; (b) what are the names of the groups, companies, organizations and other beneficiaries; (c) how many jobs were created; and (d) how much money was paid out?

Return tabled.

[English]

Mr. Derek Lee: Mr. Speaker, I ask that the answer to Starred Question No. 73 be made an order for return. This return would be tabled immediately.

The Speaker: Is that agreed?

Some hon. members: Agreed.

Return tabled.

[Translation]

YOUTH CRIMINAL JUSTICE ACT

BILL C-3—NOTICE OF MOTION FOR TIME ALLOCATION

Hon. Don Boudria (Leader of the Government in the House of Commons, Lib.): Mr. Speaker, no agreement could be reached under Standing Order 78(1) or 78(2) regarding consideration at committee stage of Bill C-3, an act in respect of criminal justice for young persons and to amend and repeal other acts.

Under the provisions of Standing Order 78(3), I give notice that a minister of the crown will propose at the next sitting of the House a motion to allot a specific number of days or hours for the consideration and disposal of proceedings at the said stages.

Some hon. members: Shame, shame.

* * *

[English]

REQUEST FOR EMERGENCY DEBATE

ORGANIZED CRIME

The Speaker: I have received two applications for emergency debates. I received two letters today. The first one I received was from the member for Pictou—Antigonish—Guysborough and the second one was from the member for Roberval. I will hear the member for Pictou—Antigonish—Guysborough first because it deals basically with the same subject. I will then hear the hon. member for Roberval.

Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC): Mr. Speaker, this Progressive Conservative request is to augment and buttress the arguments that were made earlier by my friend from Roberval. This is completely associated with the same issue, the growing crisis of organized crime in Canada.

There is probably not a single member of the House or very few Canadians who are not aware of what is taking place throughout the country. This is not in any way meant to torque up the debate but to bring it into a tangible form in the House where we can discuss these issues as we should in the Parliament of Canada.

There is an emerging crisis with respect to Asian triads, east bloc Mafia, traditional crime families and biker gangs who are infiltrating our communities throughout the country. I say for my friends in Quebec that this is not just a Quebec issue. This is something we are seeing in an acute way in the province of Quebec around Montreal in particular but there have recently been reports of biker turf wars happening in Kingston, Ontario. It is happening on the west coast to a large degree.

S. O. 52

Kingston, Ontario is the area with the highest concentration of federal prisons in Canada yet there are no deterrents for what is taking place. Potential criminals are being released from these prisons right into the waiting arms of organized crime families.

The RCMP commissioner raised this issue in his earliest remarks when he was appointed to that position. Two weeks ago new RCMP Commissioner Zaccardelli stated that organized crime organizations have drafted plans to use bribes to destabilize the country's parliament. This is happening to a significant effect and is something we have to address in this place. It is something the Government of Canada has an innate responsibility to deal with by bringing it to the forefront through a debate where we can discuss methods to approach organized crime in a significant way, the resources required and the strategy in terms of legislation. The provincial attorneys general are similarly calling for it.

We urge the government to act and to act swiftly. I urge the Chair to deem this emergency debate necessary. I would be prepared to move the motion.

• (1530)

The Speaker: Usually when we make interventions they are quite concise. I have read the letters from both members.

[Translation]

I invite the hon. member for Roberval to make his request.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, the murder attempt on journalist Michel Auger in Quebec last week was the latest in a series of unfortunate events, to say the least, that have led us to make the following statement: some 150 persons have been assassinated in the course of the biker war in Quebec in recent years.

The attempt on Mr. Auger was the limit and makes it clear just how much organized crime and criminal organizations have become an unacceptable presence in our society—a presence that of itself is unacceptable—but of a significance today that makes all the more unacceptable the action they have taken, what they are doing and what they will do in the years to come.

Last year, my colleague from Saint-Hyacinthe—Bagot was threatened because he reported the cultivation of marijuana on farms in his region. Last week a journalist was attacked because he wrote about organized crime. Sometimes—according to a federal report—judges are threatened. This points to the extreme importance of the matter. There is no place better than the House of Commons to consider this issue.

The criminal code must be amended and put at the disposal of the forces of order and justice whatever means they need to get these criminals, these people belonging to criminal gangs, sentenced. Let us not forget—and it is regrettable to say—that most of the proceedings initiated against these people have met with failure

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because it was too hard to come up with the evidence. There is vast evidence, and reference to the charter of rights and the use of arguments of all sorts mean that the legal system can no longer produce the evidence.

Accordingly, we sincerely believe that the federal parliament must not only debate this matter. We would have liked to have the House of Commons vote on this so as to be perfectly clear, to have each member asked to rise and say what he or she thinks of this matter: should the federal parliament and the Government of Canada amend the criminal code? That is what we thought, but we would agree to there at least being a debate of this issue, to our sharing viewpoints and to this helping the government decide and respond to this urgent request from the people of Quebec.

• (1535)

SPEAKER'S RULING

The Speaker: The issue raised today is a very important one, both for the House and for our country as a whole.

[*English*]

I have listened to the two members who have intervened, the member for Pictou—Antigonish—Guysborough and the member for Roberval. This issue is of such importance that I will allow an emergency debate. It will begin at 8 p.m. this evening and continue until 12 a.m. There will be an emergency debate on the matters which were brought up by the two members who spoke in the House.

[*Translation*]

Hon. Don Boudria (Leader of the Government in the House of Commons, Lib.): Mr. Speaker, now that you have given your ruling in this matter, I wish to move the following motion, and there was consultation, at least with certain party leaders. I tried to meet with most of them during the last few minutes.

I move:

That, notwithstanding any Standing Order, the debate pursuant to Standing Order 52 commence at 6:30 p.m.;

That proceedings pursuant to Standing Order 38 be suspended;

That, during the said debate, no member may speak for more than 20 minutes, followed by a 10-minute question-and-comment period, provided that the Standing Orders respecting the division of speaking times shall apply; and

That, during the said debate, the Chair shall receive no call for quorum, dilatory motion or request for unanimous consent, and that when no member rises to speak, the House shall adjourn until the next sitting day.

The reasons we are moving these slight amendments is so that debate can begin immediately at 6:30 p.m., using the standing order that often applies to evening debates. I think you will find that there is unanimous consent.

[*English*]

Mr. Randy White (Langley—Abbotsford, Canadian Alliance): Mr. Speaker, I rise on a point of clarification. The Chair allowed debate to take place. I think there was an offer for a motion to be tabled by the member for Pictou—Antigonish—Guysborough.

Is it then the Chair's opinion that this motion, when tabled, would be votable?

The Speaker: No, in my view we will have a debate with some modification if it is accepted, but there will be no vote.

I am in receipt of a motion. It basically says that instead of beginning at 8 p.m. we will begin at 6.30 p.m. and all the usual rules for this type of debate will apply.

Does the hon. member have permission to put the motion?

Some hon. members: Agreed.

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

Some hon. members: Agreed.

(Motion agreed to)

• (1540)

The Speaker: There will be an emergency debate tonight. It will begin at 6.30 p.m. and will deal with bikers.

Mr. John O'Reilly (Haliburton—Victoria—Brock, Lib.): Mr. Speaker, I rise on a point of order. This day is one of the greatest days in the history of the Conservative Party. I thought that perhaps the party had let it pass by. I did not want it to not be noticed that the Right. Hon. John Diefenbaker was born on September 18, 1895.

The Speaker: I am sure that is of interest not only to Conservatives, but to all members of this august House.

GOVERNMENT ORDERS

[*English*]

FINANCIAL CONSUMER AGENCY OF CANADA ACT

The House resumed consideration of the motion that Bill C-38, an act to establish the Financial Consumer Agency of Canada and to amend certain acts in relation to financial institutions, be read the second time and referred to a committee.

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Mr. Rick Borotsik (Brandon—Souris, PC): Mr. Speaker, once again, welcome back to the chair. It is nice to have you here after the summer break. It is certainly your privilege and pleasure to be in the chair while I give my dissertation on Bill C-38.

First, I thank the hon. member for bringing to the attention of the House that it is the birthday of the late Right Hon. Mr. John Diefenbaker. It is not just useful information for members of the House, but for Canadians in general. We recognize the importance of Mr. Diefenbaker and the Conservative Party back when Mr. Diefenbaker was the leader, and certainly the history that the Conservative Party brought to this country all the way back to Confederation. I thank the hon. member for drawing that point to the attention of the House and to Canadians.

I have the pleasure of standing before the House today to speak to Bill C-38. I should also indicate that this is a responsibility that was given to me just recently.

Recently, the previous member for Kings—Hants, Mr. Scott Brison, was the one who had carriage of this particular portfolio in this piece of legislation to this point. I can mention his name in the House now as he is not a member. I would like to thank him on behalf of our party for all that he has done for us as well as for Canadians in putting forward what I consider to be the best of the critics' responses to the Minister of Finance. I would almost suggest that the Minister of Finance would agree with me on that comment. Mr. Brison is no longer a sitting member of the House because he gave his seat to an individual who is of the same stature as the Right Hon. John Diefenbaker, the Right Hon. Joe Clark who will be sworn in tomorrow. We thank him for his sacrifices and his diligent work.

It is my duty today to speak to Bill C-38 on behalf of the Progressive Conservative Party. I am sorry I was not able to speak after the member for Regina—Qu'Appelle because it was very important that there be some sort of segue from the NDP ideology and the Progressive Conservative ideology with respect to the banking industry.

I have a lot of respect for the member for Regina—Qu'Appelle, make no mistake about that. He is an individual who has been in the House for a number of years and is certainly very familiar with the issue of finance as he sat on the finance committee for some time. I look forward to working with him as well as with the other members of the finance committee and the Minister of Finance.

The member for Regina—Qu'Appelle certainly espoused his party's ideology with respect to the banking industry and this particular piece of legislation to the point that I almost thought that he would suggest that the nationalization of the banking industry would probably be better for Canadians than having it on an open

market basis in the free market system that we now have. That may be a bit insensitive, but I suspect it is probably closer to the truth.

● (1545)

The banks are not the bogeymen in this scenario. The banking industry in Canada is very important not only to us but to our economy. I am sure Canadians recognize that the banking industry itself employs approximately 222,000 Canadians. It is a huge industry that is regulated by legislation. It comes on a regular basis every five years to get legislation changed so that it can operate within those regulations.

The banking industry also has an estimated annual payroll of some \$12.6 billion. This is very important for the people who are employed in the industry as well as to governments which obviously tax the people who are employed in that industry.

The banking industry we have today has more than \$1.4 trillion in assets. It has over 8,423 branches across the country. It is a huge industry. The banks are not the bogeymen. They are simply an industry trying to do business in Canada.

The banks today generate more than 49% of their earnings outside Canada. Fifty per cent of what the banks earn come from outside the borders of the country. That speaks to the globalization of the financial industry as well as the banking industry.

The really interesting point is that one out of every two working Canadians in some way, shape or form has an interest in a bank. Either directly or indirectly, he is stockholders and shareholders in the industry. Whether it is through a pension plan, through individual stock trades, through mutual funds, or through other types of financial vehicles, one out of every two Canadians has a direct or indirect connection with the stock of a bank.

The legislation which has come forward is very comprehensive. It has 900 pages and takes into consideration 22 separate statutes in the federal government. It deals with approximately 4,000 pages of those 22 statutes with amendments to those pieces of legislation.

I have with me the bill of 900 pages. I anticipate the clause by clause study of the 900 pages of Bill C-38, but in the meantime, I am very pleased to speak to the bill and will try to speak to some of the issues reflected in the bill.

The member for Regina—Qu'Appelle spoke articulately of what was good and what was bad within the bill. I could accept a lot of what he said with respect to good and bad, although I could not accept a lot of the other areas he went to with respect to ownership being raised from 10% to 20%. He was totally opposed to that and I will get into that later. We are not opposed to that at all.

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He also said he would not support nor vote for this piece of legislation to go to committee. I find that very strange because there are a number of good issues dealt with in the legislation. We should be supporting it and taking it to the committee level so that we can make the necessary changes, as long as the government and the people on the committee are prepared to listen to good, constructive amendments and changes being proposed. We will get into those certainly at a much later date when we deal with them in committee.

We in the PC Party have been waiting for this piece of legislation for a long time. It is long overdue. We have been waiting for several years to have the legislation on the table. In saying that, I will also state the intention of the Progressive Conservative Party to support the legislation at second reading to get it to the committee stage so we can try to make those necessary changes.

It has taken an awfully long time for the legislation to come forward. It has been almost seven years that the government has been in power. It has been almost seven years since the government has gone through the delaying tactics of task forces, of consultations, of special reports, of any other type of delaying tactic before it could come to the table.

• (1550)

We have heard already that this process started back in 1996 with the MacKay task force. That report was presented to the Minister of Finance on September 14, 1998. It has been over a year since the task force reported to the finance minister and the white paper was dealt with and we are at second reading on September 18, 2000. It has been two years since the MacKay report was presented to the Minister of Finance and we finally have the bill on our desks, a fairly long delay.

In the meantime the Minister of Finance also said to the banks that they would not be allowed to merge. Even though the MacKay report spoke specifically to that issue, I guess the Minister of Finance was caught off guard when some of the banks brought forward their proposals for mergers with other banking corporations.

For over 100 years Canada has enjoyed a competitive advantage over the U.S. in terms of a much more enlightened system of banking regulations. In a previous life when I actually had a real job as opposed to simply standing in the House and speaking to you, Mr. Speaker, and enlightening you and obviously making your day much brighter because of that, I did have the opportunity of working with a corporation that needed the banking institutions that this country has. We were very competitive not only in Canada but also in the United States because we had the ability of dealing with a national bank within this country. We had the ability of generating capital that would not necessarily have been generated within the banking system of the United States.

We in Canada have been very fortunate to have the banking industry we have. For example, in 1987 the Conservative government allowed banks to acquire security firms and five years later, cross ownership was permitted across all four pillars of the financial system: banks, security firms, insurance companies and trust companies.

The opening up of Canada's securities industry in 1987 allowed banks to strengthen the sector thereby maintaining a viable domestic industry. At that point we were the strongest of the banking industries anywhere on the globe. That has changed. We now have some difficulty maintaining the global competition and we will speak to that. In fact this legislation starts to speak to that issue.

Then over the course of the 1990s Canada lost its competitive advantage as U.S. regulators moved to an unrestricted Canadian style system of national banking. As it stands now, the regulatory environment south of the border is far superior to that of Canada's.

Last fall a major new financial bill was passed in the United States which allowed for cross ownership of banks, security firms and insurance companies plus cross selling of services. This means that the bank merger process in the United States does not have to include any public hearings and little political input. In fact a recent wave of mega mergers has reshaped the U.S. banking sector.

Mr. Speaker, we of the elder generation, and I put myself in that category as well, perhaps have not kept up with the changes in the banking system, but banking has changed. Today we do not have to walk into a bank in order to access all of the services we require. We can do all of our banking at a computer terminal. We can do most of our banking by telephone. We can do most of our banking without even having to talk to a banker with respect to loan guarantees, with respect to accessing the loans that are required to maintain business and personal services. That is what we are speaking of and it is not really reflected in this legislation just yet, but we are getting there.

For Canadian banks, any interbank merger is subject to high level political open-ended scrutiny. It would be like trying to get through a minefield with no map. That speaks to the merger requirements that are necessary within the Canadian banking system. This legislation still has put in too many of those minefields to allow Canadian institutions to compete on a global basis with the competition from other countries.

• (1555)

The Canadian financial services sector throughout the past 10 years has undergone more change than in the previous 150 years. At the same time Canadians have advanced legitimate concerns about their banking system, ranging from access to capital for small businesses in rural communities to creating a climate for increased competition in the provision of banking services.

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In September 1998 the MacKay task force report provided a comprehensive set of recommendations which successfully balanced consumer interests with the global competitiveness of our financial services sector. In his response the Minister of Finance has focused only on short term consumer interests and has ignored the long term interests of all Canadian consumers. In fact, given the timidity with which the minister has handled his response to the MacKay report, there is no reason that Bill C-38 could not have been introduced in 1994.

In framing public policy, it is very important that it reflects realities as opposed to perceptions. There are many widely held misconceptions about the Canadian banking industry. The reality is that Canadian banks are delivering good value to Canadians.

We enjoy one of the most stable and efficient banking systems in the world. Canadian banks are widely owned by Canadians. Some 7.5 million Canadians have invested in banks. These 7.5 million working Canadians are relying on their bank shares to provide for retirement savings, or for that matter, investment income.

Furthermore the financial services sector employs over half a million Canadians. Its payroll, as I mentioned earlier, is \$22 billion. It represents 5% of the total GDP.

Components of this important piece of legislation include allowing single shareholders to own 20% of voting shares of the big five banks, up from the current level of 10%. These banks, however, have to keep Canadian headquarters and their boards have to be three-quarters Canadian. That is a good component of this legislation, an increase from 10% to 20% ownership.

It allows banks to set up a holding structure which could then have separately regulated subsidiaries, including retail banks, credit card companies and insurance firms. That is a wise move on the part of this legislation.

Banks with between \$1 billion and \$5 billion in assets would be allowed to have controlling shareholders with stakes of up to 65%. The current rule is a single shareholder can own no more than 10%. Banks that fall into this category include the Laurentian Bank, the National Bank and Canadian Western Bank. Ministerial approval would still be needed to approve any takeover, which would effectively shield these banks from hostile takeovers.

We heard earlier about some concerns with respect to the power of the ministerial rights and we agree with that. We believe that the minister has substantive powers built into this legislation. It is one of the areas we would like to see changed quite dramatically going into the committee and going into the hearings. We would like to hear from the stakeholders as to how they feel that after all the processes have been followed it will be the minister who will make the final decision. It was said earlier that it should be parliament that has the say in those decisions, not just the minister.

There will be a new federal ombudsman established to handle complaints who will be independent of the existing banks. His or her ruling would not be binding on the banks, but the ombudsman would have the authority to make the complaints public. That is very positive.

There will be a new consumer finance agency. The agency will be established to strengthen the overseeing of banks. This new agency would be an advocate for consumer issues in the financial services industry.

All consumers will have the right to basic banking accounts and standard services at a low cost. This is in response to past complaints that the poor have had difficulty in gaining bank accounts. This is a positive change and one which the PC Party wholly supports. It was also one of the changes which the hon. member for Regina—Qu'Appelle indicated was a very positive step forward in this legislation. That is why I find it very difficult that the member would not see fit to support this legislation to go forward to committee so that this one area of the legislation could continue forward and be a very important part of the new regulatory system for the banking industry.

• (1600)

This legislation, however, fails to put into place a less arbitrary and political process for bank mergers. We have already heard from the Liberal government experts and the people who sit on the committee, those beacons of knowledge across the floor who have uttered such phrases as "I don't imagine we are going to look at a bank merger proposal anytime soon". I find it difficult to recognize that these people, who are the experts in the financial industry, are now suggesting that bank mergers are not a part of the future. Mergers are a part of the future, have been a part of the future and are certainly going on as we speak today internationally as well as in the United States.

In addition to putting mergers on hold indefinitely and loosening share ownership restrictions, which could result in foreign control of the Canadian banking sectors, Bill C-38 does not adequately address the competition issue. If the government was serious about increasing competition it would have adopted the MacKay recommendations that the interact network become fully accessible and fully functional. Full functionality of the interact network would effectively provide any new bank with 14,000 access locations.

According to the government the aim of the bill is to allow banks to evolve to meet competition and at the same time protect consumers. I would argue, however, that due to the government's slow reaction to the changes in the financial services sector Canada has already fallen far behind. The one thing that is clear is that after years of uncertainty from the current government it has finally added some clarification and stability to the banking industry.

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The PC Party of Canada will be supporting this bill. We feel that this is the first tiny step in the right direction.

[*Translation*]

Ms. Jocelyne Girard-Bujold (Jonquière, BQ): Mr. Speaker, I am pleased to rise today to speak to Bill C-38, the Financial Consumer Agency of Canada Act.

We are now at an extremely important stage in terms of the future of the Canadian banking system. On June 13, the finance minister entered the final stage of his reflection on this problem by introducing Bill C-38. I want to indicate at the outset that, like my colleagues in the Bloc Québécois, I will oppose this bill. I will take this opportunity to thank and to congratulate my colleague, the member for Saint-Hyacinthe—Bagot, who was very effective in leading the debate on this issue.

The Bloc Québécois will be proposing amendments to the bill at report stage in order to correct the inequity that exists in this bill with regard to large Quebec banks.

Why should we oppose this bill? Several aspects of the bill concern me, particularly the fact that, under this bill, the Minister of Finance will have the power to decide the future of Quebec banks. I find it unacceptable that this discretionary power is as strong as if not stronger than the act itself.

The Bloc Québécois is concerned about the fact that a single shareholder could, with the approval of the Minister of Finance—and this is very serious—with the approval of one man, hold a 65% interest in the National Bank, the largest Quebec-based bank. There is no need for the Minister of Finance to allow this kind of excessive control to give the National Bank the flexibility it needs to continue to prosper.

• (1605)

How can a shareholder holding 65% of the shares of a bank give more flexibility than 65 shareholders holding 1% each? The answer is obvious. The risk could be enormous if this bill were to be adopted.

Members will no doubt remember the whole matter of the restructuring of the airline industry that received a lot of coverage last summer. Under the former act, which was amended by Bill C-26, a shareholder could not hold more than 10% of the shares of an airline company, and that is an important element to prevent excessive control by a single shareholder.

The Bloc Québécois fought a good fight on that front, and at the end of an opposition day on the issue, three Liberal MPs supported our position. I hope that some of them will have enough courage and democratic conviction to oppose the provisions of Bill C-38.

One has to realize that there is no need, and I repeat no need, for the Minister of Finance to authorize this excessive control to ensure the flexibility of the National Bank. Let us be serious for a moment. We are not talking about 10%, as in the case of Canadian Airlines International, but about 65%. The legislation should be there to ensure that the banks cannot be controlled by a single shareholder, as could be the case under Bill C-38. This is a very serious matter.

We need legislative guarantees against any negative impact these new ownership rules might have on employment of professionals, consumer services and small businesses. More important is the fact that these negative impacts will hit Quebec the hardest. I wonder if this bill was not introduced to pick on Quebec.

Let me repeat this for a third time. We have to remember that the provisions allowing single shareholders to have 65% of the shares will mainly affect the National Bank, which is the largest bank in Quebec. The stakes are just too high to rely on only one man, the Minister of Finance, especially since there are no legislative guarantees in the bill. Bill C-38 does nothing more than list some elements to consider that are under the sole control of the minister.

I wonder what legislative power is all about if everything is under the minister's control. Can anyone tell me? If some workers lose their jobs, who will they turn to, given the harsh constraints of the employment insurance system? Only 40% of these workers will be eligible for EI benefits. And let us not forget that almost 100% of all bank employees are female. Under this legislation, it is once again women who stand to lose their jobs at a time when 77% of them are not eligible for EI benefits. It is bad, it is cruel, and it is tragic.

• (1610)

This is another reason why this bill should be revised.

What will happen to the others? I doubt the finance minister will show much compassion, given his neoLiberal policies.

Worse, Bill C-38 is full of phrases like “The minister may deem necessary” or “such and such a section of the act will cease to apply if the minister so decides”. Everything seems to depend on the minister's decisions. How could we trust the minister's decision, when he still has not decided or seen fit to tell whether or not he will be running in the next election, whether he will become the Prime Minister some day, or whether he will pay his taxes in Canada, like everybody else does?

With all those ifs, and a minister who keeps shifting positions, I really have to wonder.

Under this bill, which reminds me of Bill C-33, there will be no duplication with the provinces, “if the minister deems necessary”. How could I trust such empty promises?

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We should not be fooled by the advantages of Bill C-38. In Quebec, small businesses will be affected the most by this bill. It is not obvious that the finance minister's bill will bring about more healthy competition on the national market. But competition is more important for our future economic development than the creation of big banks to compete on the world market. Nonetheless, the Minister of Finance has decided to make a law for big banks, even if that means sacrificing Quebec banks like the National Bank, which is the institution for small businesses in Quebec.

What is more, the term Liberal government bill is nearly always synonymous with interference in areas of provincial jurisdiction. We are used to that, because that approach has become this government's stock in trade. The finance minister's bill established the financial consumer agency, which is intended to protect the consumer. It is no secret that the Bloc Québécois is a staunch defender of consumer rights.

I would remind hon. members that there are laws for that purpose already in place in Quebec. There is, for instance, the Consumer Protection Bureau Act, as well as the Consumer Protection Act, the Act Respecting the Protection of Personal Information, the legislation on insurance, trust companies, savings, credit and securities unions and so forth.

Hon. members can see just how well protected the consumer is in Quebec. Why then, once again, does this government want to trample over provincial areas of jurisdiction? The provinces have, like Quebec, done their duty.

The creation of the agency as set out in Bill C-38 is therefore liable to create still more regulatory overlap with measures already put in place by Quebec, and naturally so, since this is a provincial power.

I will never tire of repeating that this government needs to listen to reason. If it wants to pass legislation, it ought to do so in its own areas of jurisdiction and leave areas of provincial jurisdiction alone.

I cannot help but be incensed with the Liberals' duplicity in this matter, because after the 1995 referendum they passed a totally senseless motion recognizing Quebec as a distinct society.

• (1615)

The problem is that Liberals ought to take this motion into account and curb their uncontrolled urges to encroach upon Quebec's areas of jurisdiction, if they were consistent. Now there is another risk of duplication, such as in the case of Bill C-33 about wildlife species at risk which I mentioned previously in my speech.

Before concluding, I would like to refer to another provision in this bill, about the low-fee retail deposit account which, according to the finance minister, should make financial services accessible for low income people.

What a nice vague provision. Nobody knows what that account really is, except perhaps for the minister. Nobody but the finance minister knows who will be able to take advantage of that account. Why? Because the minister will determine these matters by regulation. An order in council, what a nice form of democracy enhancing the value of the role of parliamentarians.

Pardon my irony, but I have a hard time believing the nice words of the finance minister, and these nice words hold no comfort for me at all with regard to enhanced consumer protection, especially with regard to branch closures and service reduction in bank branches.

What is Bill C-38? An advance notice, nothing more. How can the minister say that financial services will be more accessible? I would also have liked to talk about the community role of the banks, about community reinvestment at the local level, where they have to be accountable to the population. My colleague from Hochelaga—Maisonneuve has been lobbying for a community reinvestment scheme since 1995.

The bill may have positive aspects, but it also has black holes, like the springtime black hole that the Minister of Human Resources Development intends to maintain with the changes she has made to EI. Seasonal workers will now have more and more difficulty getting benefits.

I ask the government to listen to ordinary citizens. I think that the Liberal members drifted away from ordinary citizens and I ask them to come back to reality and to meet the real expectations of people, taxpayers and ordinary citizens. Bill C-38 is a vague legislative measure which is more wishful thinking than real political action.

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, I would like to begin by saying that it is good to have you in the Chair to continue where we left off. Before putting a question to my delightful and charming colleague from Jonquière, I also want to welcome the pages, who come from all over, and tell them that they are assured of the co-operation of the Bloc Québécois.

My colleague, as always, has made an eloquent speech, because her roots run deep in the community of Jonquière. With considerable interest, I would say, she got the members of this House to understand that Bill C-38 should, to all intents and purposes, be withdrawn. It is too unfair that the people involved in the MacKay working group were mobilized. This group made very specific proposals for consumers.

Do they really think the MacKay task force got a positive response from the government side? Absolutely not. Could my colleague tell us just how justified we are in feeling disappointed on this side of the House and how all those who believe in the higher interest of consumers are justified in feeling disappointed because there are no specific measures for consumers?

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I know that my colleague is someone who is very much in touch with the Mouvement Desjardins in her region, who attends cocktail parties there and other similar events and who, I believe, has long supported the values of the co-operative movement.

• (1620)

My colleague truly believes that it is important, in a region, to have the Mouvement Desjardins. What is the basic rule of the Mouvement Desjardins? One vote per person and everyone has equal status as a member. Is this logic not interesting?

Earlier, we referred to the specificity of Quebec's financial system. What is the first distinctive feature of that specificity? It is indeed the Mouvement Desjardins. My colleague, the hon. member for Chambly, will correct me if I am wrong, but I believe the Mouvement Desjardins is celebrating its 100th anniversary this year. I am sure that between now and the month of December we will have the opportunity to remind everyone that it all began very modestly in the basement of a church. There was this notion that it was important to save money. Why? Not to squirrel money away, not to become rich, but to truly control our destiny and have greater control over our economy.

Does my colleague not believe that the Minister of Finance could have taken a cue from modern Quebec's views in this regard and shown greater co-operative or community vision in this bill? Does the hon. member share my outrage at the fact that the minister is, to all intents and purposes, a heartless individual who did not listen to the MacKay commission, and does she agree that there is nothing concrete for consumers, who have an urgent need for additional protection?

I will conclude here because my time is running out, but in a few moments I will have the opportunity to talk about what is going on in the riding of Hochelaga—Maisonneuve, about pawnbrokers, shylocks and other bad things that happen in a community when we do not assume our responsibilities regarding financial institutions. I would appreciate hearing my colleague's point of view on this.

Ms. Jocelyne Girard-Bujold: Mr. Speaker, I would like to thank my colleague for Hochelaga—Maisonneuve. I could not have said it any better.

It is true that the Mouvement Desjardins is celebrating its 100th anniversary this year. I want to take this opportunity to congratulate it and to thank it for its involvement and for the help it has provided ordinary people over the years.

I think this Liberal finance minister is hurting ordinary people with this bill. I will listen carefully to the speech by my colleague from Hochelaga—Maisonneuve. In a few minutes, he will tell us that the government has not paid any attention to the impact that regulations and legislation on the restructuring of the banking system will have on ordinary people.

As my colleague was saying, this government is heartless, and we can see that every day. We have just come back to the House today and the government is already showing that it is heartless. We have asked for an emergency debate on the issue of organized crime. We were told that closure would be invoked with regard to Bill C-3, which deals with young offenders—

An hon. member: There is an election in the offing.

Ms. Jocelyne Girard-Bujold: Enough is enough. Quebecers are sick and tired of this heartless government.

I will listen carefully to the speech by my colleague from Hochelaga—Maisonneuve.

Mr. Peter Adams (Peterborough, Lib.): Mr. Speaker, I have a question for the member opposite. On what date exactly is the anniversary of the Mouvement Desjardins?

Ms. Jocelyne Girard-Bujold: Mr. Speaker, it was in March 2000. We celebrated the 100th anniversary of the Mouvement Desjardins in March 2000.

[English]

Ms. Libby Davies (Vancouver East, NDP): Mr. Speaker, like my colleague, it is a pleasure to see you back in the House. I also want to give a warm welcome to the pages who are beginning their work here. I sure hope we do not drive them crazy before the end of the session.

I will be sharing my time with the member for Sydney—Victoria.

• (1625)

I am very pleased to participate in the debate today.

Earlier today our finance critic very eloquently outlined the NDP's work and position on this massive bill before us. Our finance critic has certainly done an incredible job over the years of bringing forward in the House how unaccountable and undemocratic the banking sector is and the concerns of consumers and Canadians. I applaud him for his very thoughtful analysis and comments earlier today.

Yesterday in Ottawa I was sitting at a kitchen table talking about political life with a young working couple with a newborn baby. The new mother said "Let us talk about our banking horror stories". For two hours this young family and their friends swapped horror stories about their encounters when dealing with a big bank.

I cannot think of any issue that would unite Canadians, whether nationalists in Quebec, people in Vancouver, people in the mari-

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times or wherever, in terms of the suspicion and contempt that people have and, dare I say, even a sense of outrage at what happens in the banking sector. We can all think of our own personal experiences of what it is like to deal with these massive institutions that bleed the Canadian public.

A young student I talked to a few weeks ago was outraged when she went to her bank, the Royal Bank, and found out that there was now a \$1.50 service charge for using the Royal Bank ATM machine. We all know that if we go to another bank we have to pay a fee but now even the bank we deal with is charging a fee. This is a young student with a huge debt who is getting dinged again. The stories go on and on.

This piece of legislation, the 900 or so pages, is a very important piece of legislation but it demands that we, as members of parliament, examine whether the bill sets out what it claims to do, which is to reform the financial sector and truly protect Canadians from some of the appalling practices and gouging that takes place.

One of the biggest complaints I hear from the constituents in my riding of Vancouver East, which probably has the highest incidence of poverty and more low income families in the country in an urban setting, is that people who are poor cannot access financial institutions. The discrimination that exists is awful. It is hard to believe that it could exist in today's society. It is so subtle and people are treated with such disrespect and contempt that it makes people on welfare or social assistance feel like nothing. They feel devalued as human beings.

As a new member of parliament, over the last couple of years I introduced motions in the House of Commons to deal with this issue and to draw attention to the discrimination that poor people and low income Canadians are faced with in the financial sector and which absolutely has to change. The bill takes some steps to do that but there is no guarantee that it will actually happen. No basic package has been set out to ensure there will be a no frills bank account. A lot of research has been done which shows that this is entirely possible and administratively easy for the banks to do.

For example, one of my motions called on the government to work with community groups to not just change the legislation but to change the culture and attitudes of the big banks toward poor people and to make it unlawful for someone to be denied access to banking services as a result of his or her income.

• (1630)

Anyone who does not believe this is happening should go into any of the big banks on an assistance cheque day to see the kind of mayhem that takes place and the kind of anxiety and anguish that people go through trying to get their cheques cashed. People end up going into the marketplace, into the money marts and so on, and paying huge amounts of money from their meagre low incomes to get cheques cashed that may be from a provincial government or

the Government of Canada. It could be pensioners with pension cheques and so on. It is a very fundamental issue of equality and ending discrimination in Canada.

The situation became so alarming in Vancouver East that our provincial government, in co-operation with the local community, established a very successful community savings financial institution called the Four Corners Community Savings at Main and Hastings. In actual fact it is situated in an old Bank of Montreal building that was closed down like many other branches that moved out and closed down. We now have a very successful community model of accessibility and non-discrimination. Poor people can now say they have a few bucks they want to put in the bank without being penalized and looked down on. They do not want to go into special line-ups. The big banks force them to go into special line-ups because they are poor. I am disappointed because the bill does not adequately address this fundamental concern.

We in the NDP have some other concerns with the bill. One of them is the fact that it does not deal with the issue of corporate concentration. We have six major banks with assets and profits worth multibillion dollars, and the bill would encourage and allow greater corporate concentration and ownership by changing the rule from 10% to 20% in terms of the number of voting shares that one can own and from 10% to 30% for the number of non-voting shares. That seems to me to be a non-reform item. This is not about reform. This is about giving the banks a massive hand up, something that they do not need, and allowing for corporate concentration.

It is positive after many years of work that credit unions will be recognized by being allowed to have a single service entity to support credit union membership. We have in Vancouver a highly successful model, probably the most successful and largest credit union in Canada, Van City, which is providing a real alternative to big banks for these people. To give credit to the government, there is that positive aspect of the legislation.

Another issue that is quite amazing is that the bill is silent on taxation. The combined after tax profits of the six big banks amount to \$9.1 billion. What does the Government of Canada do? What does the finance minister do? Does he deal with that issue? Does he bring fairness and equity to the taxation system to give modest income Canadians and low income Canadians a break? No, the opposite is true. We actually see a corporate tax cut by the finance minister from 28% to 21%. This means that these banks are getting more powerful. They are getting more influence. They are getting more money. This is completely contrary to democratic reform.

It poses a question. Who will stand up to these banks? I do not think it will be the Liberal government. It is quite cozy in its relationship with the banks. It sure as heck is not the Canadian Alliance. We have to shake our heads and wonder what the heck is going on.

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The *Globe and Mail* today quotes that wallets are being opened at events that include a \$25,000 table dinner with Mr. Day in Toronto, expected to draw 2,000 executives. It indicates that executives are genuinely attracted to the Alliance's position on flattened taxes, deregulation and a diminished role for the federal government within Confederation. Here we see the hand in glove, the nice cozy alliance between these fancy executives and this political party which purports to speak up for the little guy. There we see it. The evidence is there in terms of where they do their fundraising and who they seek to attract.

• (1635)

The question of who stands up for the banks is something that should be addressed by parliament. In our party we have taken on this issue. We have consistently called for democratic reform. We have consistently called for an ombudsperson who has real clout and teeth and is not just a paper entity.

One of the real concerns with the bill is that more power is given to the Minister of Finance, not parliament. Power is being taken away from parliament.

At this point we are clearly not in support of the bill unless there are major changes. What we need to do in debating this legislation is truly examine whether or not it is protecting the consumer.

[Translation]

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, I thank my colleagues for their kind solidarity, which makes itself known every time we are called on to evolve together, whether in caucus, general council or here in parliament. We form a solid and unshakeable block.

That having been said, I also wish to thank my colleague for her speech. We are familiar with the social concerns she has defended since first entering parliament in 1997.

I wonder whether I could count on her lively, committed and outspoken support for an upcoming amendment. I think that I can speak on behalf of the member for Saint-Hyacinthe—Bagot, who is also very strong on social commitment. We have been fighting since 1996 to have banks reinvest in the community.

I have to say that in 1996 I went to the United States to meet Joe Kennedy Jr., who was behind the second generation of community reinvestment by the banks because, incredible though it may seem, in 1977 the United States passed legislation known as the community reinvestment act, which I will speak about shortly.

The United States cannot be called a country where freedom of enterprise is in any danger. It cannot be said that the American banking system is not subject to cutthroat competition because,

unlike the Canadian banking system, the American one is much more fragmented. There are regional and even local banks.

So I ask my colleague whether she thinks that the superintendent of financial institutions should assess the effort made by the banks to meet the credit needs of all consumers, including those in less well off communities?

[English]

Ms. Libby Davies: Mr. Speaker, I could not have come up with a better question myself. I thank the hon. member for the excellent question because I actually did not have time to cover that point.

I want to say most strongly and categorically that our party absolutely and very clearly supports the community reinvestment act. What they have been able to accomplish in the United States is a clear demonstration that when we lay down clear legislation and make it clear which side we are on, that is to protect Canadians and consumers, we can force these banks to be socially responsible through legislation. It can work.

I know communities where local businesses cannot get a bank loan because they are considered to be in a blighted or devastated area. That is the situation in my own community. There are whole blocks which are boarded up and empty, partly because they cannot get access to financial institutions. This is what happened in Chicago and in other cities.

A community reinvestment act which says that some of these massive profits have to go back to the community good, to community benefit, is a sound, democratic and rational principle that is not in this bill.

I am glad to hear that my colleagues from the Bloc Québécois are speaking out on this matter too. We should be pressing the government and asking why there is no community reinvestment legislation contained within this 900 pages, why it is so glaringly absent, and why the Liberals are again bailing out these banks.

• (1640)

Mr. Peter Stoffer (Sackville—Musquodoboit Valley—Eastern Shore, NDP): Mr. Speaker, I draw the attention of the House to the member of the Alliance Party, the hon. member for Souris—Moose Mountain, who on August 18 with his wife celebrated their 50th wedding anniversary. I congratulate him on behalf of all of us in the House of Commons.

I have a question for my hon. colleague from Vancouver East. Years ago the Government of Canada made a fishing czar out of the DFO minister by allowing him more unprecedented powers ever than any other minister in the House. Now it appears that this legislation will make a banking czar out of the Minister of Finance. I would like comments from my colleague for Vancouver East on what she thinks of the new banking czar this bill may create if it is passed.

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Ms. Libby Davies: Mr. Speaker, I thank the member for the question. In fact, earlier today our very excellent finance critic, the member for Regina—Qu'Appelle, made the point precisely that one of the real problems with the bill is that it gives unprecedented powers to one minister, rather than conferring powers on parliament as a whole where democratic and open debate takes place.

This is one of the real nasty bits in legislation that gets sneaked through. Canadians do not understand that this is being paraded as consumer protection but is really vesting control in the banks and in one minister. That cannot be healthy.

Mr. Peter Mancini (Sydney—Victoria, NDP): Mr. Speaker, it is a pleasure to rise. Like others who have risen in the House today I want to say how good it is to be back. It is almost like we never left.

We are debating today the government's Bill C-38, the financial sector reform bill. One would think there is probably no greater institutions in need of reform than those in the financial sector. This is in some part a response to the great outcry of the Canadian people a couple of years ago when there was some discussion of bank mergers. We know where the Canadian people stood on that.

I want to make a few points. Many of the points with regard to my party's position on this issue have been made by our excellent finance critic, the member for Regina—Qu'Appelle. We bring a balanced review to this piece of legislation. He indicated, and we support him in that, that we will be opposing it at this point because while there are some good things in the legislation, there are many other areas that need reform and changes.

I think it is appropriate and I am glad to rise to speak to this piece of legislation. This summer, when I was home meeting with constituents and dealing with matters in the constituency, I received a phone call late one night from a local manager of the Bank of Nova Scotia, calling to give me a heads up to advise me that the next day they would be announcing closure of one of the small local branches that services a number of people. Luckily, he indicated to me, there would be no job losses. Some of those jobs would be moved to another branch.

It goes to the heart of some of the things we are talking about and some of our concerns. We have a huge monopoly in the banking sector of this country. Many of the rural and smaller communities are suffering when banks withdraw. I will touch on that briefly in a few minutes.

It is interesting that we have some differences of opinion. Clearly the spokesman for the Conservative Party could not understand why the NDP might oppose some aspects of the legislation. It says something that both the spokesperson for the Conservative Party and I think the Canadian Alliance were in tandem on a couple of aspects of the bill.

Let me start by saying we will bring a balanced approach to this piece of legislation. I do not think it behoves anybody to simply be critical of the government for the sake of being critical. We in this party like to give constructive criticism and bring the concerns of the Canadian people to the fore. There are some good things in this piece of legislation.

• (1645)

First, as has been mentioned, there is some help for credit unions. That help will come by allowing the creation of the single national service entity to support credit union membership. We of course would agree with this and I personally would agree with it.

The credit union movement in the country has always been strong. It is one that I would argue found its birth in Cape Breton. Reverend Moses Coady and Father Jimmy Tompkins began working with local fishermen in my part of the country a long time ago, helping farmers and fishermen organize so that they would have control of their own assets. They began building the local credit union and co-op movement out of Cape Breton. Out of that and out of the province of Quebec came the two strong legs of the credit union movement. We would support that.

The increase in power and organizational flexibility of credit unions in the long run will help them be more significant players in the banking industry. That is vitally important. For a long time credit unions have not been on equal footing with the banks nor have the same ability to compete with them.

When I was a young lawyer and first engaging in the practice of law, I wanted to set up my trust account at the credit union and found out that under provincial legislation in Nova Scotia it could not be done. I had to go to one of the chartered banks. That is being rectified. This bill goes some way toward recognizing the importance of credit unions.

Likewise, one of the positive aspects of the bill is the creation of the financial services ombudsman. This is not a new idea. As has been pointed out by the member for Regina—Qu'Appelle, this was an NDP initiative 10 years ago. A private member's bill introduced by a member of this party sought to establish that very thing only with real teeth so that consumers who felt that they were in some way being disenfranchised or unfairly treated by the banks had somewhere to go. We would support that. It is something that this party proposed more than 10 years ago. I am glad to see the government is finally catching up with some of the innovative ideas from this party.

The Conservatives wonder why we do not support the bill. There are some areas that require closer scrutiny. One of those, and it was mentioned by the member for Regina—Qu'Appelle, has to do with bank taxation.

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The member from the Canadian Alliance was sympathetic to the banks. He said that they do not get the same breaks that many of the other corporations get. I think he mentioned Shell Canada and some other great big oil companies.

The banks, because of the historical position they hold, have a privileged position in this society. They have been protected. They have been nurtured and supported for over 130 years as major institutions. To suggest that when they report such record profits we should be sympathetic and they should not pay more taxes is not on the radar screen with most Canadians.

Indeed, I think the banks provide the bulk of credit to Canadians. They manufacture the money in our economy and they reap huge profits. It only seems sensible to me that when we assess how we tax those profits, the taxes should be levied on their profits before dividend distribution because those are huge profits made by the banks.

That is one area where we have concerns and we do not think the legislation goes far enough.

Another area that causes me some concern is in terms of bank closures. I will refer to the local bank in my community.

At the current time for the rural banks where there are no other deposit taking institutions within a 10 kilometre radius of the bank being closed, six months notice will be required. The legislation sets down requirements for when the banks have to give notice that they are closing their local branch.

• (1650)

I represent an area where there is a large component of senior citizens. I represent an area that has a large rural community where there may be one bank in the entire area. Again we are talking about monopolies.

I had an interesting experience this summer when I went to get gas. This is a bit of a side note. I went to the local corner store that for 80 years has provided petrol to the residents of Margaree Harbour. When I went to get gas I was told that the big companies would not sell gas to the corner store any more because it did not have enough volume. This is happening in rural communities all across the country. Now people have to drive five, six or ten miles to the nearest large conglomerate because those companies have a monopoly.

The same thing is happening with banks in many of the rural communities. I am thinking of Ingonish in my riding. I am thinking of the town of Baddeck. I am thinking of other smaller communities with one branch where people do their banking face to face. There ought to be some requirement that the banks maintain those outlets unless they can show for some reason that it is not profitable, that they are losing business.

Sometimes this works to the advantage of the local credit union. What has happened in some of the communities in my riding is that when the bank withdraws, the credit union goes in and sets up and people then have access to community capital.

There are many other aspects I would like to talk about. My colleague from Vancouver East talked a little bit about the community investment and reinvestment fund. That is the kind of direction in which we should be going.

I hope we can bring a balanced discussion to this legislation. I hope that some of the important recommendations the NDP has brought forward will be considered in committee and we can improve the bill. There are some aspects that are good, and I commend the government for that, but as is our job in the opposition, we like to provide what I think are important, critical, constructive suggestions on how to make the bill better.

Mr. Peter Stoffer (Sackville—Musquodoboit Valley—Eastern Shore, NDP): Mr. Speaker, I thank the hon. member from my beautiful home province of Nova Scotia and beautiful Cape Breton Island on his well thought out remarks.

The government holds a majority position and in many aspects it is blatantly arrogant toward the people of Canada, especially in rural and small communities. In order that small and rural communities can have adequate banking services, what does the member suggest that Canadians who are watching us today do to point out the deficiencies of the bill to the Liberal Party and to other parties who would support the bill?

Mr. Peter Mancini: Mr. Speaker, because I get correspondence from people who watch CPAC and people who read *Hansard*, I know there will be people who will hear some of those suggestions. There are a number of things.

I would ask those watching the debate or reading *Hansard* to recognize some of the comments and other objections we made, such as the wide ownership rule. I did not get an opportunity to address it in my speech, but perhaps the single most important thing that this bill will allow is a concentration of ownership in the banks.

There was an initiative from Lester Pearson's government to prohibit any one particular group from owning, operating and directing banks because, as has been said by a Liberal leader, once we lose control of our economic house, we lose control of our sovereignty. It speaks to how far that party has moved to the right, away from what were once core Liberal values, that the initiatives of Lester Pearson ensuring that only 10% of a bank could be owned by any one individual are being expanded. It talks about how far to the right the Liberal Party has moved in its efforts, I suppose, to compete with the Canadian Alliance and the Conservative Party.

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• (1655)

For people who are concerned about rural banking in their communities, who are concerned about foreign ownership of Canadian banks, I would urge that they write to their members of parliament. That is a legitimate course. Every so often I send out correspondence with cards that people can check and send back to me. People should organize petitions. They should telephone the office of their local member of parliament. That is the way direct democracy can happen.

Once people understand that we are moving in a direction where the wide ownership rule is being narrowed, for example, as has been said by the member for Regina—Qu'Appelle, one, two or three wealthy individuals or organizations might be able to take control of what are now Canadian institutions and control the banking, I think people will respond by writing to and phoning their members of parliament.

It is interesting that the member for Vancouver East identified the dinner that the Canadian Alliance leader is hosting where people are paying \$25,000 a plate.

An hon. member: Wrong.

Mr. Peter Mancini: I am being corrected on that. It is \$25,000 a table.

For those Canadians who think there are vested interests who would like to have control of the banks, we understand that there are and they can afford to pay to influence government direction. Therefore I would urge people to contact their members of parliament.

Hon. Lorne Nystrom (Regina—Qu'Appelle, NDP): Mr. Speaker, I do not think I will be going to that dinner. I wonder whether you will be going but I understand you cannot answer a question in the House so I will put one to my friend from Cape Breton instead.

It strikes me as very strange that the new Alliance Party, which is the old Reform Party, which was the old Social Credit Party at one time was very much in opposition to what the banks did to ordinary citizens. I remember the member for Souris—Moose Mountain for example railing against the banks and their insensitivity to rural communities in small-town Saskatchewan and the like.

I am wondering if the hon. member would conclude with me that perhaps with this big dinner in Toronto that is coming up for \$25,000 a plate, and some of those folks would probably be bankers from the different banks, that it has probably caused the Reform Party, now the Alliance Party, to be a bit muted in its once traditional criticism of the banks. I can remember that used to be one of its favourite themes over the years. When my friend from

Souris—Moose Mountain was a Social Creditor many years ago, he used to campaign among his neighbours about the powers of the banks being too big and too massive. That of course is the case for many of those people who all of a sudden have had a change of heart.

There is now a \$25,000 a plate dinner which of course is not for ordinary people, which means the party has lost touch with the grassroots ordinary people. Does the hon. member think that might be the reason for the change of heart?

Mr. Peter Mancini: Mr. Speaker, I know the Canadian Alliance purports to be a grassroots party, but I can tell you they are pretty rich roots. I cannot think of anyone in my own community who would buy tickets to a \$25,000 a table dinner. It is a Bay Street dinner. It tells us something about who is controlling the priorities of that party. It tells us something about who is setting those priorities and who is in control of this new supposedly grassroots party.

Mr. John Herron (Fundy—Royal, PC): Mr. Speaker, earlier today when I was preparing for my duties as I have the responsibility for House duty for our party, I was not informed that I would have to speak to this bill but I believe it is imperative that I do so. The bill before us contains over 900 pages. It is of critical importance in terms of updating the banking industry within the country.

Mr. Speaker, you have been watching the debate. I find it hard to believe that over the course of the day the government has put forward only one speaker for one of its bills, a bill that has in excess of 900 pages. When I think that through, it is another signal of the arrogance that the government has for this place and for the democratic process.

• (1700)

The majority of these 900 pages is technical in nature. Very little vision is included within the bill. The bill is not a signal of a fundamental direction that the government wants to take the country in with respect to financial institutions. It is a housekeeping bill.

I know from my critic position on the environment that the government has been in place for over seven years and has yet to pass an environmental initiative of its own. We should not be surprised that the government really has a very empty legislative agenda before Canadians.

We heard that the Prime Minister would like to go to the polls sooner than later, but he cannot find a reason to do it because he does not have anything that would strike the interests of Canadians in order for the Liberals to be returned to another majority government.

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I remember when leadership was commonplace by the Government of Canada. My first thoughts are the issue of free trade. Many members across the way actually opposed that initiative in 1988. That bold initiative transformed the country. Our trade with the Americans at that time was at about \$90 billion. Today, compliments of free trade and its successor, NAFTA, trade with our American cousins is \$320 billion a year. That was the kind of initiative and vision that was taken by a government that knew Canada needed to maintain its competitiveness in this increasingly global world. In contrast, when I look at this particular act it is merely housekeeping.

There are five basic principles that are going to be covered in this bill: the promotion of efficiency and growth within the financial institution sector; measures to empower and protect consumers; initiatives to encourage further domestic competition; the regulatory environment within the financial institution sector; and finally, the bill provides for a five year review of the legislation, as has been the case in the past. Those are the five points we are going to review.

One of the very contentious issues that was brought forth about financial institutions is that it would be permissible for a single shareholder to own as much as 20% of a financial institution as opposed to only 10%. To some individuals that is a major problem but to me it is a reflection of what is required to spur more competition and to bring more individuals within the financial sector.

I think everyone knows that bashing banks is a very popular function. We also know that they have achieved their solid performance and their strength within our society because of a protected environment which we fostered and nurtured over a number of years. At the time that was probably the best financial policy for us to have to ensure that we had a solid sovereign banking system. We only have to look at the commodity crash and the financial institution crash that took place along the Pacific Rim three years ago and what happened to its financial institutions.

Today we have more deregulation. Foreign competitors can come in and offer products to Canadians. The more competition there is, clearly the better.

• (1705)

However, we need to afford the banks an effective way to be able to defend their position within our economy. When people see the record profits in terms of what the banks actually bring in, it is healthy to keep this in perspective.

My learned colleague, the hon. member for Brandon—Souris, who is our party's new finance critic and temporarily replacing

another very learned finance critic, Scott Brison, the former hon. member for Kings—Hants, pointed out a very unknown fact. One in two Canadians own a bank share or bank stock. It may be through owning the exact share on a direct basis. It may be through participation in a mutual fund. There is a virtual array of stocks in numerous funds of that nature. It could be due to the fact that they are a contributor to a pension plan. Pension plans invest heavily in our banking institutions.

The return on investment is not exorbitant for banks when we look at the size of the financial institutions themselves. The ROI for banks may not be much greater than a lot of other successful companies on a percentile basis, but the record profits that show up are related to their actual size.

There is one comment that was brought forth by our cousins in the NDP. Usually when it comes to money issues, financial initiatives and issues related to taxation or the like, I disagree with the socialist wing of the House on almost every single occasion, with the exception of what was brought forth in the comments made by the hon. member for Vancouver East. She touched on something very appropriate, that we need to ensure that banks must open accounts for any individual to cash federal cheques for non-customers, provided that identification is provided. A minimum deposit and employment cannot be a condition of opening an account.

We see discrimination of Canadian citizens who are indeed at lower income levels. The more we can do to ensure that the banks do their part and that they are much more welcoming for individuals of lower income, the better. Banking institutions have to be open to all individuals. The comments made by the hon. member for Vancouver East were dead-on on that aspect.

This is an initiative to ensure that the banking institutions modernize and recognize the very fact that how we bank today is drastically different from what we did only five or ten years ago, even only two years ago. I suspect many members of the House now bank via the Internet. I started to do that about six months ago. We pay our banks en masse through telebanking. We use ATMs to do the majority of our banking functions. How we deal and interact with our banks has changed. That is why it is imperative we have legislation which reflects that reality.

We also have to understand that the government has missed out on one aspect in particular. That is with respect to how it would potentially deal with the issues of mergers. There was the fracas when the finance minister claimed that he learned the Royal Bank of Canada wanted to merge with the Bank of Montreal over the news while he was brushing his teeth or while he was drinking his morning coffee and reading the newspaper that day. This finance minister has probably been the most connected to Bay Street in the history of Canada, yet he was not plugged in enough to be able to know what was going on in the financial sector. To be quite honest, I find that very hard to believe or an incredible event.

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• (1710)

The finance minister missed an enormous chance to upgrade the financial institution sector within Canada during the merger debate. I remember the CEOs of the Royal Bank, the Bank of Montreal, the TD and the CIBC were willing to make blood promises in terms of how this would benefit Canadians to permit the merger process to proceed. I am not advocating a position by any means on whether to permit the mergers at that time was right or wrong. However, it was definitely wrong to cut off discussions at that point in time.

For instance, they were willing to make a blood promise on maintaining the number of rural banking institutions. They were willing to make a blood promise in terms of increasing and augmenting the risks of lending funds to the small business sector. I remember reading that they were willing to make another blood promise in terms of holding the line, if not rolling back, en masse, service charges to customers.

Whether those blood promises would have been in the best interests of Canadians or whether to permit the mergers are questions that Canadians and legislators never had a chance to publicly debate because the finance minister chose to be a populist. He said that banks were unpopular. He was not going to proceed to give them anything because it may jeopardize his leadership aspirations down the road. I suspect that was likely the greatest issue during the debate at that time.

We are here to talk about improving and modernizing the banking sector, the financial institution sector. I hope we see legislation in the near future that will augment and increase the fundamentals of the economy. If we look at our rates of taxation, Canada has the second highest corporate tax rate as a per cent of our economy of all G-7 nations. We know that as a per cent of our economy our personal income taxes are the highest of the G-7 nations. We also know that as a per cent of our economy, the dollars we spend paying down the interest and not really addressing the national debt is an immense drain on our economy.

Instead of a 900-page bill, which the government does not care to have its members defend or even talk about its attributes, I would like to see some vision to get our economic fundamentals in order. Let us do what the Progressive Conservative Party has advocated and pay down our national debt in a legislative way. We need to lower taxes.

Mr. Dale Johnston: Where did you get that idea?

Mr. John Herron: The hon. member from the Alliance has just asked where I would get the idea that the Progressive Conservative Party wants to pay down debt and lower taxes. I will read from a note of earlier today which in fact says that in many instances the policies of the Progressive Conservative Party and the reform

alliance are almost identical. This is definitely the case when it comes to one of the most important issues for Ontarians which is fiscal policy, including taxation, debt reduction and the overall management of Canada's pocketbook. I ask the member for Brandon—Souris if he knows who actually wrote those words. It was the Canadian Alliance MP from the riding of Markham who endorsed the Progressive Conservative economic plan. That is where I get those particular ideas that he referred to.

I would like to be able to ensure that we pay down debt in a legislative way to ensure that those individuals who want to invest in the Canadian economy will do so because they are not doing that today.

• (1715)

That is why the Canadian dollar is at a mere 66 cents. That is why it is perhaps at its lowest levels in a modern era compared to our principle trading partner, this time being the Americans.

My concern is that it is a very clear signal that foreign investors are challenging whether investing in this country is the right thing to do in the future. We need to send out some signals that we will not threaten any provincial profits by excessive rates of taxation, both from a personal income tax perspective and from a corporate tax perspective, and that we will get our economic fundamentals in order by paying down debt.

The high dollar helps our trade ratio to some degree, but in the long term it is a signal that Canadians as global competitors are becoming poor. Our capacity to buy goods in the global market has indeed been weakened.

Obviously the government has very little vision or interest in the legislative agenda of the great nation of Canada. There are 900 pages and so far we have heard from one government speaker. I do not know whether this has ever been done to this degree in the history of the parliamentary process. It has been amazing to watch it unfold. There have been 900 pages and one government speaker.

If the government is lacking vision let individuals speak who are ahead of their time. Some people call the Right Hon. Joe Clark yesterday's man. He will be in the House to actually augment the parliamentary system in the next number of months. He is an individual who wanted to pay down debt and balance budgets in 1979 when everybody thought it was a kooky idea.

He may have been yesterday's man because he was ahead of his time yesterday. We need to be able to show the kind of fortitude and leadership that Mr. Clark demonstrated with his budget in 1979. We need to see the same kind of vision and fortitude that we saw with the free trade agreement in 1988. In both instances it was done by Progressive Conservative prime ministers. That is what we need to be able to see to augment and maintain our position in the global community, not just technical bills on banking institutions. We

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need to get our fiscal house in order by paying down debt, lowering taxes and investing in our priority areas of health care and post-secondary education.

Ms. Libby Davies (Vancouver East, NDP): Madam Speaker, I appreciate hearing the comments of the hon. member, and particularly his concern that it is very curious members of the Liberal Party are not speaking to this bill. Neither is the Canadian Alliance.

This strikes me as bizarre on such a major piece of legislation, 900 pages that will affect every Canadian who has a bank account. As I mentioned in my remarks people are outraged about the way the banks operate. There is a huge amount of interest in ensuring that consumers get a fair shake or deal. It is quite alarming to note that government members are not even willing to debate the issue. What are they afraid of?

The hon. member has expressed his concerns and those of his constituents. However I know one concern of the NDP is that there is an absence of a community reinvestment provision within Bill C-38, particularly for regions of Canada such as the hon. member represents where there is economic disparity, where local communities are hurting.

To have reinvestment by these vastly profitable banks is something that would be very healthy for local economies. It would help small businesses, individual entrepreneurs, the local economy and would have a spin-off effect. Should we not be legislating that kind of community reinvestment in the banking industry? I would appreciate hearing whether the member and his party supports that and whether or not they will put pressure on the government to do that.

• (1720)

Mr. John Herron: Madam Speaker, the member for Vancouver East brings forth a very interesting issue but something that would have perhaps been even more difficult to do in a modern context even a few years ago.

Banks sometimes may be the only visible financial institution within a small town. They obviously would benefit from revenues from profits from Visa cards, small business loans, mortgages and all the financial products they sell. It is very difficult in this modern context to look at companies such as Citicorp, ING Direct or many other companies that are basically virtual banks which provide their products by electronic media. Obviously their direct investment within those communities or even in the country would be essentially nil.

This has provided Canadians with more competition and more choice. I support categorically being able to put a ratio in terms of what their investments would actually be. This is why I am a little

reticent from my perspective to merely bank bash. The issue is far more complex than it use to be.

When we deregulated financial sector institutions on February 14, 1997, we said it was okay for Citicorp, MNBA and ING to have access to some small business loans, profitable mortgages, personal loans or even credit card business. Yet the banks were losing some of their most profitable dollars. Now they are in a situation where they are hard pressed to find new products to deliver to maintain their position.

As I said before, bank bashing is not in anybody's interest. One out of every two Canadians owns a bank stock in some way, shape or form. The role of parliament and the role of legislation is to keep financial institutions in check and to define roles and regulations that are responsive to consumers.

I compliment the member for Vancouver East on her commitment to having a regime that would ensure that low income Canadians are not discriminated against at our banks.

Hon. Lorne Nystrom (Regina—Qu'Appelle, NDP): Madam Speaker, would my friend in the Conservative Party agree with me that there should not be a change in the wide ownership rule?

For many years we had regulations brought in by the Pearson Liberals which stated that a person could own no more than 10% of the shares of any bank. That was done to protect the Canadian banking industry, to keep it Canadian. At one time there was a rule that said no more than 25% of the shares could be owned by foreigners. That rule went by the wayside during free trade.

That will be changed. It will be moved from 10% to 20% of voting shares and 10% to 30% of non-voting shares for big banks with equity of more than \$5 billion a year.

Medium size banks are defined as banks with between \$1 billion and \$5 billion in equities per year. There is concern in the province of Quebec that the National Bank will come under different rules. In terms of medium size banks the rules indicate that only 35% is to be widely held. In other words, somebody could buy 65% of the Banque Nationale. The member mentioned ING Direct, Citibank or Chase Manhattan which could go in there and buy the Banque Nationale, the Laurentian Bank or the Bank of Western Canada.

Would he agree that the same rules should apply to medium size banks in terms of being widely held as applied to the large banks? Does he also agree that going to 20% opens the door to more foreign control influence in our banking system, something that now is truly Canadian?

The Alliance is not participating in this debate so I ask the more progressive of the two conservative parties in the House to respond to that.

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• (1725)

Mr. John Herron: Madam Speaker, I think the hon. member asked me two questions. I have a problem with moving it from 10% to 20%. I am not as concerned by that aspect given the fact that the Canadian banking sector has indeed far more foreign investment, far more foreign competition, far more foreign involvement than it had before. If that is a result of the situation then in order to maintain our sovereignty we need strong Canadian banks. My initial reaction to 20% is that I am not overly concerned about it. That is something that we can flesh out during the clause by clause process.

To address the hon. member's second question, I think the 65% issue is a very real concern. Perhaps it is potentially something that should be discussed and addressed at the committee level, particularly relative to the National Bank or the Laurentian Bank. It is something that warrants further debate. I am not at all close to investigating the 20% ratio to the same degree, but I can see where 65% is an area of concern as a start.

Hon. Lorne Nystrom (Regina—Qu'Appelle, NDP): Madam Speaker, I am glad the member of the Conservative Party is willing to take a look at it. The concern in that regard would be a takeover of the National Bank or the Laurentian Bank. Then we would have the headquarters moving out of Montreal, out of the province of Quebec and indeed out of Canada, if it were bought by a foreign entity. It seems to me the same rules should apply to mid-size banks as apply to larger banks.

Would the member be in agreement that it is kind of puzzling the National Bank, which is quite large and not that much smaller than the smallest of the big five or six, should come under different rules, particularly when we look at the politics of the national union, and be treated differently because of where its headquarters are located than those in the rest of the country?

Mr. John Herron: Madam Speaker, as I said to the hon. member before, that is something we can flesh out during the clause by clause process as the bill goes to committee. That is why we are supporting actually sending the bill to committee so that we can start analysing these 900 pages since the government is not interested in debating them in the House.

Ultimately I think a higher ratio is probably a natural progression as smaller banks move into becoming medium banks.

[*Translation*]

Mr. Réal Ménard (Hochelaga—Maisonnette, BQ): Madam Speaker, I am pleased to take part in this important debate on a bill that, disappointing as it may be, still merits consideration.

For those just joining us, this is a bill concerning bank reform. Bank reform is connected with democracy and with our conception of equal opportunity.

If we have anything for which to fault the government, it is that it has been, and continues to be, extremely timid about something that would have enabled us to set down a resolutely social-democratic foundation, one that was strongly in favour of equal opportunity and would have enabled us as parliamentarians—I take advantage of the presence here with us of the hon. member for Quebec to say this—to finally fight poverty effectively. I will have an opportunity to come back to this.

Anyone who has been keeping abreast of the way the banks have been changing, as well as their strategic positioning, can see that there are whole areas, whole communities, in which there is no bank or branch. A few years ago, Option Consommateurs, a body which obviously, as its name implies, is concerned with defending the consumer in the area of finance, did a survey on where banks located their branches.

• (1730)

It was found that the map showing where there were no bank branches corresponded rather perfectly with the map of poverty. As I clearly recall from having seen the map, whether in Cape Breton, Newfoundland, eastern Montreal or southern Ontario, whole communities are being deprived of financial services.

I would like to begin by reminding hon. members that the government mandated a task force some months ago. This task force went down in history under the name of its chairman, Mr. MacKay. He and twenty or so commissioners looked at the Bank Act and at all the vehicles available in relation to the existing credit needs across Canada and made extremely specific recommendations to the government.

The MacKay commission was concerned about banks closing branches in certain Canadian communities without giving any advance notice or giving a second thought to the impact the loss of access to credit can have on a community. With this in mind, I have to say it will be difficult for the Bloc Québécois to support Bill C-38 if the government decides to maintain the status quo.

Members of the Bloc Québécois know full well that, since 1993, our colleague, the member for Saint-Hyacinthe—Bagot, has been extremely preoccupied with all social justice and consumer protection issues. I understand that, through him and through me, our party will be bringing forward amendments in committee as well as at report stage. I hope such an important debate will not suffer from partisan politics. I hope that when they vote on the amendments that will be put forward, all members will have only one consideration in mind, which boils down to the following question: will the proposed amendment improve the bill and enhance consumer protection? That consideration must override any partisan objectives.

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Before going into the substance of the amendments I wish to propose with the help of my colleague, I must say that we will not support Bill C-38 because it seems to suffer from a serious imbalance.

When we consider the Bank Act, we realize that there is a balance to be achieved in the ownership of the banks. There was consensus, a rule within the world of Canadian banking to the effect that no one could hold more than 10% of the shares of the banks. This formula meant relative success.

I say “relative” because we must not think that the banking sector is not a concentrated sector. There are six or seven chartered banks, defined under the first schedule of the Bank Act, controlling a significant portion of the capital held by the banks and holding much of the power relating to the banks. Nevertheless, it appeared that the rule of 10% was a sort of guideline, a safeguard, a rule of caution that permitted too high a concentration.

I think that the member for Quebec, who is following this matter, like many others, knows as I do that there is a provision in the bill allowing the mid-size banks to hold 20%. A single shareholder could hold 20%. We do not fully understand the rationality of all that. As my colleague for Quebec has pointed out, there are even banks in another category that could be held by a single owner.

• (1735)

We do not quite understand the rationale of changing this balance, which was considered healthy in the world of banks. We can count on the fire, the determination, even the tempered aggression of the member for Saint-Hyacinthe—Bagot to wage a proper battle. We hope the members on the government side will understand common sense at least once in their life and will comprehend the need to vote in favour of the Bloc’s amendment.

For the time being, I would like to discuss a matter I have been familiar with since 1996. I know that when I rise in this House that I still look like I am in my thirties and that the years have stood still. However, the fact is that this is already my second term and I am pleased to announce that I will seek a third one. I am taking this opportunity to mention that, as we know, the Bloc Québécois is first in the polls.

Therefore, I believe that the hon. member who left the Conservatives to join the Liberals must have some regrets about such an ill-advised move, because in Quebec the party that is most popular among Quebecers, that is number one in the polls, is definitely the Bloc Québécois.

My colleagues on this side of the House will agree that we are very confident that we will win the riding of Compton—Stanstead, where we have a very good candidate.

Having said that, I would like to continue on the issue of community reinvestment by banks. In 1996, I travelled to Washington to meet Joe Kennedy Jr., who quit politics in a context that there is no need to mention here in this House—things happened with the maid and he had to resign—but this does not fundamentally belong to the public domain.

In the United States, they have a second generation of legislation on community reinvestment by banks. I took a very close look at the purpose of what is called the community reinvestment act, the CRA, to make it clear for all parliamentarians.

I think members will agree with me that it would be perfectly possible to have a provision in the Bank Act that would be very closely patterned on that legislation.

A regulated financial institution is required to show that its deposit facilities, the branches, are serving the deposit and credit needs of the community for which it has been given a charter—and this is very important and I emphasize this—it has an obligation to help meet the credit needs of the local communities associated with that charter.

A very interesting point is that the United States has someone similar to the superintendent of financial institutions, someone who takes an annual look at what the various banks are doing to meet the credit needs of the community as a whole.

Naturally, when one owns three SMEs, is independently wealthy, and is a prosperous businessperson, one has no trouble obtaining credit. But when one is in Hochelaga—Maisonnette or Saint-Sauveur or certain areas of Rosemont, my colleague must realize, or certain parts of Trois-Rivières—I would qualify this somewhat for Chambly, but I think there are areas of poverty in Chambly—when one is in certain communities where poverty is widespread, the fact is that the banks are no longer there.

I will give an example. Twenty years ago, in Hochelaga—Maisonnette, there were 20 banks. How many are left today? Four. To all intents and purposes, there are no banks in my riding.

If we had legislation allowing the superintendent of financial institutions to assess how the chartered banks are meeting the credit needs of all communities, we, as legislators, would have a mechanism for putting pressure on the banks.

• (1740)

The banking system in the United States is far more fragmented. There are local banks, regional ones and ones that are more nation-wide. However, if a bank wants to expand and do business in more than one state—such as the control the American legislator has over the banks—if a New York bank wants to expand to Illinois for instance, it must respond to the credit needs of the entire

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community. A rating of A, B, C or D is given, and made known to the public.

The American system is not, first and foremost a coercive one; it is a system focused on consumer protection. It is understandable, however, that when the First Bank of America has a poor rating on its dealings with disadvantaged communities and that rating is released to the public and the consumer associations become aware of it, it is pretty hard for that bank to justify that it is a good corporate citizen. The entire American system, while not coercive, is based on pressure from the public and from consumer groups.

I have been involved in a few battles in my life, but this one is an important one. I would like to think that all hon. members of the House are going to support the amendment the Bloc Québécois is going to introduce.

I have sensed a certain openness in the minister. Examination of the white paper the government has made public, and of this bill, does lead one to feel that any openness is rather cautious and has not reached maturity. The government could have gone a lot further than it has, but there is a desire to have low-fee retail deposit accounts. There would, of course, have to be a definition of everything that this would mean, but it seems to me that the community reinvestment act would be part of the philosophy.

The American legislation exists within a framework of four monitoring bodies. I would like to give hon. members a few examples of the form community reinvestment by the banks may take.

It could be low cost operations. As we well know, for every banking transaction there is a charge, whether for a debit, a credit, cashing a cheque or paying a bill. It could be \$1.75, \$2, or \$2.75. Certain American states permit exemptions in banking business for the most needy. This is an example of the very specific form bank community reinvestment may take.

It could also be in the form of accounts set aside for consumers writing a limited number of cheques. It could also be the banks in certain parts of the northeastern states that have agreed to provide mortgages for home improvements in low income sectors. It could also be an economical chequing account including a minimum account. It could be the processing of five cheques at no charge every month or the cashing of government cheques for free. I think generally this is already the case in Quebec and Canada. I do not think that a person receiving income security or who has an old age security cheque has to pay charges. This should be checked, but I do not think there is a charge on these cheques.

Armed with this information, I did my duty as a parliamentarian and introduced, as I mentioned earlier, a bill in 1996, which I have to say got a lot of support from my colleagues in the Bloc Québécois. It was in such a moment that I really felt we formed a

strong parliamentary team. I criss-crossed all of Quebec to get bank books signed. I do not know if the members recall that. It was a sort of petition in the form of a bank book. I was in the riding of Frontenac—Mégantic and I went to Quebec City, and I have warm memories of that visit. My colleague, the member for Québec, met me. We visited the Saint-Roch mall, which had been renovated.

• (1745)

Quebec City truly made a considerable investment. I was there not too long ago. I sensed that throughout Quebec people were strongly in favour of having legislation similar to the United States legislation on community reinvestment by banks.

My bill had five major objectives. To achieve fairness in community reinvestment, which was the object of my bill, the banks located in poor communities would have had to review their operations, systems, rules and practices and then measure the gap between the deposits and the loans granted to designated people in a given community.

Once that review had been completed, the banks would have had to table a report indicating which measures they intended to adopt if a gap was found between the deposits received by the banks and the loans granted by them in their communities.

Third, and this was perhaps the most important aspect of the bill, the superintendent of financial institutions would have had an obligation to propose evaluation criteria that were likely to promote the implementation of the notion of community reinvestment. A report was to be tabled in the House by the Minister of Finance to allow us to understand, to have a global idea of the effort made by banks in poor communities. I believe that was an excellent bill.

Bill C-38 allows us to take another look at this provision and it is our hope, as parliamentarians, to encourage banks to be present in every community.

In conclusion, I remind the House that when banks are not present in communities, other groups take over. I recently spoke about pawnbrokers. Pawnbrokers exploit poor people.

As parliamentarians, we must realize that when banks are not present in poor communities, they are replaced by others, but this is not always to the benefit and well-being of consumers.

I invite all members to reflect on these issues, to show openness and to support the amendment that the Bloc Québécois will move in favour of community reinvestment by banks.

Mr. Ghislain Lebel (Chambly, BQ): Mr. Speaker, I listened carefully to the brilliant speech by my colleague, the member for Hochelaga—Maisonneuve.

I have just learned something and I thank the member for it. With regard to community reinvestment—I am sorry but that is

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what I had in mind—I thought the obligation to give money to a particular sector or a particular activity was automatic. I see this is not the case.

My colleague seems to have a good knowledge of all the aspects of the American banking system. In the United States, where they have community reinvestment legislation, have banks or bankers been exempted from paying taxes elsewhere in compensation for these investments in the community?

I am wondering if such compensation exists. Has the member studied this side of the issue? I agree with the kind of reinvestment he is proposing, namely a reduction of service fees for low income users. In the United States, has the government found a way to compensate the banks by taking less money from them?

• (1750)

The member will understand why I am asking this question. When the current Minister of Finance brought down his 1999 budget, the Bloc Québécois spoke out against the fact that the minister was being very generous to the richest, namely the banks, and that they should be paying a lot more taxes than they had been up to that point. Despite a slight tax increase in that sector, it clearly was not enough to create social justice as well as tax fairness.

I want to ask my colleague from Hochelaga—Maisonneuve if the Americans do the same kinds of favours as our good finance minister does to his banker friends.

Mr. Réal Ménard: Mr. Speaker, I thank my colleague, the hon. member for Chambly and notary in a former life, for his question. His question falls, it seems to me, half-way between wholly financial concerns and his endless thirst, which I acknowledge, for social justice.

That said, the hon. member for Chambly is right. I could never produce for the hon. members any examples of hypocrisy off the top of my head that would equal the actions of the Minister of Finance, because I do not know of any. The fact is that our colleague from Hyacinthe—Bagot could be more accurate than I.

I believe that in the last budget we raised the matter of \$180 million in taxes the banks had to pay from 1994 on. We were not all that comfortable with the idea that it was necessary to lighten the fiscal burden of the banks because we acknowledge their right to make money. They operate within a highly protected environment under the Bank Act and schedule I. Thus there is no true competition in the banking sector. There will perhaps be more in future but that has certainly not been the case in the past.

In conclusion, in order to provide my colleague with an accurate answer, I do not believe there is any interconnection. From my examination and understanding of the community reinvestment

act, it is my belief that its objective is definitively to provide better access to credit to all communities in the United States and that we must not look for connections with income tax and other tax matters. They are, in my understanding, totally independent of each other.

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, I would ask my colleague to be a little more specific about how Bill C-38 will upset the financial system in Quebec.

Earlier, he mentioned percentages, the percentages of shares that could be held and how Bill C-38 would be at odds with practice in Quebec. What the Bloc Québécois says in its dissenting report is that Bill C-38 on bank mergers would pose a threat to the National Bank, for instance, which is the bank for SMBs in Quebec. What specifically would happen—that is what I am asking my colleague for the benefit of those watching—and could he expand a bit on the difficult balance faced by our banking industry?

Mr. Réal Ménard: Mr. Speaker, I thank the member for Québec. As members know, I respect her and what she stands for and, of course, continues to stand for.

I think that the most eloquent answer came from Québec's minister of finance, one of the best as we know to have sat on the government benches. With the House's permission, I will quote what he said to the federal Minister of Finance last December at the meeting of finance ministers:

We made known to you our concerns with respect to your planned amendments to the rules governing banks in Canada. Your proposal would provide different treatment for banks with large, medium or small capital. In the case of large banks, that is those with over \$5 billion in capital, it would be possible for an individual to hold not 10% but 20% of the voting shares.

The status of banks with \$5 billion or less in capital is different. They can opt for a limited ownership regime.

• (1755)

The important thing to understand is this:

A given individual could have in excess of 20% of the voting shares, up to 65% for banks that have between \$1 billion and \$5 billion in capital, and up to 100% for those that have less than \$1 billion in capital.

So, there is a risk that banks with less than \$5 billion in equity could be owned by a single individual holding all the voting shares. But the banks that provide the greatest support to small and medium size businesses in Quebec are banks like the National Bank and the Laurentian Bank, which would be reclassified in the small bank category or in those with capital of less than \$5 billion.

This is a legitimate concern because we believe that having a number of voting shareholders is a safeguard for democracy, since it goes against a concentration of ownership.

I hope I answered the question of the hon. member for Québec, whose intellectual curiosity is almost insatiable.

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[English]

Mr. Deepak Obhrai (Calgary East, Canadian Alliance): Mr. Speaker, it was a very interesting summer for the Canadian Alliance. We chose a new leader. Canadians across the country are excited. As the NDP members were complaining this afternoon about the cost of my leader's fundraising dinner, I will tell them that Canadians are willing to pay to listen to the new leader. I am sure that if NDP members wanted to do fundraising they probably would not be able to attract too many people. I presume that is why they were complaining.

It is my pleasure to speak to Bill C-38, an act to establish the financial consumer agency of Canada and to amend certain acts in relation to financial institutions.

When we talk about financial institutions, Canadians in general have some concerns. They are concerned about the way in which banks have been operating, about the monopoly they have had over the years and about how their profits have been increasing. These concerns arise from the fact that there is not much competition in the financial sector and that historically the banks have been protected. There were reasons in the past for doing that, most importantly to ensure the viability of the banking system in Canada, which at that time worked.

As we know, the business environment in Canada and around the world has changed. Today the environment calls for choices for the consumers. Canadian consumers have seen how much they benefit from deregulation and what happens when a government lets businesses loose. Lower costs for long distance telephone calls shows how a competitive environment can help Canadian consumers.

The demand by Canadian consumers, and rightly so, is for choices in the banking sector. The Canadian consumer is looking for lower service costs and better services. To some degree the negative image that the Canadian consumer has was brought on by the banks themselves. I am sure the banks can do a better job in letting the Canadian consumer know of the services they can provide.

• (1800)

There is the recent example of Air Canada and Canadian Airlines and the disaster it turned out to be during the early stages of the merger. Canadians are strongly concerned about the lack of competition in the airline industry. The government is dragging its feet as it does most of the time in coming up with solutions Canadians are looking for.

The government's go slow approach can be seen in this bill itself. It took seven years of foot dragging on the part of the government before it was able to bring forward some kind of

legislation that has opened up the banking industry to higher competition.

We in the Canadian Alliance will live with this bill because we see it is opening up the financial sector as demanded by Canadians. We have a lot of concerns on many issues. We feel the financial sector is not completely open. There are other levels of bureaucracy being installed in here. Nevertheless there has been enough in this bill to allow competition to take place.

Members will remember the bank merger fiasco that took place and the hue and cry made by Canadians, and rightly so. Canadians felt there would be too much concentration of banks and less competition. Therefore there was a need for this kind of bill to come forward allowing the consumer to make choices and opening up the sector. Once the sectors are opened up, banks can merge and become global players in today's market.

As the critic for international trade I see the opportunity for banks as markets are being opened up all over the world. Definitely Canadian banks have a role and they can play a leading role in that they need to have bigger capital, bigger markets and a bigger pool of expertise as well. That is fine, but Canadians are concerned about what happens to the domestic market. Is it going to suffer at the expense of banks going into the international arena with mergers and consolidations?

That is a concern to our party as well. It is important that the Canadian banking sector be opened up to other players who can get in and pick up the niche if Canadian banks feel that they want to be out of the domestic market. Personally, I think it would be foolish for them to do so. Nevertheless, we need to allow competition to take place. Canadians need to know that they have choices and this bill to some degree will do that.

We have heard from our Bloc colleague as well as our colleague from the NDP. A very vague answer was given by my colleague from the PC Party in reference to medium size banks. Clearly, if we open up financial markets there are players who would be willing to pick up the niche. Medium size Canadian banks can become big banks, but we have to let the market forces play to some degree. Let them consolidate. Let them ensure they can seize the opportunities that are presented.

The question that will always remain is, what will happen to the Canadian consumer? We feel that with competition opening up, Canadian consumers will be very well protected. They will benefit from the opportunity of financial services that will open up in this country.

• (1805)

I will give an example. As the critic for international trade and with my work on the foreign affairs committee, I see the role of the

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Export Development Corporation. The committee heard from numerous witnesses involved with international trade who recognized the need for greater availability of capital for them to do business overseas. Close to 43% of the GDP is tied to exports and Canadian companies are always looking for capital. This is one area where the banks can now take advantage and should be able to offer to Canadian companies this opportunity by giving this service. In the past and until now they have been curtailed by EDC. EDC is kind of a crown corporation. It does not pay taxes. It has been politicized for so long that even many Canadians do not know what EDC is and what its role is.

We feel that the government competes directly with the banks through the Export Development Corporation. The Canadian Alliance feels that this competition should be abolished and that EDC should get out of the business of short and medium term export financing.

It is in the interest of all Canadians that banks are able to play a vital role in our economy. As it expands and we go into global markets, it is the banks that will be in the forefront to seize this opportunity in partnership with Canadian companies to create an economic environment that will benefit all Canadians. That is a key element in why the Canadian Alliance is in agreement to some degree with this bill which will allow the banks some flexibility.

Of course as usual the government has ensured that there are some tighter controls as well. It has introduced the financial consumer agency and the ombudsman. To some degree it looks very good. It looks like the government is trying to ensure that Canadian consumer interests are protected. However we have our past experience with the government. Who is going to be there? Will all the appointments be at arm's length or will they be more patronage positions for the Liberals to fill?

Every time the government introduces some kind of control or bodies where it has the absolute authority, perhaps a parliamentary committee could look at the appointments instead of the finance minister looking after those appointments. That would give tremendous confidence to everybody over appointments to these boards.

We notice that the government did not go very far in expanding the credit unions' role. That is one sector where it could expand and provide Canadian consumers with choices. We sincerely believe that choices for Canadian consumers will in the long run work to bring lower service costs, lower fees and better services to consumers. That does not mean to say that at this time the banks are not trying to provide service to consumers, they are. However with greater competition, innovative ideas will come forward. In order for the banks to retain their business they would definitely listen to the consumers. At the end of the day that is where the Canadian consumer is on all this opening up of the market.

• (1810)

In conclusion, the Canadian Alliance will be supporting this bill based on the fact that it provides more and better choices for the Canadian consumer. We would like to see more competition in the market and I am sure our critic will bring in some amendments to ensure that that happens.

Mr. Peter Stoffer (Sackville—Musquodoboit Valley—Eastern Shore, NDP): Mr. Speaker, again it amazes me that the Alliance Party, the former Reform Party, thinks that competition always has to be in terms of foreign competition. On the airline policy, it would like to have more American carriers up here which eventually would destroy our Canadian airline industry. It also wishes to have more foreign control of our financial institutions which would probably mean the end of Canadian control of our banks.

When talking about the banks, as they do about the post office, most Canadians do not say very many positive things about the banks but they do speak about the poor service or bank closures in their communities.

This bill will give a tremendous amount of power to an individual finance minister. He or she will have tremendous powers and will become a banking czar, taking away parliamentary responsibilities or even the ability of members of parliament, duly elected by the people of Canada, to have any input. This is similar to the minister of fisheries whom we now call the fishing czar who has tremendous powers within his ministry which override the will of parliament.

Could the hon. member comment on the fact that the bill would make the finance minister a banking czar who would sometimes override the will of parliament?

Mr. Deepak Ohrai: Mr. Speaker, I would like to respond to my colleague from the NDP. We definitely have a philosophical difference in how we would like to approach this for the benefit of the Canadian consumer. I am sure at the end of the day the member is thinking of the same thing, how the consumer can be protected, I will give him that but we have different ideas of how to do that. He wants government regulation. I tell him to look back in history and he will find that is not what has worked for Canadians. There are examples that at the end of the day competition, deregulation and less government control have benefited the Canadian consumer and the Canadian public.

Concerning his question about the finance minister becoming a powerful banking czar, I share the same concern with him. We do not want the finance minister to become a powerful czar. Nevertheless we feel that the parliamentary committee could have a role, at arm's length, as I said. It would ensure the finance minister would not have that much of a powerful role. Parliament has to play a role, MPs have to play a role and the committee could play a

definite role in ensuring that one person does not have that much control.

Mr. Peter Stoffer (Sackville—Musquodoboit Valley—Eastern Shore, NDP): Mr. Speaker, I will only speak for about five minutes in order to allow my colleague from the Bloc to speak on this issue as well.

I just want to say to the hon. member that it is quite ironic that those members wish to have this bill passed, and fairly quickly I would assume. It is no coincidence that RBC Dominion Securities—and correct me if I am wrong but they are the same ones who had trouble with some sort of fraud situation that happened a while ago—will be one of the customers buying a \$25,000 table at the Alliance dinner to meet with Mr. Day.

• (1815)

I find it quite ironic that the CBA, the Canadian Bankers Association, on which the Royal Bank is a member, wants very quick passage of this bill. One just has to tie the links together; \$25,000 for a table indicates quick passage of a bill. It is quite obvious from where the Alliance is speaking, and it is not in terms of the grassroots community.

I have two letters in front of me. One letter is from a person in Fredericton, New Brunswick and the other is from a person in River John, Nova Scotia. Both of these individuals are small business people who are very concerned about the closure of their banks in their communities. This is what happens when one has a central based government that thinks from Windsor to Quebec City and ignores the rural parts of the country.

Throughout, people have been very concerned and very passionate about their banks and, in most cases, myself included, have been very proud of our banking history, but lately the banks have forgotten what their purpose is in terms of service to the community and service to rural parts of Canada.

No one will ever deny that banks are very generous when it comes to donations to various arts, sports and culture, and they should be congratulated for that, but what small communities require is a banking presence in their communities.

Many seniors and people with disabilities are finding it very difficult to access banking services. Some people do not have the technology or the finances to afford computer services in their homes. The majority of Canadians still do not have computers in their homes. Many people are very distrustful of the ATM services. In some cases the ATM services are restricted in their ability to provide services to the majority of people.

As a party we are also very concerned about the powers this bill would give one individual in parliament or, as in this particular

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case, in cabinet. As I mentioned before in questions and comments, what happens is that the DFO minister, who I call the fishing czar, has incredible powers throughout his ministry to make changes. A recent example of that is the arbitrary decision to move 1,500 metric tonnes of northern shrimp away from the Newfoundland and Labrador people and into the hands of the people of Prince Edward Island, completely forgetting the adjacency principle of that.

However, the finance minister can now make similar decisions, overriding the will of parliament or, for that matter, even overriding the will of the people of Canada through their elected officials by doing basically whatever he would like to do. He would have the power to do that through the bill. I find that very disturbing.

It is amazing that a document, which is 900 pages long, has to be rushed through the House so quickly. If anything, a bill that has 900 pages should be extremely and carefully scrutinized. There should be no time limit on that. It should be available so that every Canadian understands thoroughly, in very simple and plain language, exactly what this means in their daily lives.

My hon. colleague from Regina—Qu'Appelle has gone through the bill very carefully and has mentioned some very serious concerns. He has mentioned the lack of community investment and the fact that a particular bank, like the Banque Nationale, could actually be absorbed and moved to the United States. Those are very deep concerns not only for the province of Quebec but I am sure for other areas as well.

What the bill will eventually do is lead to the slippery slope of American or foreign control of our financial institutions. I believe most Canadians would fear that indeed.

Hon. Lorne Nystrom (Regina—Qu'Appelle, NDP): Mr. Speaker, one of my real concerns about the bill before the House today is the change in the wide ownership rule. The government is now proposing we go from 10% of the shares being held by any one individual to 20% for voting shares and 30% for non-voting shares.

We have already sold out or given up so much of our country, it seems to me that if we change the wide ownership rule we will be inviting more concentration on the banking industry and more foreign ownership of the banking industry. In essence, a couple of billionaires could control a big national bank.

I talked to some people in my home city of Regina over the last couple of days who were also concerned about losing one of these last industries that really control the country.

So much has changed with the free trade agreement. This is one of the few that is still left. The other concern I have is that the government is now proposing to treat medium sized banks and large banks differently. For large banks a foreigner, a wealthy individual or an institution could buy up to 20% of the shares. For a

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medium sized bank, a bank with between \$1 billion and \$5 billion in equity, a single person could purchase 65% of the shares. In other words, the Banque Nationale in Quebec could be purchased by the Chase Manhattan or by anybody else and suddenly that bank would be out of the province of Quebec and out of the country. With its headquarters gone jobs would be gone. We would lose a very important part of our country.

• (1820)

I want to ask my friend from Nova Scotia whether he shares these points of view. They are really two different questions in terms of the threshold rising and in terms of treating the three medium sized banks differently. It is not just the Banque Nationale, it is also the Laurentian Bank and the Bank of Western Canada.

For smaller banks, banks with an equity of less than \$1 billion, there are no rules or restrictions at all. They can be owned by anyone, a foreigner or a Canadian. There is a difference there as well.

Those are the concerns I have in terms of the wide ownership rule and losing something that we have as Canadians, something that we have regulated and made work to a pretty decent degree over the years. I am concerned that with the lack of debate going on in the House it will be hard to mobilize public opinion to put pressure on the government.

Liberal members are not even participating in this debate. The minister spoke for about 12 minutes and that was it. The official opposition spoke for a few minutes by putting up one speaker and that was it. They are not even rising on questions and comments when we are debating a very important issue.

This is a bill that is over 900 pages in length, a bill that affects many other pieces of legislation. This is not just 900 pages, but the consequential changes in other legislation amounts to another 4,000 pages of legislation as well. Much of this will be done by order in council, by memorandums of understanding and by guidelines. The minister will have tremendous power in terms of being a banking czar.

Those are the concerns that a lot of us have. I hope we can engage some of the members across the way in this debate. It is a very important issue. They talked a lot during the bank merger campaign in 1998-99 about changing the rules and putting more power back into parliament and giving less power to the bureaucrats and the minister and here is their chance to do that. Let us have some real engagement in this debate.

Mr. Peter Stoffer: Mr. Speaker, as I said earlier, I believe this is the very quick, slippery slope to foreign control of our banking institutions as well as the re-engineered talks of the bank mergers themselves. Even the banks have said that if they were allowed to merge thousands upon thousands of Canadians would lose their

jobs and thousands of branches would be closed throughout Canada. I believe, as is the case with most other institutions in this country, that we will eventually lose control of these institutions and they will be moved over to American or foreign control.

I find it astonishing that the Canadian Alliance and the Liberal Party have refused to debate this issue. Usually when they refuse to debate that means they are trying to hide something or trying to slip something through on the Canadian people. I find it disgusting that they will not even engage Canadians on this very important topic.

Mr. Rob Anders (Calgary West, Canadian Alliance): Mr. Speaker, I would like to know how the hon. member feels about deep tax cuts, the type of tax cuts that would mean that every single family across the country would pay less tax?

The Deputy Speaker: The hon. member for Sackville—Musquodoboit Valley—Eastern Shore. I am sure that he is talking about tax cuts under Bill C-38.

Mr. Peter Stoffer: Mr. Speaker, I know we are switching the topic here but I do not think there is one Canadian who does not think that he or she is paying too much taxes. However, what they also want is accountability for the public dollars that they send to Ottawa, and that, unfortunately, is not helping right now.

It is okay to think about tax cuts but if they turn into user fees we have a bigger problem. As I have said many times in the House, we need a full and open debate on taxation from the municipal, provincial, territorial and federal levels. We also need a full debate on what programs Canadians want, how much they are willing to spend and on the accountability of parliamentarians in order to spend their hard earned tax dollars.

• (1825)

Hon. Lorne Nystrom: Mr. Speaker, it is rather puzzling to see no one from the official opposition getting involved in this debate except for that last very short question, which was really a question on a different topic. I wonder if this has something to do with the big dinner coming up in Toronto where the Canadian Alliance is selling tables for \$25,000 to very wealthy people. This shows that it is a party that has moved a long way from ordinary citizens and a long way from the grassroots. I wonder if this has had some impact on members of parliament as to whether or not they were willing to get up and debate the issues respecting banks because some of the people buying these tables will surely be bankers. They will not be ordinary people living on the east side of Calgary or at the north end of Regina. It will be wealthy people on Bay Street and a lot of banking people.

I also noticed that the profits of some of our big banks have been escalating in the last few years. If we go back to 1992, for example, the profit of the big six banks was \$1.8 billion, in 1994 it was \$4.3

billion, in 1997 it was \$7.6 billion and in 1999 it was \$9.2 billion. With that kind of money I am sure some of these people will be buying tables at \$25,000 a pop.

Then we have questions about big tax cuts for wealthy people and millionaires. Today somebody in the House said that the 17% flat tax promised by the Alliance Party would give someone making a million dollars a year a tax cut of \$130,000 a year.

This is quite a metamorphosis for a party that started off as a grassroots party. It is now a party of Bay Street, a party of big business and a party of the wealthy and the privileged. I wonder if that is why its members are not participating in this debate.

Mr. Peter Stoffer: Mr. Speaker, I will quickly answer that question with another question. How many individual members of the Alliance Party will actually be able to afford the dinner? I doubt that very many of them will be there.

Mr. Roy Bailey (Souris—Moose Mountain, Canadian Alliance): Mr. Speaker, I sat today listening to the various speeches on Bill C-38. I would like to throw out some questions as this hour concludes.

Canada has the healthiest banking system. No, I do not own any shares in a bank, but Canada does have a banking system that is the envy of the world. I wonder what Canadians would think today looking in on this debate.

I heard members say that banks should be required to stay in business. Would the government require Dairy Queen to stay in business if a town was folding up? I heard people say that the banking industry is an evil institution because it charges for its services. I heard people say in the House that there is no competition. There is more competition in the banking industry today than ever in the history of Canada. Everywhere we go there is more competition.

What we should be doing, instead of trying to drivel out some 1955 or earlier speeches about how to nationalize the banking industry in Canada, is talking about the fact that the institutions that are providing competition to the banks are valuable institutions.

Why would members want to paint a picture, not only for the investment community but for all Canadians, that our banking institution is something of a very evil nature? That is the message they are putting out. I am ashamed as a Canadian to have to listen to this drivel about the banking institution, which is world famous, being an evil institution.

Mr. Peter Stoffer: Mr. Speaker, I do not think anyone on this side of the House said we should nationalize banks. I also do not think anybody on this side of the House said that they were evil.

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The member is right, our banking institutions are the envy of the world. They are extremely profitable and communities in River John, Nova Scotia and Fredericton, New Brunswick are very concerned about the closure of their banks.

We do not demand that they provide this service. They are making billions and billions of dollars. One would think that they would have some community spirit left in their banking souls in order to provide service to Canadians.

EMERGENCY DEBATE

• (1830)

[*English*]

ORGANIZED CRIME

The Deputy Speaker: It being 6.30 p.m., pursuant to Standing Order 52 and to order made earlier this day, the House will now proceed to the consideration of a motion to adjourn the House for the purpose of discussing a specific and important matter requiring urgent consideration, namely organized crime.

Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC) moved:

That this House do now adjourn.

[*Translation*]

—Mr. Speaker, this is clearly a very important issue.

[*English*]

As you have outlined, Mr. Speaker, this emergency debate is as a result of a situation that has evolved in recent months and years but which is escalating. It is a situation that has become very critical in the country. Organized crime is becoming more rooted daily in various communities across the country.

It is certainly something that is not limited to any province. It may be argued that in the province of Quebec there is an acute presence of organized crime activity and established gangs which could be due in part to the headquarters located there and the length of time they have been involved in their various heinous activities in that province. However, they are branching out. They are spreading out like a plague across the country.

Organized crime is something that is not new to Canada, but it is becoming increasingly sophisticated in its nature. It is becoming increasingly diverse, like an industry that has diversified. Organized crime is a problem in rural Canada as much as it is in the cities.

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I begin my remarks by indicating that this is truly a non-partisan issue. This is not an issue with which anyone wants to play politics. This is an issue on which we should be united. Of all things in this place, it is an issue on which we should be working together to try to eradicate and address and at least discuss matters in which we can do so in a civil fashion.

Like the old Neil Young song *Rust Never Sleeps*, crime never sleeps. This is something which is taking place day and night across the country. It is happening at all times. It is not prejudicial. It takes place in communities where there is perhaps less money and wealth. It preys on the weak. It uses intimidation. It is insidious in its approach.

Representing the district of Kingston, I know this will be of interest to you, Mr. Speaker. Being an area where there have been reports of increasing biker turf wars taking place and where there is a concentration of Canada's federal penal institutions, it is a prime area for organized crime. Individuals are often released from prisons right into the waiting arms of organized crime.

Last Saturday more than 70 motorcycle gangs, including dozens from the Rock Machine, were in the city of London, Ontario for an annual social event with outlaw biker gangs. They were trying to forge relationships. Just like corporations, they are forming mergers and working together to gain allies in their continuing war with the Hell's Angels in this instance, for strength and a lion's share of the organized crime activity which is going on. As part of that continuing war, the Hell's Angels, in this escalating war between them and the Rock Machine, are talking about control of the illegal drug trade, adult entertainment, extortion and racketeering.

The problem is apparent. People no longer feel safe in their communities. They feel that much of what the police do now is simply monitoring instead of having the ability to intervene and strike at the heart of the issue. Much of that I suggest is due to the lack of resources. Where the police fall down in this regard is that they do not have the ability, the financial resources, to compete with organized crime in the fashion in which they should. Nor do they have the legislative teeth, which is what they have been calling for. They want the ability to gain access to warrants so they can move quickly. In most instances, the police are facing a critical situation where they have to quickly act with great force in a very prudent fashion. They are dealing with limited resources.

• (1835)

Similarly, organized crime does not have to stay within the bounds of the law. Those people do not have to follow certain established procedures. They do not have to wait for a warrant to arrive or ensure that certain legal remedies are adhered to. That is fine. We all accept the fact that the police have to adhere to the rule of law but they are being curtailed. They have one hand behind

their backs when compared with the organized crime they are seeking to eradicate.

In the province of Quebec there have been a number of instances in recent days and months. Journalists who have exposed and written about this problem have become the direct targets and have been attacked. There have been attempted assassinations. This is escalating and reaching new and dangerous levels. We in this place certainly should be discussing ways to address and remedy the situation, if at all possible.

Two weeks ago the minister from the province of Quebec, Serge Ménard, urged the federal government to consider the use of the notwithstanding clause when dealing with membership in gangs like the Hell's Angels and the Rock Machine. During the same period when the issue was being discussed, Michel Auger was shot five times in the back for writing about this exact scenario. We do not know the perpetrators of that offence but the timing certainly leads one to believe that it was related to those articles and that subject matter which he had chosen to write about in the public forum.

Criminal gangs are present in virtually every province. Organized crime has infiltrated almost every element of society. Most recently, smuggling rings have been appearing with alarming frequency on the west coast. The Chinese snake head gangs or triads are becoming increasingly present. They are becoming most blatant and almost unrepentant in trying to bring people into this country illegally, the human trade, as it has been called.

It is dehumanizing and a threat to the very underpinnings of democracy that this is taking place. Yet the police, our internal security service, feel curtailed in their efforts to deal with this threat. Obviously it is not limited to any one element of organized crime. There are the traditional mafia type syndicates in place. There are increasing reports that eastern bloc countries, in particular the Soviet Union, have staked out a market here in North America. They are perceived by the police as being a real threat because of their ruthless nature. There are the Chinese triads which I have referred to. Right across the board in every corner of the country we are seeing elements of organized crime.

In my own constituency, in Antigonish, we have seen a biker gang crop up. They are becoming blatantly apparent to all in the community of Antigonish. In Saskatchewan there have been new openings of chapters of the Hell's Angels. It is right across the board. We are seeing it in Manitoba and Ontario.

The drug war often plays itself out on the streets and roads of every community. Innocent bystanders are very often caught in the crossfire of these exchanges. The bombs that are planted by criminals are intended to intimidate, shut down or infiltrate one another but very often innocent people become the victims.

Even when organized criminals and those who engage in this activity are caught and arrested and due process takes place, they

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wind up in jail but they continue to recruit. They continue to actively organize and to communicate with one another. As an example, last Wednesday, September 13, a Millhaven penitentiary inmate serving a 17 year sentence was charged again with drug related and weapons offences and conspiracy to commit escape after using a cellphone to import Colombian drugs into Canada.

It is appalling to think of the blatant and outright flaunting of the law that takes place when criminal gangs are involved. The recruiting that is going on has to be addressed as well. There is a great deal of outsourcing of criminal activity. Want to be criminals are brought into the fold and told they will be rewarded if they will do this bidding, if they will involve themselves in drug trafficking, prostitution and violence, to ingratiate themselves to their organized crime masters. This is happening with increasing frequency.

● (1840)

Criminals are recruiting young people to do their crimes. This is happening. It is something we cannot ignore and is something the government itself has to address in a more active way.

I know we will hear from both the solicitor general and the Minister of Justice about this issue. The Minister of Justice will rightly point out that the government has brought forward legislative initiatives. That is welcome. It is welcome in the community. However in most cases the government refers repeatedly to the money that has been put into the CPIC system and the recent cheques that have been sent to the RCMP, but they are postdated. The money will not be there for years to come.

The money has to come now. The legislative initiatives have to occur immediately because it is creeping into society at every element. Making announcements, either in the House or in the press gallery, as the government is prone to do, does not do anything but encourage organized crime when they find out that the money is not actually there. The resources are shadow resources.

We hear time and time again about the priorities of the government. Its number one priority was health care. Then the defence minister said the number one priority was dealing with the lack of helicopters. We heard today the number one priority is organized crime. These priorities are shifting like the sands of the Sahara. They are shifting perhaps like the sands in the sand traps where the Prime Minister plays golf.

This is not going to help the problem. It is not going to address the lack of resources the police have and the lack of legislative initiatives that are needed to allow the police to attack the problem, to engage in the warfare against criminal activity and gangs in Canada.

We presently have a committee in place of which I am proud to say I am a member. The justice committee has been tasked, at the initiative of the Bloc and with the endorsement of the entire House,

to look at this issue in detail, and we will. There is a great deal to examine. This is a very complex and involved matter. There is no way to dumb down this issue as some in this place would like to do.

We have to attack organized crime at its root. We have to cut off the flow of resources that they are using. That may involve bringing in tougher legislation with respect to the proceeds of crime. I know there are initiatives currently in place. We can do more. We can always do more when the problem is as acute and apparent as it is today. Part of that certainly involves discussion here, but hopefully we will see concrete examples of the government reacting and acting in a responsible way, bringing forward concrete legislation, not talking about it here and in the press.

Let us actually do something. Let us show Canadians that this place can work forcefully and in a timely fashion. Let us bring it about for all Canadians to see that the government is behind our policing agents and is behind the courts in their efforts to address and eradicate organized crime.

The commissioner of the RCMP is an individual with a long history of dealing with organized crime in a very practical way, on the front lines. Perhaps the commissioner will, more than anyone else in the organization, have firsthand knowledge and an understanding of just how bad it is. To demonstrate that, we heard a warning from the commissioner in his very first week in office. He addressed this issue and specifically pointed out how bad it had become. He talked about this in a serious fashion. A warning was issued that should give us pause for reflection. He is telling us that organized crime is ready to purchase parliamentarians.

I was listening with interest to the discussion about fundraising and how political parties are often trying to raise money. That is accepted; that practice has always been there. But when parties put themselves on the auction block and they have high priced fundraising efforts, dinners set up for \$25,000 a table, they are naively putting themselves forward and are vulnerable to exactly the type of purchase that Commissioner Zaccardelli has referred to and which he has warned us about.

● (1845)

A lot of potential influence can be bought with \$25,000. Why would the players in organized crime not want to get in line? They certainly have the money. They certainly have the resources and they are prepared to do it. They have tried to do it in other fashions.

Organized crime is out there. It is actively undermining the moral fabric of communities. It is out there every day working to do so. It is coming out of the shadows. It is not in the alleys. It is not in the old flophouses the way it used to be. It is out there. It is on the Internet. It is in the homes of people we may know.

Heaven forbid that it ever makes it into the very home of democracy, but this is what the commissioner is talking about. He

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is indicating that parliamentarians, like other Canadians, are just as vulnerable. It is sometimes that intangible element of intimidation that the organized crime players like to trade in. This is very much on their agenda.

We have to act swiftly. Most important, we cannot back away from this issue, try to bury it, try to ignore it or to pretend that it is not as acute as it is. Organized crime is beginning to run rampant.

I have indicated that all sorts of different elements are competing for their market share. We do not need to torque up the rhetoric. We have to torque up solutions. We have to torque up tangible and very real ways to address what is going on. Jumped up promises or post-dated cheques for any element of this just will not do it. We do not need to talk about the priorities. We have to realize that it is a priority.

I do not mean to diminish or make this a joking matter, but the time is certainly here. I hope this debate will be the beginning of a real focus, not only by members of the opposition but more important by the government. The RCMP recognizes it. Municipal police forces, which are certainly doing the lion's share of policing in rural Canada, realize it. They continually make this an issue.

The minister herself will know, having attended a recent conference, that provincial ministers are looking to the government for co-operative efforts. They are looking to the government for leadership and initiatives that would help them.

The federal government has exclusive jurisdiction over the criminal code, and that is part of the solution. That is part of where the change has to begin, whether it is through changes to organized crime elements of proceeds of crime or whether it involves giving the police greater latitude to seek warrants, to enter premises and to work in some effective way that they can move toward attacking crime where it begins.

Recruiting is becoming a bigger problem. We may have to draft entirely new legislation that will deal specifically with the element of recruitment. The suggestion that has been put forward and discussed already to some degree is the element of outlawing membership in these criminal organizations. I know that those with tendencies toward protection of civil liberties are correct to have legitimate trepidation about how we do this in an effective way. Part of it comes from a very specific definition of what encompasses organized crime. What will that definition be?

The wearing of colours that signify membership in a criminal organization is simply wrong. It is flaunting it in the faces of the authorities to go around flying the colours of an organized crime band. We have to take decisive action here that demonstrates we are not only not intimidated but will push back and act in a more proactive rather than reactive way.

We have seen it in the United States. I do not always want to hold up the United States as a shining example, but it has given

sufficient resources to help deal with the problem at its root. The disbanding of the coast guard and the ports police by the government has opened the ports for business. It has signalled to organized crime that we can no longer control entry into the country of contraband materials. That has led to all sorts of problems for local police and RCMP because they simply do not have the capacity to police those ports.

There are other glaring examples where the resources have been cut and the police have been left feeling like they are spinning their wheels.

● (1850)

The government has an opportunity to step forward, to step up and show some leadership, to show some initiative and to give the police the help and the support through resources and legislative initiatives for which they are crying out.

Today can be evidence of that. I am hoping that we will hear from the minister more than just the usual rhetoric and more than just the talk about what has been done already. Let us talk about it in a proactive way in terms of what we can do to help our law enforcement community and what we can do to help shore up the doubt out there that we are losing ground, that we are falling behind and that organized crime is becoming an increasing threat.

We need to do that in a non-partisan way. I think we will find that all members of the Chamber are looking to the government to agree to making that a commitment, to making that a priority. If the Liberals are headed for an election, perhaps this will be an election issue. Let us do something now while we have an opportunity.

This is a life and death scenario. I know we hear that all the time, whether it is health, whether it is environment or whether it is justice. This is something that is affecting lives in this country as we speak. We not only have a responsibility and a mandate to do something about it. We have an absolutely undeniable obligation to Canadians to do something about it now, quickly, in a timely fashion to use the minister's words, and to do so in a clear and decisive way.

Mr. John Bryden (Ancaster—Dundas—Flamborough—Aldershot, Lib.): Mr. Speaker, I congratulate the member opposite for his excellent remarks. I would like, though, to observe that he concentrated mostly on trying to bring improvements to policing and he directed his remarks fairly to the justice minister and the solicitor general.

I would like to observe that the problem with organized crime and the way to really get at it I would have thought, and he only alluded to it, would be to attack the profits of organized crime. I would like to draw to the attention of the member that for years now in the House I have been campaigning to get the government to write legislation that would make non-profit organizations and

charities publicly accountable for the way they raise money and spend money.

The solicitor general has had representations from international police organizations complaining that Canada has become the centre in the world for laundering money, for laundering the profits of organized crime, not to mention the money that is raised on behalf of ethnic conflicts and terrorists abroad. I would suggest to the hon. member: Would he not support pressuring the government to take positive steps toward making charities and non-profit organizations financially accountable, transparent? Does the member realize, for example, that non-profit organizations do not have to disclose anything? Even their financial information returns to the government are not available to the public, much less to journalists and MPs.

Second, I would also like to draw to the attention of the member opposite—and I take advantage of the fact that the justice minister and the solicitor general are in the House and of course are very interested in this debate—that just a few days ago I had a person in my constituency office who was engaged in import-export. He told me he is aware that 16 shipping containers left Canada for Jamaica without inspection.

The member opposite alluded to the difficulty the police authorities have to inspect shipments coming into Canada for contraband, but does he realize that there is almost no inspection of shipments going out of the country and that in fact Canada has become one of the grand opportunities for shipping anything one wants to anywhere in the world?

If we go to Nigeria today we will see stolen vehicles still with the auto dealership on their licence plates. They do not even change the licence plates in Nigeria after a car is stolen in Canada and is shipped over to African countries.

I wonder if the member opposite would comment. Are we not really in a situation where it is not a matter of limiting the right of association and it is not just a matter of increasing the police, which is of course the favourite answer for the Canadian Alliance? Increasing the police is always the answer to everything. Is it not really something we as parliamentarians should insist upon, that all organizations out there that are engaged in moving money around should be transparent and accountable to the public at large?

• (1855)

Mr. Peter MacKay: Mr. Speaker, I thank the hon. member across the way for his question and his commentary. I know that this is an issue very near and dear to his heart. I do agree that this is certainly not a simple issue. There are many facets and many levels to it.

The hon. member is correct to point out in the latter part of his discourse that there is a lot of export from this country. I was very aware as a crown prosecutor of a number of auto thefts where great

numbers of vehicles were being stolen and sent abroad, sent to Europe, very expensive vehicles that were getting on to the ports, getting on to ships and away they went.

This again highlights the need for international co-operation of which I know the hon. member is very aware. The element of transparency and the element of cutting off the flow of money and the flow of resources to those who engage in this activity are what is needed.

I take very much to heart and am very encouraged by his own critique of the failings of his own government members in this regard. They have every opportunity to do that. This is the government's sole responsibility. They have to be the legislative initiators in this instances.

For example there is legislation in the United States, the RICO act which talks about racketeering, influence and corrupt organizations. This type of legislation is exactly what is needed in this country. I know this is something of which the minister is aware, has heard much and probably read much about. I am encouraged to see that both the solicitor general and the Minister of Justice are here ready to take part in this debate. We look forward to hearing from them about what initiatives we are going to hear.

With respect to this international co-operation that we must have, surely we will not hear that it involves having a computer system that can be accessed the way the situation arose over the summer where there was a trap door left open and even our allies could get in to see the way that we were approaching organized crime. I hope we will not hear that as the answer.

Information sharing is one thing but leaving the door open so that everyone knows what we are doing, including organized crime, including those who engage in that type of activity, is another. Because it is very sophisticated and very high tech they have the ability to find out what the government may be planning to do before it does it.

I hope there will be safeguards in place to deal with the computer system that was extremely vulnerable and left us, I would suggest, with our pants down looking very embarrassed before our allies in this regard.

We look forward to hearing further from members opposite, from the government and from all other members of the House about this very serious and very compelling issue.

Mr. Myron Thompson (Wild Rose, Canadian Alliance): Mr. Speaker, the member can comment on this statement if he cares to. While the Liberals point out that the Alliance is looking for more policing, the Liberals are looking at spending millions and millions and perhaps even billions of dollars going after duck hunters, deer hunters and gopher shooters. They are spending money like crazy. That is what they have been spending. That is their answer to fighting crime.

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Having travelled around with the police and seeing the difficulties they face throughout many of our cities, I agree with the hon. member when I saw so many young people wearing identifiable jackets indicating that they belonged to an organization. I see this as being a problem that is affecting the most vulnerable of our society, and that is the children of this nation.

I see legislation coming out of some provinces that want to do something about it. For example, in Alberta the police were authorized by legislation to take young teenage prostitutes off the streets, not arrest them, not charge them, but detain them to try to help them. I am talking about taking 12 and 13 year olds off the street. Some judge has declared that to be unconstitutional. Along comes other legislation that allowed the police to stop identifiable gangs at roadside checks and along comes a judge who rules it unconstitutional.

I am wondering if the member sees the picture of what is going on. What is wrong with giving our officers the authority to put a stop to a lot of the actions that are happening? Their hands are tied constantly by silly legislation and the spending of money in areas that is not addressing the problem.

• (1900)

Mr. Peter MacKay: Mr. Speaker, while I take the comments of the hon. member for Wild Rose very much to heart and I know he has a great interest in this subject matter, I do not think we can simplify this issue by saying it is only the courts that are causing or exaggerating the problems.

There are certainly occasions where we need a more streamlined system. We need the ability to sometimes cut to the chase and get to the very heart of what is taking place when organized crime is active in a community and manipulating the system. There will always have to be checks and balances. That is why I would be very reticent to jump quickly to the use of the legislative atomic bomb, the use of the notwithstanding clause. However, it is there and it is written into our law for a purpose. It is there like the sword of Damocles. It should be hanging over the courts, and sometimes lawyers and judges, to be used to remind Canadians that parliament is the supreme creator and supreme enactor of legislative initiatives. This is where the House of Commons comes into play, as well as the Senate, in proving that we are the ones who make the laws.

I agree about the use of scarce resources at a time when officers are crying out for more overtime, more technical advances in terms of the use of computers and sharing of information. We are continually pouring money into this cumbersome bureaucratic nightmare that we call the gun registry, knowing it will not impact on organized crime, knowing first and foremost that criminals will not participate and knowing that the police will not be able to rely on it as accurate. Not only is it being set up and the infrastructure being put in place at a cost of hundreds of millions of dollars, it has now undertaken an aggressive advertising scheme to sell it to

people who do not want it. All this is a big ruse and sale of misinformation, pretending that this will make our streets more safe. It simply will not work and will not change of course until the government changes.

Just as in health care, throwing money at the problem is not the only answer. It is part of the answer to get the scarce resources into the hands that need them. Legislative initiatives and co-operative efforts will help to turn the corner at least in addressing organized crime head-on in a forceful and effective way.

Hon. Lawrence MacAulay (Solicitor General of Canada, Lib.): Mr. Speaker, I will be splitting my time with the Minister of Justice.

First, I would like to join with others who have in the past days expressed deep concern with respect to the shooting in Montreal. The case is under investigation by local police in Montreal and will follow due course. I know that is what parliamentarians want to take place.

We know that the use of violence and intimidation by criminals has the potential to undermine the criminal justice system and other democratic institutions. It is an issue that many countries around the world are wrestling with and is something that Canada will not tolerate.

At a recent meeting in Iqaluit, the Minister of Justice and I and our provincial and territorial colleagues confirmed that combatting organized crime is a national priority. Ministers recognize that the use of intimidation by organized crime is a serious and pressing concern for Canadians.

As the new commissioner of the RCMP indicated, nobody is immune to organized crime. What he wanted to indicate quite clearly is that it is everybody's concern and we all must be cautious.

Organized crime is the number one law enforcement priority of my ministry. It is a national and international problem and it is growing in complexity. More important, it is a social problem and a community issue in Canada and for Canadians.

Its effects are broad and serious across the country. It affects our youth, our families, the economy and our quality of life in general. This government has a solid record in dealing with organized crime from coast to coast.

• (1905)

We know there is no single easy answer to the problem. It is not only a question of legislation or resources or co-ordination. In fact, it is all three.

The federal government has made investments in law enforcement. In 1997 we established 13 integrated proceeds of crime units in the RCMP. These units include provincial and local police. This

adds up to more than \$180 million in new investments in proceeds of crime enforcement over the past number of years. The IPOC has seized more than \$140 million in criminal assets to date, taking the proceeds out of crime. Of these seizures \$70 million in forfeitures have been ordered by the courts.

In April 1999 we provided \$115 million to modernize the Canadian Police Information Centre which supports police in all areas including the fight against organized crime. In June 1999 we announced new funding of \$15 million for the RCMP to provide for its presence in the three largest airports in the country; Toronto, Montreal and Vancouver. That way we can prevent organized criminals from seeking to enter Canada to do business.

Also, in June 1999 we injected an additional \$78 million over the next four years to the anti-smuggling initiative launched in 1994 with resources for the RCMP, Justice Canada and Customs Canada to target cross-border crime.

Last but not least, in this year's budget the RCMP received a substantial funding increase totalling \$584 million over the next three years. A portion of that of course will be used to fight organized crime.

This government has worked to give the police the tools they need to do the job of fighting organized crime. New anti-gang legislation was put in place in 1997 and is being used now by police and prosecutors across the country to target gangs. We know that many of the provisions that were introduced are being used widely and effectively. We also know that some see certain elements as complex and we are consulting with police and prosecutors to monitor how the legislation is being used and whether and how it can be improved.

We put new anti-money laundering legislation in place this past June when Bill C-22 was passed. It helped police target the profits of crime. We have also worked with the public to develop community based strategies and responses to criminal gangs.

Is there more to do to fight organized crime? Yes, there is more to do. Organized crime is a complex problem with many manifestations. Violence and intimidation are two aspects. They are two of the most troubling aspects, to be sure. There are the effects of the illegal drug trade on our youth. There is the fear and anxiety among the public and in our communities that can be created because of gang violence. There are the effects on our economy and our environment.

Migrant smuggling and trafficking in human beings are also a growing international concern and certainly have an effect on our country. Telemarketing fraud artists victimize elderly persons. Credit card frauds are increasing dramatically according to the industry and police. Organized crime is involved in interprovincial and international auto theft and our insurance premiums reflect

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this. It is honest citizens who pay for the lifestyle of organized crime in this country.

The diverse nature of the problem requires that we deal with this on a number of fronts. We have done so. This has been our strategy. We will continue to do so by investing in legislation, in enforcement resources and by working with communities across the country.

• (1910)

We are continuing to develop new initiatives now by collaborating with provincial governments, the police and communities across the country. We are also working closely with the United States and our other international partners to co-ordinate law enforcement and to set shared standards in a global effort to combat organized crime.

I want to emphasize the need for governments in Canada to work together. We are faced with a national problem and we need to deal with it in a co-ordinated way. This is my top priority as solicitor general and I am personally committed to ensuring that what needs to be done will be done.

The Canadian public is the biggest factor in the fight against organized crime. The public knows that biker gangs and other organized criminals are not romantic figures or rebels. Those who think otherwise are quite simply sadly mistaken. Outlaw gangs and other organized criminals are a cancer to our society. They exploit the freedoms that we cherish so much in this great country. They exploit our honest young people and the quality of life that honest hard-working Canadians work to achieve and maintain. The public must recognize that gangs and organized criminals victimize us all.

We must collectively and individually refuse to provide any support to criminal gangs. Zero tolerance must be our policy. This means refusing to buy contraband goods. It means working with local police when problems arise in our communities. It means not allowing gangs a place in our communities.

The Minister of Justice and I met with our provincial and territorial counterparts in Iqaluit. They believe as we do that it has to be a co-ordinated effort on all fronts, with the RCMP, provincial police departments and municipal police departments. They certainly appreciate some of the moves that we have made such as the DNA databank which is so important in helping to put criminals where they should be, and that is behind bars.

My colleague, the Minister of Justice, has issued a white paper on the judgment of the supreme court in Campbell and Shirose. We are waiting for submissions from our colleagues from across the way and across the country to make sure that we give the RCMP and other police forces across the country the tools to do the job.

I remain firmly committed to doing all I can, working with provincial governments and Canadians to deal with the serious organized crime problem we face in Quebec and across the country.

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Mr. Myron Thompson (Wild Rose, Canadian Alliance): Mr. Speaker, I will make this very quick and very short. I have two questions. They are not difficult to answer and I am going to listen carefully to the answers.

The solicitor general stated a solid record in dealing with organized crime. Regarding the anti-gang legislation enacted in 1997, over three years ago, I ask the solicitor general how many convictions have taken place under that legislation? If the answer is more than zero, I want to have the information regarding those convictions.

Second, could he explain to me the heading in the press release from the police which states “Police Plead for Tougher Measures to Fight Organized Crime: Less Talk, More Action, Says Canadian Police Association”. We have not had any at this time.

Could he explain his comments at his press conference and tell me how many convictions have there been?

Hon. Lawrence MacAulay: Mr. Speaker, I do not have the number of convictions, but the law in place is certainly a detriment to the organized criminal and to people who belong to gangs. They are well aware that if they break the law and they are associated with a gang they can receive consecutive sentences. They do not even have to be associated with a crime that takes place down the road. That is important as a deterrent to gangs.

• (1915)

The second question my hon. colleague asked concerned what tools we have given the police. There is something very important taking place right now and that is the white paper my hon. colleague has put out. I wonder if my hon. colleague for Wild Rose, who seems to be very concerned, has made any submissions or any suggestions as to how things should be done on a very public front.

The Minister of Justice and I and our counterparts across the country want to take action. We want a co-ordinated approach. Grandstanding in the House of Commons does not help anybody who is suffering from the effects of organized crime. We need to make sure that we do not just put on a big show. We must put the laws in place that are needed to fight organized crime, and that is what we will do.

Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC): Mr. Speaker, that was a wonderful response from the solicitor general, but I cannot reconcile from those remarks and from his previous remarks that if the government has done so much and brought in so much legislation and given the police so much by assisting them why organized crime is still escalating. Why is it still getting worse, which he has acknowledged in his own remarks? That does not jibe.

I want to focus my question on a very specific aspect of his responsibilities as solicitor general. We know that there have been a number of serious instances within the present confines. In 1997 prison guards Diane Lavigne and Pierre Rondeau were gunned down in separate attacks and ambushes attributed to the Hell’s Angels. Last week, after the August shooting, a Quebec prison guard was shot while driving to work.

I would like to hear from the solicitor general. What is he doing specifically to protect his guards? I hearken back to the issue of the 50:50 release program. What is he doing to help his own prison guards?

Hon. Lawrence MacAulay: Mr. Speaker, I thank my colleague from Pictou—Antigonish—Guysborough. The government is not taking \$83 million away from the RCMP as was proposed by the hon. member’s party.

In fact the government had to adjust the financial mess that was left by the Conservative government. There were no resources for anybody. That is why, after very careful progress by the government, we are now able to supply the RCMP and other law enforcement agencies with the tools they need to do their job.

Hon. Anne McLellan (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I know that all members share a concern about the serious problem of organized crime. It is a problem that affects all provinces and communities in Canada, be they urban or rural.

Events in Quebec and in other provinces in recent years have shown us that organized crime has many faces. It involves drug trafficking, prostitution, gun running, money laundering and migrant smuggling.

High profile crimes, trials and investigations in Quebec, Manitoba, Alberta, British Columbia, Ontario and other provinces have engaged the attention and concern of all Canadians. The recent events in Quebec, in particular those involving the murder attempt on a respected and courageous Montreal journalist, have brought the problem of organized crime front and centre in the national consciousness.

In the wake of these disturbing events my colleague, the solicitor general, and I have affirmed that the criminal legislation of Canada will be re-examined to see if the tools available to police and to prosecutors are being used to their fullest effect and whether they can be improved.

• (1920)

We and our officials at all levels will be working with the authorities at the provincial and local levels, especially the police who are in the frontlines of this battle, to ensure that adequate and

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focused resources are available and are applied in a co-ordinated way.

[*Translation*]

Let us be clear. As I mentioned earlier today, we will be working with our provincial and territorial counterparts to make sure that, if we need new laws, we will get them.

[*English*]

Before we talk about new tools or resources I would like to focus on some of the actions that have been taken in the last few years to address the challenges of organized crime. For example, the anti-smuggling initiative targeting in particular the smuggling of drugs, guns and other contraband by organized crime gangs was introduced in 1994 and I am pleased to say was most recently refunded in June 1999.

The Witness Protection Program Act came into force in 1996. We should ensure and we must ensure that this program is being applied effectively and is adequately resourced.

The Controlled Drug and Substances Act was enacted in 1997. Together with the police enforcement regulations adopted under the act it provides for exemptions for police officers involved in important undercover work in drug cases and for the ability to seize property that is used to commit those crimes.

Bill C-22 was enacted earlier this year and introduced new tools to improve the detection, prevention and deterrence of money laundering in Canada, which is key to attacking the complex web of organized crime. As we all know money is the lifeblood of organized crime.

Most important, in regard to the threat posed by biker gangs and other criminal organizations we put in place measures in Bill C-95. The cornerstone of Bill C-95 was a new offence that made participation in the illegal activities of a criminal organization an indictable offence punishable by up to 14 years in prison to be served consecutively. This provision establishes an offence covering anyone who participates in or substantially contributes to the activities of a criminal organization and who is a party to the commission of an indictable offence for the benefit of, at the direction of, or in association with that criminal organization.

It has been proposed, however, that it should be enough to prove that someone is a member of an identified criminal organization without being able to or being required to prove that he or she has been guilty of any criminal activity. If necessary, it has been suggested that we invoke the notwithstanding clause to support such a proposal.

Such an approach has the advantage of simplicity, but while I am prepared to entertain all proposals to strengthen our existing laws and while I do not outright reject any suggestions, a simple

membership offence will have to be carefully and rigorously scrutinized from all perspectives.

It is clear that action against organized crime continues to be a top national priority and that progress has been made on the agenda established in 1999 for this effort. This national effort will employ existing legislative, regulatory and administrative tools as well as new and innovative approaches to do the following: first, to target criminal assets and proceeds; second, to enhance the investigation of organized crime by such means as a better sharing of information; third, to enhance the prosecution of organized crime; and fourth, to safeguard the integrity of the criminal justice system from threats by organized crime in particular by preventing the intimidation of police, prosecutors, judges, jurors, witnesses and other persons who play a critical role in our justice system.

One example of a new and innovative approach is the concept of civil forfeiture. This technique attacks the assets and proceeds of organized crime in a way that is different from traditional criminal law.

• (1925)

This approach is being considered at the provincial level and by officials within the Department of Justice. The constitutional division of powers in Canada poses challenges to this particular approach, but there is a strong will among all governments in Canada to work together to find new ways of dealing with organized crime.

Senior officials from my department and of my colleague, the solicitor general, will be meeting tomorrow morning with their counterparts in Quebec. They are examining together the investigative, evidentiary and other problems being experienced in that province with regard to using the existing legislative provisions that target organized crime. No doubt there will be meetings at all levels with other provincial officials. Organized crime is a pervasive problem that exists throughout Canada, and so we need to work in concert with all our provincial and territorial colleagues to find the solutions.

I believe that improved legislative tools are possible and that their use must be made as effective as possible. Co-ordinated, effective and adequately resourced enforcement efforts by police and prosecutorial authorities at all levels in Canada will be the key to the effective use of new legislative tools.

The justice committee is already examining the problem of organized crime through a subcommittee that began its work recently. The issue of intimidation in the criminal justice system is one issue that I know the committee will no doubt be examining closely along with the many other facets of the problem of organized crime. I encourage the committee to move forward with its work quickly. It is important work.

The problem posed by organized crime is serious. We must be willing to review our laws to see if we can improve them to make

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them more effective. We need also to look at the efforts we must make to aggressively investigate and prosecute those involved in criminal activity of this kind, but we must also think very carefully before we concede that we cannot in a free and democratic society fight organized crime with effective tools that also respect civil liberties and fundamental justice.

Mr. Randy White (Langley—Abbotsford, Canadian Alliance): Mr. Speaker, I listened to the government talk about the legislation it has brought in. I have the same concern as my colleague from Pictou—Antigonish—Guysborough that while legislation has been brought in to fix the system, we still have a system that is worse than it was before.

I refer to the section of the criminal code which was brought in in 1997. It is the aspect about participation in criminal organization, which I believe is actually reasonably well written. I studied whether or not people have been convicted under this aspect of the criminal code. I understand one person has been since 1997. I also understand that a number of cases have been plea bargained. The plea bargaining that took place eliminated that aspect of the law which in effect gives consecutive or additional sentencing to anything that happens. I agree with that.

Therefore the problem in my mind is not just necessarily that there is no law. The problem is the legal industry and the courtroom. Many a victim in the country will say that therein lies the difficulties they have.

Is it possible to have a comment from the justice minister on whether or not she thinks it would be possible to get around the plea bargaining aspect and where an individual is proven to be a member of organized crime a penalty between two and fourteen years exists and is not plea bargainable within the court?

Hon. Anne McLellan: Mr. Speaker, I thank the hon. member for his question. It is an important one.

• (1930)

The hon. member has stated that if one looks at the existing organized crime provisions in fact in 1997 amendments to the provisions introduced much tougher sentences. In fact we have the prospect of imposing up to 14 years in the form of consecutive sentencing.

I cannot comment upon provincial prosecutorial decisions in relation to plea bargaining. There is a former prosecutor here this evening in the form of the justice critic for the Progressive Conservative Party. He probably would be much better placed to talk about what goes into a decision being made by a provincial prosecutor and the provincial attorney general in terms of pleading out or agreeing to a plea bargain in a given situation.

What I want to do is acknowledge the fact, as the hon. member has, that the sections are there. We need to think about why plea bargaining takes place in the justice system. We all know why, but it is frustrating for all of us on occasion to see that these sections are not tested, that the consecutive sentencing provisions are not used or the courts are not given the opportunity to use them because a plea bargain arrangement has been entered into.

The hon. member has raised a serious matter. It is one which I think I should take up with my provincial and territorial colleagues because they are responsible for the prosecution of these sections. We are not. Provincial attorneys general guard that jurisdiction jealously, as the hon. member knows. Therefore I will take the hon. member's legitimate and sincere concern and find out from some of my provincial colleagues why they made the decisions they did in the given cases to agree to plea bargains.

[*Translation*]

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, I will try to be brief, although this is very important.

I missed the beginning of the minister's speech because I was doing telephone interviews on the radio on this very issue.

People are very concerned. They do not understand why we will not be voting this evening on something to give some teeth to effective legislation on crime and criminal groups.

Since 1995, we have tried to amend all sorts of laws to provide the police with tools, including the criminal code, the Food and Drugs Act, the Narcotic Control Act and the Parole Act. The minister can make a fine speech, but it does not work. Something else is needed. We have to try other things to put a stop to a very complex situation.

My question is quite simple: Is the minister prepared to seriously consider the use, if necessary, of the notwithstanding clause to really give teeth to anti-gang legislation?

[*English*]

Hon. Anne McLellan: Mr. Speaker, as I said earlier today, and I will reiterate, the solicitor general and I will be sending our officials to Quebec tomorrow to meet with their counterparts. They will meet with other provincial counterparts. You may shake your head, but let me say that officials in Quebec have done some very good work in relation to how we can amend the provisions in the criminal code without using the notwithstanding clause to make them more effective.

Unlike you, I would actually like to know about that work. I would like that work shared with provincial and territorial colleagues to see if we are able to put in place—

The Speaker: I would remind you, hon. colleagues, to include me, rather than speaking to each other. I am feeling a little lonely

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up here. I know you are just coming back after the summer. The time for questions and comments is over.

Before the hon. member for Langley—Abbotsford begins his debate, I would ask if he is going to take 20 minutes.

Mr. Randy White (Langley—Abbotsford, Canadian Alliance): Mr. Speaker, I will be taking 20 minutes and you know I will address my comments through you. I would not be like the justice minister.

It is a pleasure to talk about this issue tonight. It is interesting the comments we get from the government side. Let me quote the justice minister today and the solicitor general tonight. The justice minister said that organized crime is the number one priority of the government.

• (1935)

It is ironic that it is the number one priority today, when we heard very little about it last week, last year and on and on. Why is it that with this government it seems that the number one priority begins when something moves it to move in that direction? It is really sad indeed that all of a sudden we are here in the House in a special debate when something that set it off was a reporter who was shot in the back five times in Quebec.

I remind the government that there have been things going on for years in this country that have been involved with organized crime. I remind the government that last year alone 400 people died in two cities, Vancouver and Toronto, from drug overdoses. Those drugs came from organized crime up at the top. The year before that there was well over 300 in Vancouver alone, and there is the year before that and the year before that. So why is it we are here today, the first day of the sitting of the House of Commons, in an emergency debate, when this has been an emergency for years? Yes, the government has developed laws, but they have not worked. That is the main message we are trying to get across.

I know the government is saying it will examine it and that it is studying it, but the time for study has past. This has been a problem for a long time.

Some of the responsibility for this has to lay at the feet of the government because whatever action is going to come out of this exercise could have and should have been done some time ago in my opinion. The comments from the solicitor general tonight were "We will not tolerate this". "This is my highest priority," he said.

We have been telling the solicitor general for years there is a serious problem in the prisons. There is a serious problem with parole. But on Monday, September 18, 2000, the highest priority is organized crime because something happened to move the government in that direction. That is not the way to run a country or a government, in a reactionary mode.

There is much talk about the Hell's Angels and the Rock Machine in Quebec. I remind the government and others listening that one only has to live around the triads in British Columbia to know how deadly a group those people are, how ruthless they are. We only have to go to Manitoba to understand what the Warriors are like. There is the Satan's Choice in Ontario, the Para-Dice Riders, the Vietnamese gangs, the Big Circle Boys and on and on they go. It is not about two groups. It would be a mistake to identify two groups in particular in the criminal code because that excludes a lot more than it includes. That is important to remember.

I would like to know why two or three years ago the government eliminated the ports police. We were told at the time it was a cost cutting measure. I spent a good deal of time with the ports police. I know the role they played on both coasts, in Halifax harbour port in particular and in Vancouver. It is interesting. Almost immediately after the ports police left Vancouver, one of the organized crime groups immediately moved into the Vancouver port and set up operations.

• (1940)

How does organized crime benefit? How does it expand? It expands by eliminating organizations like the ports police, or cost cutting in the RCMP. I wish I could have a debate here with the solicitor general on what the government did with the RCMP budget. It was only a year or two ago in the House when we were practically begging the government to give the RCMP money. In fact, after all that duress the solicitor general was under, he finally gave in and gave it money, which he is bragging about here tonight. That is reactionary mode. It is not good for the country.

I have some examples of what organized crime really is. I want to read them into the record for the House. People across the country will understand just how serious organized crime is.

The Big Circle Boys is another group. Triad member Wing Fu Ha was arrested in Vancouver for the murder of an infant in what police suspect was a gang rivalry incident. Wing remained in Vancouver despite an earlier deportation order against him.

I will have some recommendations a little later on what to do, but I can tell the House I have dealt with this personally as well. One of the problems with organized crime is the lack of strength and conviction of the Liberal government to deport people who break our laws. That is a fact. I just read of one of them here, a triad member. He should have been out a long time ago.

Contrary to the unanimous advice of law enforcement, the ports police were disbanded and immediately thereafter an organized crime linked company was granted docking container facilities in the port of Vancouver. The amount and quality of heroin now available in Vancouver is such that in August of 2000, heroin addicts, that is, those who have not died, marched to protest government inaction. Heroin addicts are saying there is too much

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heroin on the streets. That is a fact. I have been there. I have seen it. I have talked to them.

In June 1999, more than a year ago, Vancouver police cracked a heroin importation ring run by Simon Kwok, whom they identify as a member of the 14K triad group, responsible for drug importation, prostitution, credit card fraud, home invasion, and extortion of members of Vancouver's large Chinese community.

That is what an individual like that does. That is organized crime. That is reality. That hits the streets of my community every day, and everyone else's community, including Halifax, right across the country.

We know about the ongoing violent warfare between the Rock Machine and the Hell's Angels in Quebec resulting in shootings, bombings and more deaths, but here is what is not said about that. A fellow, Michel Auger, a decent individual, a professional in his own rank, gets five bullets in the back. I read that a couple of days ago in Halifax a fellow was shot twice.

Shootings like that are an everyday occurrence in the country now. What happened to the government's gun legislation? The major comment we had in the House of Commons when that legislation came in was that it would help to curb crime, but that is not the case. It has become a revenue generator.

Mr. Peter Adams: Rubbish.

• (1945)

Mr. Randy White: Mr. Speaker, one of the Liberals is saying "rubbish". The fact is that Bill C-68, which brought in the gun law, did not help Michel Auger did it? It did not help five people in one night in my riding two years ago. Who is it helping?

Mr. Peter Adams: Mr. Speaker, 80% of deaths are from hunting rifles.

Mr. Randy White: They do not like to hear this across on the other side.

Violent episodes of shootings and bombings between Vietnamese and various triad gangs occur on an ongoing basis in Vancouver, Edmonton and Toronto. The 1998 solicitor general's report confirmed that organized crime was responsible for the illegal entry into Canada of approximately 16,000 people annually; money laundering in excess of \$10 billion a year, which costs Canadians in excess of \$10 billion a year; attempts to influence or corrupt public officials which is expected to occur in Canada and in fact even commented on by the new commissioner of the RCMP; and the illegal entry into Canada of persons claiming refugee status who subsequently become involved in organized crime activities.

The Toronto police busted a prostitution ring run by the Big Circle Boys triad involving young Chinese and Asian women brought illegally into the country and forced into prostitution.

The reason I gave those examples is to ask a question of the other side. The Liberals said that they brought in this law and that law, but what have those laws done to stop this? This is occurring every single day in our country and all we have heard thus far from the solicitor general and the justice minister is "We will not tolerate it. It is our highest priority. We will re-examine it".

We also heard that improved legislative tools are necessary. We may agree with that but thus far we have seen an escalation of organized crime in just about every area that it can get into. What has legislation really done in the past?

Hon. Lawrence MacAulay: Why does the member not bring up the drug busts?

Mr. Randy White: The solicitor general wants me to bring up the drug busts. If I brought up the drug busts I could assure him they are minor compared to the amounts of drugs that are sold to our children. They are very minor indeed.

In Vancouver, the *Province* newspaper has confirmed that the RCMP has listed Stanley Ho as the lead member of the triad organized crime group since 1991. Despite this, Ho has received multiple visitor visas, has extensive holdings in Canada, is a donor, personally and corporately, to the Liberal Party, and has actually hosted a cocktail reception for the Prime Minister during the Vancouver APEC conference. That information was in the paper and I trust it to be accurate.

I am in no way suggesting that there is an attachment. What I am suggesting is that known organized crime agents are entering and leaving this country on a regular basis. The government knows that and I know the immigration department knows that. The only thing that happens is that the criminals get caught in a legal wrangle, in appeal after appeal, if they even are asked to be deported. It is not working.

No legislation has been mentioned by the immigration minister. The justice minister and the solicitor general are here. The immigration minister should also be standing up in the House to say that we have some problems and that we need some legislation but that has not been done. The finance minister or the revenue minister should be standing up in the House saying "Under the Income Tax Act we should make it easier to seize assets and sell them". It is just not two people in this. The whole government has to sit down and look at this situation. It is not sending two, three or four people to Quebec. It is a lot bigger than that.

• (1950)

I recognize what the provincial and territorial justice ministers are saying, but that is not the point. The point is that I do not think the government is co-ordinated in its effort. It is futile in my mind to take a section out of the criminal code, section 467.1, and make

an adjustment to it in the hope that this will all go away. It is a lot bigger than that.

Mr. John McKay: Use the notwithstanding clause.

Mr. Randy White: If the member had been listening, I did not say use the notwithstanding clause. One of the government's problems is that it does not listen too well. That is why it is in the fix it is in today.

There are quotes from an RCMP report detailing triad and Russian Mafia control of bringing young women from eastern Europe into Canada for prostitution and exotic dancing using illegal entry, visitor visas and refugee claims. I again get back to the comment that this is just not a justice-solicitor general issue. Many of these issues come back to immigration into Canada, open borders and the refusal to refuse people coming in.

I want to make a statement and pose a question at the same time. I heard the justice minister's answer a while ago when I asked the question about plea bargaining. While I am not a lawyer and do not want to be, I can understand and appreciate that there are differences between federal and provincial legal systems, whereas the administration of the courts are within provincial jurisdiction. However, there has to be some way the federal government can influence the courts in a province to prevent such plea bargaining from taking place. The difficulty with plea bargaining in many cases is that the only person who gets hurt is the victim. That is a fact.

It seems to me that if we have laws that are going to be worth anything, to allow the legal industry in a courtroom to take away what just might be the answer, a consecutive sentence for being a member of organized crime, is a shame. I think the concentration for the solicitor general and for the justice minister should be in that area; apply the laws. That is all Canadians are asking for.

I had a number of recommendations, and I suppose I have covered most of them, but I will give a couple more. We have to create a mandatory minimum five year jail term for smuggling or criminally exploiting illegal immigrants into Canada. We have to prohibit conditional release of any kind for an offender ordered deported. We have to amend the Immigration Act to require the deportation of a person found to be a member of an organized criminal group, among many other things that I have mentioned.

If there is one thing the justice minister and the solicitor general take away tonight, I hope it is that we in Canada are looking for action and not more studies. Once a law is a law it must be applied in our courts for a change.

• (1955)

Mr. John Bryden (Ancaster—Dundas—Flamborough—Aldershot, Lib.): Mr. Speaker, I have great respect for the member

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who just spoke. He is an excellent parliamentarian. I would like to ask him a question that I wanted to ask either the solicitor general or the justice minister but I could not because of time constraints.

The question is both at the same time the easiest and the hardest in this debate. The question is quite simple. The solicitor general is the chief policeman of the country. Canada's tradition is that our police are responsible for upholding the law. That is the fundamental charge that we give our police.

Finally, the ultimate law in Canada is the charter of rights and freedoms. Does it not therefore follow that whatever we do and whatever steps we take that the justice minister, the solicitor general and this parliament must protect the principles of the charter of rights and freedoms?

Mr. Randy White: Mr. Speaker, the difficulty we have with the charter is the many rulings within it in the courtrooms. We only have to look at child pornography to see that.

The reason it is necessary to have a notwithstanding clause in there is because what has been put into the generalized charter of rights and freedoms has been misinterpreted by the judiciary. Most court cases today are brought on by lawyers on behalf of clients who want to interpret this and are moving in that direction. The notwithstanding clause is an absolute necessity.

As far as the charter of rights and freedoms is concerned, I do not have a problem with it other than the misinterpretation by the judiciary, which is where the major flaw has existed over the last 12 years. It has become a fad in the courtroom to go after it and amend it.

Mr. Garry Breitkreuz (Yorkton—Melville, Canadian Alliance): Mr. Speaker, I will try to make my question as brief as possible, although I have some background information I would like to read.

I am sure the House will recall that back in 1995 we passed a bill known as Bill C-68 which required the registration of all firearms in Canada. What Bill C-68 essentially does is it lays a piece of paper beside every gun in the country. That law is not yet fully implemented. Less than 25% of the firearms in Canada have registration certificates beside them. In fact, that percentage could even be below 10% if we could get the information from the government.

Back in 1995 a man by the name of Bob Runciman, the Ontario solicitor general, made a statement before the committee. I will read it to the House because I think it is very indicative of the missed priorities of the government. Mr. Runciman said:

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Our position is that the sections of Bill C-68 that provide for compulsory registration of all firearms will divert police resources from more important tasks. Those sections (of Bill C-68) will reduce the number of officers and the amount of money available to deal with serious crime. They will make the real task of gun control more difficult and more dangerous for the police officers who undertake it. And those provisions will ultimately have no significant impact on violent crime, or the use of firearms by violent criminals.

He then went on to say that if we were to spend \$500 million on this registry we could put 5,900 more police on the street. Those 5,900 extra police on the street would make a significant impact on that. What is happening today?

Mr. Randy White: Mr. Speaker, I know where my colleague is coming from and he makes a very good point.

One of the things we are missing here already, and which has not come up in the discussion about organized crime, is that when a murder takes place in Canada it is usually done with a gun.

• (2000)

Mr. Lynn Myers (Parliamentary Secretary to Solicitor General of Canada, Lib.): Mr. Speaker, I can say that as a former head of the Waterloo Regional Police Force with 700 police officers and knowing where the chiefs of police stand and where the rank and file for the most part stand, Mr. Runciman was wrong in 1995 and he is wrong now.

What we have heard from the party opposite is nothing more than fearmongering and scare tactics. We saw Mr. Day in the House today. Imagine, there were spouts of water flowing and other things. He wants to bring a new tone of civility into the House. What we see from the member opposite is nothing but. What we see is the kind of code words for anti-immigration and code words that bring the race card into play. We saw that happening. Look at the last names of the people mentioned in the transcripts. Is the new tone of civility where the Alliance Party is really going?

I ask the members opposite, because they are always caterwauling away about gun control, to name me one victims group in Canada that supports their position when it comes to gun control. The reason I ask the question is that they repeatedly go out of their way to say they are on the side of victims and they are on the side of victims' rights. What I want to hear from them is the name of one group of victims that supports their position. I know the answer to that. There is not one.

Mr. Randy White: Mr. Speaker, it is interesting that the hon. member said that. I was the original writer of the national victims' bill of rights. It is a sad commentary coming from the other side.

This is the problem when we try to debate issues like this. Accusations come across on a racial ground. I certainly did not indicate anything like that. It is sad when we try to get our points

across to the solicitor general and the justice minister, who are obviously listening because I saw them writing notes, that some backbencher would stand up and tell us that we have an ulterior motive. I have no ulterior motive here. The fact is that when these members on the other side do not have a legitimate argument within debate, we get these kinds of—

The Speaker: Order, please. I ask hon. members to listen to one another.

Mr. Randy White: I am glad to continue with the civility in the House of Commons rather than listening to that.

I want to say that in all honesty I stood up here tonight to try to provide what I thought were at least motivating suggestions to the two people of the four or five who are responsible for this. That is what is necessary. I am sad that it deteriorated into something less.

My bottom line and the message is that we have been waiting for change for years. Drug addiction in this country and the tens of thousands of young people on drugs did not just happen. It has been happening for years. It is not time to start studying this. It is not time for the government to say that it is its number one priority today. That was 10 years ago. Now it is time to take some concrete action. I sincerely hope that within this Chamber tonight the government listens to the suggestions we are making, rather than accepts our comments as some kind of terrible criticism that nobody should make.

Our job is to give suggestions in a concrete way and that is what we will do whether the Liberals like it or not.

• (2005)

[*Translation*]

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, the attack on reporter Michel Auger a few days ago was the straw that broke the camel's back.

There are many reasons why Quebecers have had enough of the rule of terror that criminal organizations, biker gangs and other groups impose upon our society, in Quebec as well as in Canada. I am talking more specifically about the situation in Quebec since it affects us directly.

I was reading a report that was released yesterday by the federal Department of Justice. I assume our colleagues opposite would be interested in such a report. The report tells us that witnesses, jurors and lawyers have been threatened by these groups. I will add that parliamentarians have also been threatened by these groups.

There have been 150 victims in Quebec over the last five years, 30 of whom were innocent victims, men, women and children who had the misfortune of being in the wrong place at the wrong time,

who just happened to be nearby when a bomb went off. Thirty innocent victims.

The recently appointed RCMP commissioner, Mr. Zaccardelli, expressed some fears with regard to the corruption of politicians. This is not coming from me, but from the head of the RCMP.

The number of such organizations has increased since 1995. Even after passage of Bill C-95 in 1997, we saw the number of biker gangs in Canada increase from 28 to 35. Is this not evidence that we do not have the necessary tools to address the problem? What should we do to deal with this situation? Remain passive? Talk?

I think our duty as parliamentarians—because we do have duties to fulfill—is to stand up and respond to the call of the public.

Some have said we are doing this to score political points. This is certainly not true in the case of the Bloc Québécois. We have been raising this issue in the House for years, since 1993. Obviously we have made some gains: it is thanks to the Bloc Québécois that \$1,000 bills have been taken out of circulation.

Mr. Speaker, you and I have never had pockets full of \$1,000 bills, but those people count their money by weighing hockey bags on a scale. Thousand dollar bills take up less room. That is exactly what has happened, and the hon. member across the way ought to realize that there is nothing funny about it. He may think it funny, but the victims did not.

No, we do not have any vote-seeking motives. We are, moreover, not the only ones calling for this; the Bloc Québécois motion is supported by the government of Quebec, Quebec Liberal Party leader Jean Charest, as well as the government of Ontario, the Sûreté du Québec, the Canadian Police Association, the Quebec Press Council—not a repressive body—the Fédération professionnelle des journalistes du Québec, the Montreal Urban Community Police Department, and the NDP governments of Saskatchewan and Manitoba. These are not all nasty sovereignists who are seeking to take advantage of a situation in order to gain votes.

This is a serious problem, and perhaps it is high time there was some realization of this over on the other side of the House.

What does our motion say? We will be coming back to it. Today will not see an end to it. This late night debate is not going to do away with it when there is no provision for a vote. We are not afraid to vote, we are not afraid to stand up, we are not afraid to say what we think. We will never be afraid, and we will be back with it. There will be other opportunities, and it will be moved again here, in the House.

With the support of all of the opposition parties, I would remind hon. members, the motion refers to “making it a crime to belong to

a criminal organization, if necessary—I emphasize that it is “if necessary”—invoking the notwithstanding clause of the Canadian Charter of Rights and Freedoms.”

• (2010)

That created quite a stir among the Liberals. This reminds me of a headline that I recently saw in an Ontario newspaper. I could not believe it. The constitutional rights of the Hell’s Angels were violated by the Ontario police because these people have rights.

I can just imagine the Prime Minister delivering a speech at the UN to tell them about the best country in the world and saying “In our country our democracy is so developed that even the Hell’s Angels have constitutional rights, and so do the Rock Machines and the Outlaws”.

Is it not nice that, in Canada, these groups have constitutional rights? Our democracy is so advanced that these people have constitutional rights. But the government does not even want to think about using something legal. The notwithstanding clause is in the charter, but the government will not use it against criminal groups. That would lower the level of democracy in Canada, since the Hell’s Angels are entitled to their constitutional rights, just like the Rock Machines.

Go tell the mother of young Daniel Desrochers that you are not even considering using that clause because of the constitutional rights of the Hell’s Angels. This is unbelievable. It is ridiculous, but the result is also dreadful.

The Liberals’ attitude is deplorable. First of all, the Prime Minister, worse than ever—and this is saying something—says “They want me to meddle in provincial jurisdictions by intervening on the criminal code”. But, good God, for someone who was the Minister of Justice and has been here for over 35 years and is the Prime Minister, not to know that the criminal code is under federal jurisdiction—I will believe anything, but not that. Unless he does not know this. It is true he did not know that he does not pay employment insurance. But he knows about the criminal code. Meddling in the affairs of the provinces is his greatest joy. For once this is his jurisdiction and he does not intervene.

Subsequently, the Liberals refused to debate the motion now before us because it was a votable item. In other words, it is fine to talk, debate, discourse but certainly not to take a stand, because the constitutional rights of the Hell’s Angels are too important.

However, these people solidly support the young offenders. When it comes to imprisoning children of 10 or 12 years of age, they are brave. Come on kids, we are going to put you in the corner. Instead of a spanking, it is off to prison you go. However, on the subject of the Hell’s Angels, the Rock Machine and so on, they are fearful, silent, they hide, they say “We must not touch the constitutional rights of the Hell’s Angels and the Rock Machine.

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Never mind what they do, they have rights. That would be lowering the level of democracy”.

Is that a responsible attitude? Is that the way a responsible parliamentarian should behave? In the case of young offenders, Quebec asked that the legislation be left as it was because it was working. The results prove it. The government is doing the opposite. Our request this time is based on our expertise. If there is more pressure in Quebec—and the federal report says there is—it is because the police are taking tougher action against these groups. It is not just a coincidence. The Liberals are reacting because they know that we do not have all the resources we need, while they are sitting pretty. In this case, they are imposing it on Quebec.

What does the motion say? Does it say that the notwithstanding clause must be used? Absolutely not. We are asking the government to consider acting on our proposal to make membership in such groups a criminal offence and, if legislation is not a possibility, to consider the notwithstanding clause.

The notwithstanding clause is part of the charter. It was not Quebec that imposed the notwithstanding clause. We signed nothing. It was the provinces of English Canada which would not have agreed to the charter without the notwithstanding clause. Now that it is available, they do not want to use it. The constitutional rights of the Hell's Angels are more important.

We cannot accept this state of affairs. What am I going to tell the young men and women in my riding who are prostituting themselves because they are drug addicts, the victims of these groups? I am going to tell them that the Minister of Justice loves and understands them, but that she does not wish to use the notwithstanding clause.

• (2015)

According to the members opposite, the constitutional rights of the Hell's Angels are more important than the fate of these young people.

What am I going to tell restaurant owners in my riding who are paying protection money? What am I going to tell all the innocent victims? The Hell's Angels have constitutional rights.

The minister is shaking her head. Well, for God's sake, if what I just said is not right, can you tell me what is? I am right. Because they refuse to consider the notwithstanding clause, they oppose our motion. It is sheer hypocrisy and nothing else.

What should we say to the families of the victims? “Our prayers are with you, Mrs. Desrochers. We may go sing a song for you, free of charge”. But there is no way we can infringe upon the constitutional rights of the Hell's Angels. They are too important. This is the standard by which our democracy will be judged.

Democracy is such a beautiful thing when the constitutional rights of these gangs supersede the fate of our young people who represent our future. The constitutional rights of the Hell's Angels, what more can we say.

There is much more to be done, of course. We now have a subcommittee. After two years of hard work by the Bloc a subcommittee on organized crime was set up. Yet there are many other aspects to consider. I can think of international ramifications, money laundering, and interference in legal businesses, because these criminals create legal businesses with their dirty money. It is hard to believe what they have achieved, on which boards of directors they sit, which business circles and which political circles they have penetrated. That takes time.

But, in the meantime, what are we telling future victims? Some future victims are listening to us tonight. Some young people will use drugs tonight. Not a word. We do not think about that. Because, you see, the constitutional rights of Hell's Angels are at stake.

We do not want to use a tool that we have at our disposal. We are refusing to use it. Is Canadian democracy not wonderful? We are going to deprive ourselves of this tool.

The objective is not to use this clause. We are not saying that this clause will necessarily be used. We are saying that it will be used if necessary. If there is no other way, what should we do? Should we just give in or should we tell people that there is no other way? Should we tell them that we have thought about it long and hard, but that we would have had to use the notwithstanding clause and that is against our principles?

Some countries have done it. I am thinking of France in particular. France is not a dictatorship. It has a law against criminal gangs with penalties of up to ten years imprisonment, if I am not mistaken. Have any of the labour unions disappeared since then? Are there not protest groups on every issue in France? Were those who blocked the roads arrested because it could be criminal? Come on, it is ridiculous. We know full well who this law is for. Because such groups have rights, is their existence a measure of our democracy?

These are the questions we must ask because our democracy is being attacked on all fronts, including on the political front. Threats have been made to some members of parliament. The RCMP commissioner tells us that attempts have been made to corrupt some people and perhaps there is some corruption.

The power of the judiciary is being attacked through threats made against witnesses, lawyers and jurors. Threatened is the word the report uses. The attack on Michel Auger was an attack on the freedom of the press. There has also been an attack on Jean-Pierre Charbonneau, now the speaker of the Quebec National Assembly.

Our economic institutions are also in danger because the clean money that is created by money laundering becomes dirty money as well. That is a self-evident truth.

But these people have been creeping slowly ahead. They have front men. The small fry are arrested while others are strutting around openly in society. Some of them have what they call “filthy few” tattoos on their shoulder. If the minister is not aware of this, let her come to my riding. To earn that tattoo a person has to have killed someone. These killers are grouped together as the “filthy few”. If a Liberal over there wants to play at being one, let him just get such a tattoo and spend ten minutes on Sainte-Catherine in the east end. Those would be his last ten minutes on earth.

We know these people and we know what they do. If anyone does not know what the Rock Machines, the Outlaws, the Devil’s Disciples, the Hell’s Angels are, they must be from another planet. These are not clubs where people get together to play cards or go bowling. We know what they are involved in.

Of course, the former minister—I do not believe the present one would serve up this pontification totally devoid of logic—said that people are not being attacked for who they are, but what they do. I am telling you that these people act the way they do because of who they are. That is as simple as that, and those who do not understand this are off track.

• (2020)

Who is the charter made for? For those groups or for law-abiding citizens? Can we not take the United Nations charter as an example? Section 20 refers to the right to freedom of peaceful assembly and association. Someone would have to prove to me that these are peaceful groups. The burden of proof is on you to show us that these are pacific groups.

People are not arrested because of who they are, but because of what they do. I am telling you that this government will be judged on its actions. Which side will it take? That of the constitutional rights of the Hell’s Angels or the Rock Machine or that of young people, the future and democracy?

People demand that we take a firm stand. They cannot accept those meaningless, sophisticated and pontificating speeches which are perfectly useless. We do not accept that. This fight will continue; those people will soon be made accountable.

Mr. John Bryden (Ancaster—Dundas—Flamborough—Aldershot, Lib.): Mr. Speaker, I am a former journalist. As a journalist, I know that the most famous journalist in Canada and Quebec was René Lévesque.

He was a journalist who defended human rights here in Canada and abroad. I admired René Lévesque. He was the veritable image of a journalist, with a cigarette hanging out of his mouth and a good

sense of humour. He was a very honest man who understood well what it was to be a journalist.

Quebec is proposing that the right to freedom of association be limited. I wonder what René Lévesque would have thought of this proposal to limit the rights included in the charter of rights and freedoms.

How does the hon. member think René Lévesque, who defended all these rights, would have reacted?

Mr. Gilles Duceppe: Mr. Speaker, I have often noticed that admiration for René Lévesque has unfortunately been much greater here since his death than when he was alive.

That having been said, these are the same Liberals who did not hesitate to steal membership lists for the party led by René Lévesque at the time—

An hon. member: They set fires.

Mr. Gilles Duceppe: —who did not hesitate to set fire to barns, and worse yet—

Some hon. members: Oh, oh.

Mr. Gilles Duceppe: Yes, members of the RCMP did set fire to barns. This was proven by the McDonald Commission. And what is more, they were rewarded with promotions.

It is hypocritical to delude oneself about what went on, what was done. What I have just mentioned really happened and can be verified. As to limits being imposed on the rights to organize and associate, I would point out that there are limits to freedom of expression and that hate propaganda is prohibited. No one with any sensitivity in Canada protested because people were sentenced for disseminating hate propaganda, and quite rightly so.

I am in agreement with that. Hate propaganda should not be part of the right to freedom of expression, and neither should giving constitutional rights to the Hell’s Angels.

• (2025)

[English]

Mr. Lynn Myers (Parliamentary Secretary to Solicitor General of Canada, Lib.): Mr. Speaker, when I heard the hon. member speak, I asked myself what annoys and upsets him the most. Is it that Canada is in fact the best country in the world, the Canada he wants to break up, or is it the fact that, as he said, ordinary Canadians, people across the country, should have rights? He seemed to allude that they should not and I find that most surprising coming from that party opposite. It is a party which one tends to think would have a little bit of common sense in this area.

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After all, our charter and constitution are fundamental to the very grounding of the country. It is fundamental to who we are and the values we represent. To listen to that leader opposite and that party go on about how they would reduce a very complex issue down to whether or not it is a choice between Hell's Angels and the youth of the country, which is exactly what he said, is ludicrous in the extreme.

It was quite a theatrical performance, do hon. members not agree? Great sarcasm, great theatre, great mocking, mocking the justice minister and the solicitor general. It was great theatre on behalf of a so-called libertarian party.

Well, it was a little bit too thick. At the end of the day, the leader opposite and his party should hang their heads in shame for saying that the very constitution on which we base this country and the very charter by which the rights of all Canadians are guaranteed are at the whim of something as easy as a notwithstanding clause.

I want from the hon. member another example of when he would use the notwithstanding clause. I want to see another example of when he would invoke that if he were in a position to do so. I want to see precisely the rights he is prepared to strip not only from Quebecers but from Canadians as a whole. I would like him to answer that precisely and to the point.

[*Translation*]

Mr. Gilles Duceppe: Mr. Speaker, when my colleague said that he had thought during my remarks I said to myself "This is an improvement over the past".

When I listened to his remarks I could see that it was not particularly elevated thought. I did not say that the notwithstanding clause absolutely had to be used. I said consideration had to be given to using the notwithstanding clause, which is part of the charter.

Could the member listen to what I have to say? I listened to his insipid remarks. He should give me time to talk, perhaps it will help him think better. Mr. Speaker, I am speaking to you. It is true, it is more interesting than what this firebrand has to say.

We hear this member say "You will be depriving ordinary citizens of their rights". The Hell's Angels and the Rock Machines are not ordinary citizens. For a former policeman to not know this, I have to say he must have been just as effective as he has been as a member of parliament, and that is not saying much. That sort of remark is unacceptable.

If anyone has been fastidious about respecting individual and collective human rights in the past, we have. We do not intend to use it for pleasure. We say "Should we use that, an existing clause"? We say that because it exists.

If this is the Liberals thinking, it is like that of their leader, who does not know that the criminal code is under federal jurisdiction. However, the member will never repeat these things as the Prime Minister does, because it is clear from listening to him that he will never be a minister.

[*English*]

Mr. Darrel Stinson (Okanagan—Shuswap, Canadian Alliance): Mr. Speaker, we heard the hon. member for Waterloo—Wellington say a few things. Does it not concern the hon. member as a member of the House to hear somebody who is supposed to represent the government more or less stick up for the criminal element in our country?

[*Translation*]

Mr. Gilles Duceppe: Mr. Speaker, if the hon. member would keep quiet, I would reply.

I do not think he is doing it intentionally or voluntarily. This requires judgment.

● (2030)

I think that for several people it is a dogmatic position. Yet, the notwithstanding clause is in the charter. This House voted in favour of the notwithstanding clause. It voted to have a tool that could be useful. I am not saying that it should necessarily be used, but it is in the charter.

I hope this is the only reason why some members opposite have this attitude.

Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC): Mr. Speaker, I congratulate the leader of the Bloc Quebecois for his speech.

[*English*]

My question is specifically on the legislation that would address the problem. It is good to see the Minister of Justice present. She gave a very good speech as to what the government would like to do in an ideal world.

Is legislation aimed specifically at outlawing participation and membership in a criminal organization that was brought in quickly, in a comprehensive way, emphasizing deterrents and showing a strong governmental response to mere participation and the wearing of colours and the act of participation in a criminal organization indeed what the hon. member is suggesting is needed quickly and decisively to address this problem before it expands further outside the province of Quebec and throughout the country the way we have been seeing it in recent days and months?

Mr. Gilles Duceppe: Mr. Speaker, it is exactly that. My colleague expressed exactly what we are proposing. We also

mentioned that maybe we will have to use the notwithstanding clause, not necessarily but if necessary. That is the only thing that is stopping the Liberals from supporting the motion.

We should concentrate not on a dogma but on need. We have to stand to answer and give an example to the population of Canada and Quebec that we are here to represent them, to defend them and to make them secure.

Mr. Peter Mancini (Sydney—Victoria, NDP): Mr. Speaker, I will be using the entire time. I will pick up this debate where it began with the comments of the member for Pictou—Antigonish—Guysborough. He said in his opening remarks that this was a most serious issue. It is. We are here in an emergency debate. It does not happen often in the House of Commons that the Speaker rules that there is sufficient gravity to a motion to warrant an emergency debate. We are here on a matter of sufficient gravity.

The member for Pictou—Antigonish—Guysborough began by saying we should have a non-partisan debate because it is too important to deteriorate into the usual kind of blaming that sometimes goes on. I hope we can revive that spirit because this debate is not about gun control. The debate is not necessarily about the notwithstanding clause. The debate is about organized crime and how as a parliament we are to respond to it.

The Speaker has ruled that there is an emergency. Is there a crisis in the country? I do not know if crisis is perhaps too strong a word but there is an emergency. That emergency was brought to a head, galvanized by the recent shooting on September 3 of Quebec journalist Michel Auger. On behalf of my party and all parliamentarians I want to extend our sympathies and our concern to both him and his family. He gives real truth to the words spoken by Robert Kennedy that moral courage is a far rarer commodity in this society than strength in battle or great intelligence. The moral courage demonstrated by this journalist ought to be commended and respected.

The shooting has galvanized the debate around organized crime. I suppose it has also galvanized the debate around freedom of the press. I say in passing that it is of great importance that freedom of the press is a cornerstone to democracy. No journalist should have to fear for his or her safety if they want to delve into a story.

• (2035)

I remember when I was questioning the Minister of Transport three years ago about the ports police, that a young journalist who was covering that story for CBC Radio, whom I came to know, was under police protection because she was exposing at that time in 1997 some of the serious effects of gangs in the Halifax area. No journalist should have to fear that. No member of parliament should have to fear addressing those issues. No judge or no jurist should have to fear any kind of organized crime.

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That brings me to the question of how we came to this point today. How is it that we are having an emergency debate in the House of Commons on the issue of organized crime? It is no mystery. As I said, in 1997 I urged the Minister of Transport at that time to reinstate the ports police. That has already been brought up time after time.

I am not happy to say that my party or I was right at that point in time because of the effects that have developed from the dismantling of the ports police. I met with the police on the docks in Halifax, people in the ports police who showed me clearly what the effects would be as a result of the dismantling of that police force.

It meant that in effect the ports in Canada, whether in Montreal, Halifax or Vancouver, became open territory for organized crime. Repeatedly I pushed the Minister of Transport on that issue. Repeatedly he came back to me and said he had every confidence that the provincial police forces and the RCMP would be able to deal with the issue of organized crime in the ports. Today, three years later, we are having an emergency debate in the House of Commons on the issue of organized crime.

We got here because of cost cutting measures put in place by a government that was adamant. It was not alone. It was prodded in many ways by others. There was a debt and deficit hysteria and come hell or high water it was here to eliminate the debt. Today we have a \$30 billion surplus and unfortunately hell and high water are here.

There have been cuts to the provinces over the last six or seven years. The moneys in equalization payments have been cut to the provinces and the provinces are charged with the administration of justice, as we have learned in this debate. When a province does not have the money to pay its prosecutors, to hire prosecutors and to provide the resources to its provincial police force, we find ourselves in an emergency debate.

The provinces went on to cut municipal budgets and so police forces at the municipal level felt those cuts. It is no mystery and no surprise that we find ourselves after all the slash, burn and cut in a situation where we do not have the resources to do the job. The coast guard, the ports police, and the educational and training facilities of the Royal Canadian Mounted Police have been cut. Now the chickens have come home to roost.

It does not mean that we cannot do something about it. I do not want to dwell on the past because I said this should be a non-partisan debate. My objective here is not to cast blame as much as it is to try to work with all members of the House to find a solution to what is a serious situation in the country today.

The situation is serious. I commend the members of the Bloc Québécois and others who have been pushing for some time to address the issue of organized crime. It is a serious matter. There are many types of organized crime. When many people think of

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organized crime they tend to think of the old Mafia movies. We have gone far beyond *Godfather* type movies. There are Asian based organized crime rings in the country that specialize in trafficking in human beings. They specialize in heroin and cocaine importation. There are east European gangs that are involved in extortion, murder, prostitution, and in drug, tobacco and weapon smuggling. They are involved in immigration fraud and counterfeiting.

• (2040)

There are the traditional historical types of organized crimes, the mob that we know of. There are the outlaw motorcycle gangs which have brought this debate to a head. They are the Hell's Angels. They are the Rock Machine. We read about them in Quebec but we know that they are not exclusive to Quebec, that they exist across the country.

In my province in Halifax a couple of years ago I remember when the Hell's Angels were present and the Rock Machine, their rival group, was trying to buy property in Dartmouth across the harbour. We could see what was coming. We could see where this would lead.

There are serious issues of organized crime in the country today. There are serious issues in Manitoba. I have heard from my colleagues who represent the city of Winnipeg their concerns for safety in their communities. We know that they had to build a special courthouse in that province to deal with the trial of members involved in organized crime who ultimately pleaded guilty.

There is a real problem. There is a real emergency. When journalists are shot, when people are concerned, when members of parliament are threatened, we have an emergency.

There is no benefit to fearmongering. There is no benefit in trying to play politics with that kind of an issue. In the same way as we have a real problem, we have dedicated, determined police forces in the country who despite the lack of resources have worked very hard to do their jobs. We see the results of that. Too often those results do not get the kind of press they deserve, but this summer we saw drug busts that appeared to break all records. We know that on both coasts the police did their jobs. We know that the new commissioner of the RCMP is committed and is determined to take on organized crime.

The citizens of the country who listen to this debate and who read *Hansard* should know that while we have a serious situation with organized crime we have a dedicated and determined police force to take on the issue.

However those police forces require resources. In the same way I have indicated that resources have been cut over the years, it is time to reinvest in those police resources. The Minister of Justice has commented that in 1997 provisions in the criminal code were

brought in. She is correct. As has been said by the member of the Canadian Alliance, those sections are well worded. They should result in the criminal prosecution of members of gangs and organized crime.

Rightly some members asked the Minister of Justice why there have not been any convictions. There was some discussion about plea bargaining, judicial intervention and whatnot, which I think are side issues. The reality is that all the laws in the world will do no good if the police do not have the resources with which to bring the case to court. To do that properly without infringing upon the rights of the rest of us, which ought not to be sacrificed on the altar of hysteria, and to work within the charter of rights the police need to have the resources. The police make mistakes and perhaps infringe on the charter when they do not have the adequate resources to do the job they need to do.

The solicitor general has indicated there has been some additional funding for the RCMP but I think there needs to be more.

• (2045)

We can take a page from the Canadian Police Association who met in Halifax this summer and discussed this issue. I had the honour to speak to that organization. My parting remarks to the people of that organization, and this was before we had an emergency debate and before the unfortunate incidents in Quebec, was to pledge to work with them in the fight against organized crime in Canada. I asked them to work with the subcommittee on organized crime of which I am proud to be a member.

I have also had an opportunity to look at some of the suggestions they offered in the fight against organized crime. Some of them make sense and I offer them to the Minister of Justice and the solicitor general for consideration.

The association has asked for the development and implementation of a strategic national response to organized crime providing greater priority, funding, support and co-ordination for local, provincial and federal policing jurisdictions in the battle against organized crime. I have said that we have to begin to reinvest in the police. I also asked that we work in a co-ordinated effort with the Department of Citizenship and Immigration, customs and excise, national police services, the criminal intelligence service of Canada in partnership with the federal and provincial police forces.

I am glad and I commend the Minister of Justice and the solicitor general for going to Quebec tomorrow to meet with their provincial and territorial partners. I think we can listen to the Canadian Police Association and involve the other ministers, including the Minister of Transport, because the reinstatement of the ports police would go a long way.

The police association also asked for a national border protection service. Call it what you will, Mr. Speaker. Call it the ports police

or a national border protection service, but the association has asked that it be established and that is something that we as a parliament should push for.

It has also asked for an examination of election financing and candidate financing criteria to provide elected representatives with clear guidelines to prevent infiltration from organized crime.

There are solutions to this problem. They need to be implemented right away. We cannot afford to spend a whole lot of time studying the issues. We know the issues and we know some of the answers. That should not prohibit further investigation. The subcommittee on organized crime can play a vital role here.

The original motion brought forward by the Bloc Québécois asked for a law to be introduced in the House of Commons by October 6. There is no reason that any law could not be vetted through the subcommittee on organized crime that already exists. I would pledge my time and I know the other members of the committee would try to ensure that the law as crafted would be charter proof, would be efficient and would be effective.

There are ample suggestions from the Canadian Police Association and ample suggestions from members of parliament on how to deal with this situation. We need to do that.

As I have said, the minister has pledged, and I think her words were, to re-examine the code to find if there are ways that she can with our help fight organized crime. She certainly has my pledge and the pledge of my party to work with her in that regard. I take her at her word on that.

There has been discussion of the notwithstanding clause and whether or not it ought to be invoked. The original motion brought forward by the Bloc Québécois read "That this House request that the government prepare and bring in by October 6 a bill making it a crime to belong to a criminal organization".

As I have indicated, people should know there is such a law already on the books which makes it a crime to belong to a criminal organization. In response to a question from the member for Pictou—Antigonish—Guysborough, the leader of the Bloc Québécois clarified that and said they wanted to go further and make it a crime to wear the colours to be identified with a gang.

The resolution goes on to say "if necessary, invoking the notwithstanding clause of the charter of rights and freedoms". The leader of the Bloc went on to say that they were not necessarily calling for its invocation but only if necessary.

● (2050)

One of the reasons we fear and fight organized crime is to protect the liberties we have as citizens. Surely within this House, surely

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within the resources that the Department of Justice has, surely within the resources that the solicitor general has, surely working with the Canadian Police Association and the chiefs of police across the country, surely working with the commissioner of the RCMP we can as a democratic institution draft the necessary laws to protect our citizens without taking away the guaranteed rights of those citizens.

I feel compelled to say there are no rights for criminals in the charter of rights. There is no section in the charter of rights that says "These are the rights of men. These are the rights of women. These are the rights of victims. These are the rights of criminals". There are guaranteed rights to all citizens. When we suspend those rights to tackle one group, we have to bear in mind that we suspend the rights to all of our citizens. That does not happen often.

It happened with the War Measures Act before we had the charter of rights and freedoms. Prime Minister Pierre Trudeau invoked the War Measures Act suspending what were then the civil liberties of Canadians which were defined not just through the bill of rights, but through precedent and through a long constitutional history. We look back on that today and wonder if it was the right thing to do.

I urge us to act swiftly and decisively to find a way to protect this country from organized crime without doing it at the expense of the freedom we all enjoy.

Mr. John McKay (Scarborough East, Lib.): Mr. Speaker, I thank the hon. member for lowering the tone of hysteria in the House and congratulate him on his thoughtful speech.

To state the problem in my respectful view is relatively easy. To come up with examples of organized crime is also relatively easy and to gauge the concern of Canadians about the issue is relatively easy. But crafting a legislative response is something far more problematic.

I ask the hon. member two questions. The first question is with respect to his views on section 467 of the code, formerly Bill C-95, a bill which I might suggest was crafted in haste for which we now repent in leisure. The evidence that has come before the committee at this point is that this section which parliament passed three years ago is unworkable. It is onerous. It is not likely charterproof. The police will not use it. The crown will not use it. They are fearful of jeopardizing their investigations. Would the hon. member consider the implication of the notwithstanding clause on what is arguably a problematic law with respect to section 467?

The second question is with respect to the resolution as to bringing before the House by October 6 a law wherein membership in an organization is illegal. I would be interested in knowing his views on both section 467 and the proposed resolution.

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Mr. Peter Mancini: Mr. Speaker, I am pleased to respond.

• (2055)

I think the hon. member is correct in some respects when he says that section 467.1 was passed in haste. It is not the first piece of legislation in the House and in the criminal code that we have seen passed in haste for which we repent at leisure.

The child pornography section of the code falls in the same category. It was rushed through the House of Commons and today stands before the Supreme Court of Canada subject to all kinds of acrimonious debate. Had the job been done properly the first time, we might not be going through this agonizing debate. He may well be right when he says that section 467.1 falls into the same category.

The answer to that is not necessarily to invoke the notwithstanding clause. It is to replace the section. If the section has been poorly drafted and passed in haste, the worst thing we could do is respond in haste again and make another mistake. The answer is to properly draft the section. That is the best reason that we should not make the same mistake again. Let us craft the law so that the police can work with it, give it the kind of teeth it needs, and make sure that it is workable.

Let us not panic and do it within two weeks and be back here, some of us and some of us maybe not, in three years saying we have another bad piece of legislation and in the meantime organized crime in the country has increased.

I think I have answered both of the questions in terms of what we should do with that section and should we bring it back by October 6. Not necessarily unless we can put together a proper bill. That is where I think the subcommittee on organized crime can play a legitimate role in reviewing the legislation and making sure that it is adequate.

Mr. Garry Breitkreuz (Yorkton—Melville, Canadian Alliance): Mr. Speaker, I would like to thank the member for Sydney—Victoria for his speech. There was one contradiction in his speech that was glaringly obvious to me but perhaps not to anyone else in the House. He said that this debate is not about gun control but then he went on to make a big point about the fact that it was about resources.

I was cut off earlier in my comments with regard to the Ontario solicitor general calling upon the government to scrap this and put 5,900 more police on the streets instead. That is where this is relevant.

The latest information we have through access to information is the government is spending over \$300 million on something that has really no measurable impact on organized crime. It does not affect the criminal element in this country in any way. Up to this

point the government has only collected \$17 million in user fees and it will have spent up to \$300 million this year alone.

Should we not examine our laws to see if they are cost effective? If they are not cost effective should we not be putting those resources into areas where they would be very cost effective in improving justice in Canada?

Mr. Peter Mancini: Mr. Speaker, I think we are mixing apples and oranges here and I say that in the most sincere way. I appreciate what the member is saying, that we should examine our laws to see if they are cost effective.

The platform of the New Democratic Party in 1997 was to do exactly that with Bill C-68, to have a federal audit done of the bill. That of course becomes even more important as we see how much money is being dished out in this regard.

To me that is a separate issue. We do not have to choose between gun control or the fight against organized crime. I do point out, as has been pointed out, neither the chiefs of police nor the Canadian Police Association have asked that we do that. They have asked for both.

[*Translation*]

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, I will be brief because a Liberal member asked a similar question to the hon. member.

I did indeed meet him in Halifax on September 1, because the NDP member spoke just before I delivered a speech before the Canadian Police Association in Halifax.

• (2100)

In my speech, I referred to the difficulties that police forces encounter when they use the anti-gang legislation. I think it is wrong to call it the anti-gang legislation, but this legislation has been in effect since 1997.

Could the hon. member tell me if there is a police force in Canada, in any province, that said that it is an instrument that is easy to use, that it is what they need to be effective against criminal organizations? My question is simple. When we passed this act, which has been in effect since 1997, did it meet the expectations of police forces and since we have had this tool called the anti-gang legislation, have things really changed?

[*English*]

Mr. Peter Mancini: Mr. Speaker, it was indicated in an earlier question that this section of the criminal code has not met its objectives. I do not think there is any debate about that. The police are not happy with it and the courts and parliamentarians have concerns about it. The answer is, no, this section of the code is not working. As I reiterated earlier, the answer is to bring in a clear, sound piece of legislation that has real teeth.

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Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC): Mr. Speaker, I appreciate the intervention. I want to commend my hon. friend for his learned, insightful and thoughtful remarks. He always contributes to the debate in that fashion. I was particularly pleased to hear him pay tribute to the need for more prosecutors and resources. I know that he was sincere in those remarks.

I want to turn my question to him specifically with respect to what we can do in a concrete fashion to deal with this issue in terms of a legislative initiative. I am referencing comments made by the Ontario attorney general with respect to this need for legislation that calls for a broadening of the definition of criminal organizations, the criminalization of participation and recruitment of those who engage in this type of activity, the prohibiting of the wearing of identifications and clearly designed insignia that signify membership in a gang, and the establishment of mandatory sentences for certain types of activities that are associated with criminal organizations. Those seem to be the concrete steps that have to be taken and embodied in the legislation, which we are all here discussing today, and expanding police powers to search and attend to crime scenes where there is suspected criminal organization. These seem to be the concrete steps that are being suggested by the Ontario attorney general and which are being discussed here in the Chamber.

I know the hon. member has significant criminal law experience, but I was wondering if those and others he may be aware of are the areas that we have to go into as a committee. As the justice committee, of which he is a member, and the House deliberate over this issue, are these the areas that we have to touch on if we are going to bring forward legislation that will also stand the test of time? It will not be done in haste but it will be done, to use the minister's words, in a timely fashion that will send a strong deterrent message. I know this is something which the hon. member knows.

The need now with organized crime is to send a deterrent message not just to those currently engaged but to those who might willfully engage in criminal activity. I believe that has to be encompassed in the legislation. I look forward to his response.

Mr. Peter Mancini: Mr. Speaker, I do see the need for more prosecutors. I also see the need for more resources to legal aid, as the Canadian Bar Association has called for. I know my hon. friend agrees with me on that.

To go directly to his question, I do think that we need to look at expanding police powers. I do not often agree with the attorney general of Ontario but on some of these comments—

An hon. member: He is a Tory, isn't he?

Mr. Peter Mancini: I think he is a Canadian Alliance member but I am not sure.

I seriously think that on these issues we have to look at expanding police powers.

• (2105)

The member will know that we have already talked about ways to allow police to sometimes contravene the law in terms of infiltrating gangs. We may have to look at that. Expanding police powers to search, but with the necessary safeguards of judicial warrants, may be a way to go. I am prepared to explore those options.

I hope the Minister of Justice, when she says she is prepared to re-examine the legislation, is being sincere with us. There is no reason to think that she is not and I expect I and my colleague will work together on this as we have on many other issues.

Mr. Lynn Myers (Parliamentary Secretary to Solicitor General of Canada, Lib.): Mr. Speaker, I will begin my remarks by saying that organized crime is a very serious situation. I want to emphasize not only to the House but to all Canadians that the Government of Canada, the justice minister, the solicitor general, the Prime Minister and all members of our caucus take this, as I am sure all members of parliament do, in a very serious fashion.

I can tell the House that with my police background I have attended many conferences and was involved in many situations where this was discussed. We looked at this in a very concerted way trying to determine what exactly should be done in this area. We wanted to bring together partners from across Canada and from all levels of government: provincial, federal, territorial, municipal, regional and others, so we could operate effectively and ensure that the kind of policing, policies and laws that we put in place would work in concert to ensure that the scourge of organized crime would be diminished if not eradicated.

I take this very seriously. I, along with the Minister of Citizenship and Immigration, was in the Ukraine and Russia not so long ago where they have huge problems with respect to organized crime and the criminal element. It is of grave concern, especially as it relates to Canada in terms of people trying to get into our country and trying to contaminate the very fine country we have.

We need to redouble our efforts in terms of making sure that our borders in that sense are safe and secure so that our Canadians, no matter where they live in this country, are safe and secure, not only themselves but their families as well.

I will take a moment to recap some of things that have been said in the Chamber tonight. We of course heard the member for Pictou—Antigonish—Guysborough lead off with respect to this motion. He made some very interesting comments.

However, the one thing that I take a little exception to is the fact that he said we should look to the United States for a template in

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terms of how to manage this problem. That really is outrageous when we think about it. The Americans have high crime rates, high murder rates and whole inner cities that have given up as result of criminal activity. People are now living in suburbs with walls around them. The Americans, I say with all due respect to the member, are hardly an example for us to emulate. In fact, they are the worst example.

I also want to point out that during the 1997 election the Progressive Conservative Party actually campaigned, and members of his party were elected as a result of campaigning, on reducing the budget by \$83 million in this all important area. I think it is fair to say that it is a little disingenuous for him to get up tonight and say that we should be putting in more money when he campaigned on quite the opposite.

We were also treated to the justice critic for the Alliance getting up and talking about things like not having laws in place to keep criminals out of Canada. I want to again make reference to the Ukraine and Russia where I was not so long ago with the minister. I can tell the member that he, as are all those Alliance members, is point blank wrong. There are in fact laws in place. The minister has made it very clear that people who are undesirable coming to this country will not be admitted. Those directions and operations were given concertedly and with great and due diligence.

• (2110)

The members of the Alliance who keep perpetuating these myths should really take a look in the mirror and give their heads a shake and try to determine why they keep perpetuating this kind of nonsense. What they should do is read the laws. They should understand what the laws stand for and how best to implement them instead of the fearmongering that they are so good at doing. Those extremists opposite with their right wing agenda are always trying to stir up Canadians and pit people against—

The Acting Speaker (Mr. McClelland): On a point of order, the hon. member for Elk Island.

Mr. Ken Epp: Mr. Speaker, I have sat here while the member has been speaking and our debate is not assisted at all by him name calling and saying things about us which, frankly, are not true. I think that you should call him on a point of order. He should be relevant to what we are talking about today, and that is criminal gangs and how to deal with them.

The Acting Speaker (Mr. McClelland): As always in a debate there are two points of view, generally speaking, one from one side of the aisle and the other from the other side of the aisle. I too was listening and in my opinion there was not a problem with relevance.

Mr. Lynn Myers: Mr. Speaker, I am not sure which part of my speech the member took umbrage with. I assume it was when I

called them extremist right wingers. I suppose that is where he was most upset, but if the shoe fits I suppose he can wear it and I am sure he does.

The other point I wanted to make with respect to the justice critic from the Alliance—

The Acting Speaker (Mr. McClelland): At least for the moment, we are not going to bring in through the back door that which we will not bring in through the front door. I would ask the hon. member for Waterloo—Wellington to withdraw the last comment, which had to do with shoes fitting and being worn.

Mr. Lynn Myers: I certainly withdraw the shoe from the member's foot.

What I want to say has to do with gun control. We actually listened to the justice critic say—and my head was spinning at this point thinking he could actually believe this—that if the gun control legislation was as good as it was purported to be—and I am paraphrasing here—Mr. Auger might have been spared the danger and the five bullets. I had to think about that for a minute because that really is twisted logic. If one really comes down to the brass tacks of it all, it is twisted logic.

What I would say instead is that what we have in place with respect to gun control is something that the vast majority of Canadians support. The reason they support it is because they know it is an effective tool for the police, for CPIC and for Canadians wherever they live in the country in terms of the reduction of crime. It is a Canadian value. It defines us differently than our neighbours, for example, to the south.

Along with their NRA friends, Mr. Heston, the Michigan Militia Corps, the minutemen and those right wing nutbars that exist in the states, the Alliance members actually counsel people to break the law and not register.

If we had the reverse where people had registered their guns, if we had the Alliance members helping in this regard as opposed to hindering it and dragging their feet as they have been doing over the last number of years, we would have had in place a system that would have worked.

I reverse that and say shame on them for not bringing safety and security to something that not only the police chiefs of the nation endorse but the association of police as well. They should know and recognize that as being something fundamental to the country. They should be proud to do that as opposed to the shameful way they have conducted themselves with respect to this whole gun control issue.

We also heard the leader of the Bloc, with great sarcasm and great mockery, take on the whole business of the constitution and the charter of rights and freedoms that all Canadians enjoy. I had to

absolutely wonder where he was coming from. Is that in keeping with the wishes of the people of Quebec? Is that in keeping with the wishes of the people of Canada in terms of our great charter of rights and freedoms, that great document that helps define us as a people and unite us as a nation?

• (2115)

Mr. Myron Thompson: Hogwash.

Mr. Lynn Myers: Listen to the member of the Alliance saying “Hogwash”. Imagine. He does not understand the charter. He would not know diddly-squat about the charter and the rights and freedoms of individuals if he fell over them. He does not understand any of that. The Alliance people have no regard for the individual rights and freedoms of people. They would have us all become monoliths just like they are. We will have no part of that.

For the Bloc leader to go on at length and talk about destroying the rights of individuals was astounding to hear. One would have thought that party would have had a better position when it comes to something as fundamental as our great charter of rights and freedoms, something that is envied around the world, something of which we should be proud, something we should stand up for and defend at every opportunity, and something we all can hold near and dear to our hearts.

We heard the justice minister today and repeat again tonight that she will do everything that is required to ensure that we do not succumb to the scourge of criminal activity and organized crime. She said categorically that we on the government side will ensure that the kinds of measures will be in place that are required in this all important area. The reason she did that is because that is what Canadians want. They want a government to act when required. They want rights protected. They want criminals brought to justice and victims in that sense helped and assisted.

We on the government side are prepared to do that unlike members opposite. If we listen very carefully to their speeches they offered not one solution. All they did was go on about problems, circumstances and situations. They offered not one solution, unlike those of us on the government side.

We have added money to CPIC. We have beefed up the airports in terms of security. We have added a great deal of resources to the Royal Canadian Mounted Police. We have continued on our immigration track in terms of making sure that we have the money in place and the resources necessary to ensure that we keep criminals out of this great country of ours as best we can in a fashion that is in keeping with what the Canadian people want. We have produced the tangible evidence required by the government to ensure that safety and security are in place.

Is this perfect? Absolutely not. Is it all we can do? Absolutely not. Is there more to do? Absolutely yes. We need to carry on doing

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the kinds of things required to ensure that organized crime as we know it is eradicated as best we can, given the circumstances in which we find ourselves. That we will continue to do.

We heard the Minister of Justice along with the Solicitor General of Canada say that those efforts will be taken in a meaningful and consistent way in recognition of the charter and the fundamental rights and freedoms all Canadians enjoy. That seems to escape some members opposite. It seems to escape them that it is not always a world of black and white as they would like to portray. Rather, there are nuances and things that have to be considered and weighed. As a government that is precisely and exactly what we are doing. I would argue, given my experience, my background and my knowledge in this area, that is the appropriate way to proceed. I commend the government. I am proud to be part of a government that does so in that kind of concerted and proper way.

If through legislation we require additional tools to assist our police to stop money laundering or to bring into place agreements to pool enforcement agencies between local, regional, provincial and federal—in this case the Royal Canadian Mounted Police—then we should get on with it. We know those are the kinds of things that may need to be done and we are prepared to do them.

We know that there needs to be an effective sharing of information and intelligence among all levels of police across Canada. We need to provide it in a seamless way where instead of jurisdictional tugs and pulls there would be a concerted effort to make sure that knowledge is shared and people act as one when it comes to this all important area.

I will take a little time to briefly outline some of the arrangements that are in place right as we speak to ensure that there is enforcement, co-ordination and intelligence sharing and to make sure that takes place among all partners in the fight against organized crime.

• (2120)

Intelligence and information on crime groups and their activities are the foundation of effective enforcement. We know that and we know that exists. We need that kind of intelligence and information sharing. That is what is used by police to determine what groups or activities impose threats to Canadians and to the Canadian system, the Canadian economic way of life, and indeed the morality of the country for that matter.

Police use this information to set priorities and target their resources so that they have the greatest impact given the resources at hand. Intelligence and this information are together the primary building block in anti-organized crime enforcement.

The Criminal Intelligence Service of Canada was formed in 1966. It is a national organization that links the criminal intelli-

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gence units and the Canadian law enforcement agencies in fighting the spread of organized crime. CISC is comprised of a central bureau located in Ottawa in the RCMP and a network of nine counterpart bureaux in the provinces, again in keeping with that kind of co-ordination fanning out into various regions and provinces across this great country.

Currently more than 120 police forces contribute intelligence information to the CISC network. The structure and the computer network help police and other enforcement agencies to share information and co-ordinate action on organized crime across the country. This is important because it ensures that we work together and we work co-operatively.

There is another point I want to make and that is co-ordinated enforcement. Individual agencies cannot expect to tackle organized groups by themselves. That is impossible. It is much better to bring in a number of jurisdictions at any point in time. By bringing together agencies from a number of jurisdictions, police widen and strengthen the enforcement net. It also allows diverse skills, talents, expertise and knowledge to be brought to bear at once to mutual benefit for all.

A good example of co-ordinated enforcement can be found in the 13 integrated proceeds of crime units established in the RCMP in 1997 as a result of legislation, I might point out, and the good judgment of this government. These units combine the resources and expertise of the Royal Canadian Mounted Police; local, regional and provincial police officers; Canada Customs and Revenue officers; crown counsel; and forensic accountants to target and seize the proceeds of crime of organized criminal groups.

The units have seized more than \$140 million in criminal assets so far. That is important because it underscores the commitment of the Government of Canada in this all important area.

In the greater Toronto area the Royal Canadian Mounted Police, the Ontario Provincial Police and the Toronto, Peel and York regional services work together in a number of joint force initiatives aimed at combating national and international organized crime groups. These include a combined forces Asian investigative unit, a combined forces special enforcement unit and a combined forces Toronto integrated intelligence unit.

The units are co-ordinated by the RCMP and have had some very major successes against national and international crime groups. The bust of a multimillion dollar international debit and credit card fraud ring in Toronto last year is one example.

A number of other important joint force initiatives have been developed and led by provincial governments and police as well. The Quebec government has created an anti-biker gang squad based in major cities throughout the province. These squads are currently operating in Montreal, Quebec City and the Outaouais

region. They are comprised of provincial and municipal officers and the RCMP.

In Ontario there is a special squad of the Ontario Provincial Police that cracks down on biker gangs. This OPP squad works with the RCMP, the criminal intelligence service in Ontario and 16 local police services. It gathers intelligence and executes enforcement actions aimed at larger and growing outlaw biker gangs.

I could go on in this area in terms of what the government is doing and what our police services across this great country are doing. Do we need to do more? Absolutely. Must we do more? We absolutely must and we will.

• (2125)

At the end of the day we will work co-operatively together. We will ensure that we work in partnership in a seamless way to ensure the safety and security which Canadians repeatedly over the history of this great country have taken for granted. We will do so in an effective way that underscores the commitment not only of the justice minister and the solicitor general but of all members of the government who ensure and want to ensure that Canadians feel safe and secure in their homes. We will ensure that we do not take for granted the kind of law and order system that we have, but rather that we work concertively along with everyone in the House to ensure that Canadians have the best enforcement system possible, given the resources at hand and the priorities underlined, to ensure that we do the right thing and to ensure that we have safety and security not only for individual Canadians but for their families and for the country.

Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC): Mr. Speaker, I commend the member opposite on his remarks. He outlined very clearly, in my estimation, that he has a grasp of the scope of the problem, as I think have most members who have risen in the House and participated in the debate. What is prevalent throughout his remarks unfortunately when he talks of co-operative approach is a very partisan approach. He never hesitates to point the finger and to point the blame elsewhere.

The evidence is clearly before us. Although there have been initiatives taken by this government and previous governments to attack this problem, the problem persists. The problem expands. It is a testament to the scope and the magnitude of the problem that we are here. In spite of all of these initiatives and in light of scarce resources the problem is getting worse.

Dialling up the rhetoric, pointing the finger or engaging in polluting the air during this debate with this poisoned partisan attitude does not further the debate at all. In fact it exaggerates the problem. If the hon. member is sincere about this co-operative approach perhaps he could address his remarks in a less partisan way.

I must admit it was very refreshing to hear the Minister of Justice acknowledge that there are times, certainly pivotal points in the country's history, when the legislative branch has to exercise its superiority with respect to its obligation to the citizenry in using the notwithstanding clause. The one that immediately springs to mind would be an issue pertaining to child pornography. That certainly would be something that would warrant that type of legislative response and the invoking of the notwithstanding clause.

Organized crime, I would suggest, is certainly in the same category of seriousness and of a problem that has such magnitude. Does the hon. member attach himself to the remarks of the Minister of Justice in saying that there are occasions when perhaps they will find the inner fortitude and the strength of conviction to actually use the notwithstanding clause in light of the situation before us? Does the hon. member agree that there are such occasions? I know as a former police officer that he sincerely believes in the rule of law and the need for a strong justice system, but does he believe that there are occasions when the notwithstanding clause is the last possible option? I am not suggesting that it ever be used lightly or with unfettered and unchecked regard, but are there times when his government would be justified in using the notwithstanding clause in our constitution?

Mr. Lynn Myers: Mr. Speaker, I take the justice system of the country very seriously. I know that around the world it is regarded as second to none in terms of what it represents not only for jurisprudence in this country but on international levels as well.

I also take the charter of rights and freedoms, what was signed into law in April 1982, very seriously. I know that all Canadians do as well because it is a defining value which underscores the very essence of what it means to be a Canadian.

I also know that due process of law is fundamental. For Canadians it is something that they not only want but something that Canadians from coast to coast expect us as a parliament and as a government to ensure is in place in a manner consistent with the values and the foundations of the country.

• (2130)

What I do know is that last week the justice minister and the solicitor general were in Iqaluit. They have met with provincial and territorial partners to ensure that we look at this very important program and this very important situation vis-à-vis organized crime. They will be meeting in the next little while in Quebec to ensure that there are ongoing discussions because unlike the Bloc leader who tried to paint it simply as a federal jurisdiction, that is the criminal code, it really is a shared responsibility between the jurisdictions. I was quite astounded frankly at his naivety.

That aside, it is important that we work together with our provincial and territorial counterparts and that we do so in a

manner consistent with what Canadians expect from their government, in a manner consistent with the underlying values of freedom, the charter, due process of law and justice for all Canadians.

[*Translation*]

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, I welcome the hon. member who will be sitting on the Standing Committee on Justice and Human Rights.

I know he was a member of the Standing Committee on Health. Perhaps he was used to hearing some things about health, but I would invite him to be more realistic, to wake up and to see that the problem is extremely serious.

In particular, I would invite him to read the Canadian Constitution. The hon. member will realize that the criminal code is not a matter of shared jurisdiction. All the sections that are found in the criminal code were passed by the federal legislator, here in this House. This is not a matter of shared jurisdiction. However, the administration of justice is the jurisdiction of provincial legislatures.

We are asking the government to wake up, to look properly at the issue of organized crime and to amend the criminal code to provide real tools to the judiciary, the police and the prosecutors.

This is not an issue of shared jurisdiction. There is only one entity that can amend the criminal code, and it is the federal parliament, all of us here.

I would invite the hon. member to wake up and to take an upgrading course in constitution 101 to learn the difference between a matter of federal jurisdiction and a matter of provincial jurisdiction. Only then will we be able to talk and listen to the member. Right now, all he can do is smile and strut about the House, but his understanding of the issue of organized crime is nil. It is rather scary and frightening to see what kind of parliamentary secretary the solicitor general has.

Nothing much will happen at the justice committee if the member opposite keeps on talking through his hat, if he knows nothing about the foundation of the Canadian Constitution.

When the constitution was signed—he might even have forgotten his history—who was the Minister of Justice? It was the current Prime Minister, who was then the Minister of Justice.

The then Minister of Justice included section 33 in the Canadian charter, which allows us as legislators in Ottawa to use the notwithstanding clause if we want to deprive a group or an individual of certain rights under the charter. If the legislator included this section in the charter, it was to use it at some point.

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That is all we want, and only if necessary. There might be other things to do before using it, but we should not be shutting our eyes and covering our ears like the member opposite is doing.

[*English*]

Mr. Lynn Myers: Mr. Speaker, my, my, my, the Bloc members are touchy tonight. They are very sensitive. They can dish it out but they cannot seem to take it. I do not need to be lectured on constitutional law. I know exactly what constitutional law is in Canada.

I do know that if the Canadian government and the justice minister and the solicitor general proceeded without meeting in Quebec in the next couple of days, those people opposite would be screaming to high heaven. They would be saying that once again they are victims, that once again they have been left out, that once again they have been cut off from the Canadian mainstream. They would be up on their high horse going into all kinds of pretzel-like gyrations.

• (2135)

The point is that in the next couple of days we are proceeding to go with the Quebec counterparts, ensuring that we work in a co-operative fashion. The hon. member cannot seem to get that through his head. He should rethink his position, tone it down and think through what he is saying, instead of getting all emotional and proceeding in a ludicrous way. But that is fine. Perhaps it is part and parcel of who he is.

All I am saying is that the government, the justice minister and the solicitor general have made it very clear. We will be dealing with this issue with our provincial and territorial partners in an effective way. We will make sure that we continue to work in a way which is consistent with Canadian values which are fundamental to the country.

Mr. Jim Abbott (Kootenay—Columbia, Canadian Alliance): Mr. Speaker, I will be sharing my time with the hon. member for Okanagan—Shuswap.

The debate has had some low points but it has had some high points tonight. As far as I am concerned, we are talking about putting personal freedoms up against our personal safety as it were. The issue of the freedoms we have in Canada is sacrosanct. Those freedoms have been fought for in two wars and other skirmishes. People have fought and died for the freedoms we have here. Before we talk about using the notwithstanding clause to do away with our own personal freedoms, we have to take a very long, hard, analytical look at the issue. We need to look at what has precipitated this focus.

First, we are talking about an allegation that a biker gang shot a reporter. That is what we are dealing with. We have to understand that there are totally different actions taken by different types of gangs. The bikers are noted for taking a very blunt instrument approach to problems as they come across them. There are aboriginal gangs, the mafia, other ethnic organizations. There are gangs of common interest, for example, the Colombian gangs around the importation and distribution of heroin.

To say that bikers represent organized crime is both unfortunate and inaccurate. It has been helpful in this terrible situation. As has already been stated, our hearts go out to Mr. Auger and the people around him. It is difficult to realize that that shooting, if indeed it is proven to be an action of a biker gang, is just one of probably thousands of potential manifestations of organized crime.

We have to realize that trying to cure the plague of organized crime with a broad action such as using the notwithstanding clause would be like using a malaria treatment for a typhoid infection. When we break our leg, we do not put our arm in a cast. We need to define the problem. We have to understand that in the House we must always stand for personal freedom of association because it equates to the issue of our personal safety in a very real way.

My final analogy would be that we could cure the common cold or a more serious flu by taking a lethal dose of arsenic. We would not have the cold or the flu anymore. We would not have to worry about having the cold or the flu. The cure may be successful, but the patient could die.

How does organized crime affect us and what do we have to do to get organized crime under control? We are aware of different situations in our society. For example, there are environmental dumps and organized crime involved in intentionally and aggressively polluting our society and our environment. We are aware of the situation with the snake heads. We are also aware of the situation of the weakening and compromising of our police forces, not through anything that our police forces are doing, but by the actions of organized crime toward them.

• (2140)

I will not be intimidated by the member for Waterloo—Wellington when he uses the club of political correctness so that supposedly we cannot talk about the fact that there are ethnic gangs. There are. The people most disadvantaged by those ethnic gangs are of the same ethnic group. They came to Canada to get away from that.

The best example I can think of off the top of my head is the Tamil tigers. In Canada we have an excellent outstanding community of Tamil people who came to Canada to get away from the suppression, murder and mayhem, to build a better life for themselves and their families. Unfortunately they were followed by people of the Tamil tigers who represent a national security threat

to Canada, an international security threat to people around the world and who also represent organized crime in its very worst form.

Also, in terms of ethnicity or being able to identify people on the basis of a particular group, I think of the Russian gangs. We know, and this has been in the public domain, that there was an attempt to compromise politicians in this Chamber. Political contributions were made to high ranking politicians in this Chamber. To the honour and credit of those politicians, the second they found out that political contributions had been made to them, they immediately transferred the funds out of their accounts and into trust accounts. The only way this became public knowledge was that the wife of the Russian mobster tried to get the money and so it became a story.

Would other people in public life, if not in this Chamber, have fallen to the threat? Would they have fallen to the threat of compromise or embarrassment? What about financial coercion that can happen to people like ourselves in this Chamber who are charged with the responsibility of making laws to protect all Canadians? What about the threat of death to the member for Saint-Hyacinthe—Bagot and to his family, and the fact that within this parliament he has had to have a bodyguard for himself and his family? This is a very serious threat.

Canadians have to realize that although the debate we are having tonight unfortunately has had some low points, it is nonetheless absolutely vital. All Canadians, and not just this Chamber, must collectively work to protect the liberties that we have as citizens.

Do the law enforcers have sufficient resources to get the job done? Our answer is an unequivocal no. As a result of dollar cuts we have seen the disbanding of the ports police. A critical example in the issue of the ports police occurred at the time they were being wound down. The ports police were asking the Vancouver port authority about an individual it had hired who was a Chinese national based in Beijing. They wanted to know whether a security check had been done on the individual. It had not.

At about that time the Vancouver ports police were disbanded. That individual within the next couple of months brought three so-called students from the port of Dalian into the port of Vancouver. Those three so-called students had access to the port of Vancouver, to all the security, all the intelligence within the Vancouver port. And we wonder why the Vancouver port is a leaky sieve for every drug we could possibly imagine.

At exactly the same time this was going on an agreement was made with an international shipping company that Vancouver would be the first port of call. Containers would go from the port of Vancouver directly to Chicago. Do not stop, do not collect \$200, do not pass go. The drugs all of a sudden went from the golden

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triangle to Chicago just like that as a result of the shutdown of the Vancouver ports police.

● (2145)

In CSIS and the RCMP, not only at the personnel level, there is a real competition as a result of the legislation that covers the evidence gathering of the police and the way in which CSIS ends up getting its information.

I suggest there are two things we need to look at long before we would ever look at the potential of shutting down our own personal rights and freedoms.

First, legislatively, we must examine and rationalize existing laws and change those laws where those laws conflict. Second, under resources, we must co-ordinate law enforcement agencies and other enforcement agencies. We must end the competition between the agencies. We must expand training and sharing of information. We must be in a position to be able to purchase contemporary equipment.

We must recognize that our response must be one of dealing with the larger issue, the broad picture. We can craft a response to enhance our personal safety and national security, but we must craft that response in a way that will stand for individual personal freedoms. We must not kill the patient with the cure.

Mr. John Bryden (Ancaster—Dundas—Flamborough—Aldershot, Lib.): Mr. Speaker, I just want to congratulate the member opposite.

It is rare in the Chamber that I rise and say that I agree with everything that was said by a member in the opposition party. The member is absolutely right. We must not be stampeded into compromising our fundamental rights because of the activities of organized crime. When we do that organized crime wins. We must never do that.

I agree with him, as I mentioned earlier and I will be mentioning when I speak myself, that the way to get at organized crime is to get at the way they make their money. The member opposite pointed out very correctly that our ports are leaky sieves in which all kinds of contraband is going out of the country. I have had many reports and have made many representations to my ministers saying that we must do something to stop it. It is not checking the contraband that is coming in, it is the contraband going out that is the problem.

What happens is that the Americans send their contraband across the border because it is an open border. It is then shipped out of Canada to Africa, to Jamaica and to countries that want the illegal goods. We have a real problem there.

I would like to ask the member if he agrees that if we were to compromise freedom of association as a response to the motor-

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cycle gangs in Quebec, would we not be jeopardizing the very freedoms that the Bloc Québécois itself enjoys? I recall a time when the RCMP attempted to read the mail of the Parti Québécois because it was a separatist organization. There was outrage in the entire country. Everyone was angry.

I would like the member's comment on this. Surely the Bloc Québécois, of all the parties in the House, should be saying that we should not use the notwithstanding clause, that we should protect freedom of association and find other means to combat the problem.

Mr. Jim Abbott: Mr. Speaker, this is a scary night because I agree with the member opposite. This really is a very scary night.

In all seriousness, I agree with him totally. The notwithstanding clause was put into the constitution for a specific purpose which was to cover an eventuality that could not be foreseen at the time. If we are ever going to use it, it must be used as an absolute last resort. I believe at some point it may be appropriate to use it.

In examining the entire issue of organized crime, it forms part of a whole national security issue. It is not just crime. It is a whole national security issue as well as a personal security issue. We must examine this in its totality to see what other solutions there are. Indeed there are many solutions totally apart from anything legislatively. I agree with the member completely.

Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC): Mr. Speaker, I do not agree entirely with either member but I certainly take delight in much of what they have said in their remarks, particularly my hon. friend from the Alliance Party who I believe has a real grasp of this problem. Coming from the part of the world that he does, I would like to draw him into the debate a little further on the issue of ports police. Although we are certainly a massive country, we have two large virtually undefended coastlines where we are most vulnerable to organized crime and contraband materials that seem to slip in under the radar on both coasts. Even in the Arctic we have a great number of coastlines that leave us vulnerable. That is one area that has to be addressed in a comprehensive way through legislation, through resources and through a co-ordinated effort.

• (2150)

Similarly, I would elicit some response with respect to the problem within our prisons where all members know and anyone familiar with the situation realizes that the officials within the penal institutions are particularly vulnerable as well to intimidation and to forms of blackmail and bribery. Again, I think this is something that has to be addressed, not necessarily just through the resource and legislative branch, but through internal changes that can be made to assess and buttress their efforts to deal with those in

the organized crime community that they now have within their mix and who continue to operate from the inside of prisons across the country.

There is more that can be done. It is certainly discouraging to those members of the penal community who see individuals being ushered out the door after a very short period of time in custody by virtue of for example our statutory release in this country.

I would like to get the hon. member's comments in that regard.

Mr. Jim Abbott: Mr. Speaker, for sake of time I would like to deal with just one aspect of my colleague's comments and that is to do with the ports police.

The shutting down of the ports police was against every possible piece of advice that the government received. Absolutely everything went against it because we had a gathering of information and a gathering of intelligence. In particular, we had a gathering of experienced officers. There was a wealth of information. On the day the ports police were disbanded around Canada was the day that information fundamentally evaporated. Many of the files physically evaporated when that took place.

This is part of the co-ordination that we have been talking about. My colleague from Pictou—Antigonish—Guysborough, myself and others have been talking about having a co-ordinated effort. This information must go into a pool. We must develop a way to enhance the pool of intelligence and the pool of experience of our police and enforcement forces. In that regard I absolutely agree with my colleague from Pictou as well.

Mr. Darrel Stinson (Okanagan—Shuswap, Canadian Alliance): Mr. Speaker, I would like to thank the member for Kootenay—Columbia for sharing his time on this very important matter.

I am not going to stand here and presume that Canadians who are listening and that members in the House do not know there is organized crime in this country, not like some government members who seem to think that this is just not the case and that this does not happen in Canada. We know full well that it happens.

When the government says that it transbounds borders and boundaries with regard to provincial jurisdiction, in some cases it does and in some cases it does not. We know for a fact that we have organized criminals who have been linked to criminal organizations that have been charged. They are not Canadian citizens.

What do we do? We do not deport them. No, they go up before different boards. They have different appeal systems which cost the Canadian taxpayer bundles of money. That is federal. They know that. Yet we keep on doing it.

We know it in our federal penitentiaries. If we want to talk about gangs and gang affiliations, our prisons are loaded with them. We

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have prison gangs in just about every prison. They bring drugs into the prisons. The government knows that and the members on the other side know that. Yet they say it is not really a big problem.

It is a major problem particularly in the prisons. It creates threats to prison guards, police officers and parole officers. To give an example, let us take a look at the National Parole Board which has been threatened. This candid memo by recently retired chairman, Willie Gibbs, represents the latest evidence of attempts by criminals to intimidate players in the justice system.

• (2155)

The retired chairman of the parole board stated this. He also went on to state that it appeared to be most common in Quebec, a pattern that may have something to do with inmate population in Quebec, including the larger number of inmates with organized crime connections. Gibbs stepped down as board chairman in July and his replacement is yet to be named.

Let us look at what else was said. This was recently obtained under the Access to Information Act and submitted to the federal justice department last January in response to a consultation paper. It said “Fear affects the decisions you make. The process could lead to new laws or procedures to protect parole officials, lawyers, jurors, witnesses, police and prison guards”. We are talking about a number of people who put their lives on the line to protect us so that we feel safe. They have stated this in report after report and the federal government does absolutely nothing in this regard. We have to wonder.

Correct me if I am wrong, as I know the hon. member for Waterloo—Wellington surely will, but as I grew up I was always led to believe, as I think most people in Canada were, that a government’s first and foremost priority was for the safety and well-being of its law-abiding citizens. I heard this as I grew up and I was led to believe that. Yet since I have come to the House and before that time, I have done nothing but read papers and listened to victims’ groups. They all say the same thing. They cannot seem to get protection from the Government of Canada. The sentencing is not there. The criminal justice system likes to talk a good fight yet it absolutely does nothing. It supplies money to the lawyers. It keeps the appeal systems ongoing. It has a turnstile system that allows criminals back out on the streets just as fast as they can be charged and in many cases before the paperwork is done. This is Canadian justice.

They think I am fearmongering. Let us look at this report that said that police were also targets of intimidation ranging from simple warnings to open threats. David Griffin, the executive officer of the Canadian Police Association said “that is a concern for police officers”. He said “Organized crime will not hesitate to resort to bullying, threats and violence”. We are talking about a breed of people that has chosen to live outside the law. Let us say that David Griffin is fearmongering. He is only the executive officer of the police association. This association represents 30,000

officers. It expressed frustration yesterday that organized criminals operate with virtual immunity in this country while police are hampered by weak laws, a lack of tools and inadequate resources.

These are our people who are trained to fight crime. They warned the government and the government still has done nothing. We have members on the other side saying there is no such thing as organized crime in this country. When we mention the Asian gangs, the Indian gangs and the white gangs we are fearmongering. That is all the members can say. Yet ask the victims and talk to the their families. Talk to the guards in the federal penitentiary who are too afraid sometimes to go to work. Talk to them and not this bunch. They would rather sit here where it is nice and safe and have a cup of coffee. Talk to the guards and talk to their families.

Mr. Myron Thompson: They have never been there.

Mr. Darrel Stinson: No, they have never been there nor will they go there. They might have to do something for a change. They would finally find out what it is really like to do something for a change, instead of just saying we are fearmongering. It seems strange.

Before I ran for nomination in 1993, I remember this was the big issue. This has been a big issue for a long time yet all of a sudden the minister says it is now a priority. The government is going to study a white paper. It will study it and study it and then it will hire some more people to study it again and it will do nothing. The government will do absolutely nothing in regard to that outside of doing the study on it. We know that and everybody else knows that.

• (2200)

This has gone on for years. I have to wonder exactly what all is involved here. As a matter of fact I cannot wait for the questions and comments because I have a few answers to a few of the questions that I am sure will come from one side or the other in regard to what is taking place here in organized crime.

Mr. Jim Abbott (Kootenay—Columbia, Canadian Alliance): Mr. Speaker, in listening to my colleague from Okanagan—Shuswap I know he comes to this debate with a tremendous amount of passion.

Perhaps he could help us understand his understanding of the issue of this being all part of a larger picture. We are talking about organized crime. We are talking about some terrible event that happened to the reporter Mr. Auger. The allegations that it had something to do with bikers seem to be well founded.

However, that kind of violent activity, that kind of manifestation of organized crime, is just one of the very tiny manifestations of organized crime. It is part of an overall picture that has the power to immobilize us to neutralize our police forces. Also many of these gangs end up funding national and international terrorist

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activities. There is no line now between security issues and criminal issues, between organized crime and national terrorism.

I wonder if my colleague would like to expand on that.

Mr. Darrel Stinson: Mr. Speaker, the member is absolutely right. It has gone through everything. People are desperately looking for answers particularly from a government such that we have now.

An article in the Vancouver *Province* confirms that the RCMP have listed Stanley Ho as the leader of the Kung Lok triad, an organized crime group since 1991. But despite this, Ho has received multiple visitor visas, has extensive holdings in Canada, is a donor personally and co-operatively to the Liberal Party and actually hosted a cocktail reception for the PM during the Vancouver APEC conference. This certainly has to raise lots of concerns for the people of Canada. The list goes on.

RCMP Corporal Reid revealed a massive penetration of the immigration computer system in Hong Kong by triads which resulted in the loss of thousands of visas as well as widespread improper issuance of visas to triad linked individuals.

There has to be lots of questions and fear about how far this really goes. Even the members over there all of a sudden have stopped. What is going on is well known. It is not a small little group. This has been reported in the papers. Do we not think this brings fear into the hearts of average Canadians when they hear things like this, that this is where some of these party funds are coming from? You bet it does.

Mr. Lynn Myers (Parliamentary Secretary to Solicitor General of Canada, Lib.): Mr. Speaker, I listened to the member opposite with some but not a great deal of interest.

What really has me on my feet is the allegation that he is trying to make with respect to party funds. If he has any allegations to make, he should make them to the Royal Canadian Mounted Police. If you have any, you make them directly and you then take it outside and make them outside. Because if you do not, you do not have the fortitude to repeat what you just said in this Chamber out there.

The Acting Speaker (Mr. McClelland): May I respectfully suggest that members refer to other members through the Chair.

Mr. Lynn Myers: Mr. Speaker, the member opposite really should get his facts straight. Less histrionics and more facts.

The facts are quite simple. We as a government have repeatedly injected resources and money not only into the Royal Canadian Mounted Police, but into CPIC which is something I am familiar

with given my police background. We have injected funds into immigration, into revenue, into the ports of entry and others. We have done all kinds of things with respect to assisting in this very important area.

• (2205)

Have we done enough? No, we have not. There are additional things that we need to do in terms of co-operation, for example, with our provincial and territorial partners. Have we done enough with respect to making it seamless with respect to the police services across Canada, at the local, regional, provincial or federal levels? No, we have not and we need to do more. Will we do more? Yes, we will.

The member opposite should listen instead of fearmongering and trying to upset Canadians, as those people opposite are always so prone to do. It is their forte to always try to pit region against region, people against people and province against province. Instead of the politics of negativity, they should talk about what is positive and what we in the Government of Canada are doing that is positive. They should listen. They should get their facts straight and they should proceed accordingly.

Mr. Darrel Stinson: My, my, Mr. Speaker, is the hon. member ever an upset little Liberal.

Let us look at what he said. The Liberals expanded upon the ports authority? They disbanded it. What are you talking about?

The Acting Speaker (Mr. McClelland): I am sure everyone in the House understands the importance of my intervention in suggesting that these two members in particular speak to each other through the Chair. I am insisting upon it.

Mr. Darrel Stinson: Mr. Speaker, I must say you are far more knowledgeable and far better looking than the member on the other side, so I will keep that in mind.

The ports authority has been disbanded. The Liberals know that full well, but they will go on and on and on about it.

As for my making allegations, I think it is the Vancouver *Province* newspaper and the RCMP that the hon. member had better take this up with. It was the RCMP that made these allegations, not me. I am just reading about it. I could read some more if the hon. member would like.

I thought I would be nice and gentle on him today because it was the first day of parliament. I know how upset the member gets when his shoes are too tight or his shirts do not fit, but that is just the way he is, and I accept that as one of his downfalls or one of his pitfalls. I do not mind that he has that type of temperament. I understand that. I do not think the people in the rest of Canada

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understand where he is coming from, but I am sure that his family and his one friend do, so I will just say goodnight on that one.

Mr. Bryon Wilfert (Oak Ridges, Lib.): Mr. Speaker, public safety and protection are fundamental objectives of Canada's criminal justice system.

Last week's deplorable shooting of *Journal de Montréal* reporter Michel Auger once again brings home the need for effective action against such criminal acts. Combating organized crime is a key part of maintaining public safety.

I would like to draw to the attention of hon. members a recent report by the Criminal Intelligence Service of Canada, CISC. CISC is the organization responsible for assembling the information and intelligence needed by law enforcement to carry on the fight against organized crime.

One of the keys to success in the fight against organized crime is partnerships between governments, between enforcement agencies and between the police and individual members of the public. CISC operates entirely on the basis of co-operation made available by such partnerships. It provides a network by which police across Canada come together for the common purpose of fighting the spread of organized crime.

What does CISC have to say about organized crime groups in Canada? The CISC annual report for 2000 reviews organized crime groups and their activities in Canada. I should note, as the report itself does, that none of the references to criminal activity associated with ethnic or other groups is to be taken to suggest that all members of that group are involved in organized crime. The report does make it clear from the police perspective that organized crime extends its influence into many parts of our society.

For example, CISC reports that the Hell's Angels remain one of the most powerful and well structured criminal organizations in Canada.

• (2210)

Mr. Speaker, I should mention that I will be splitting my time with the hon. member for Scarborough East.

CISC notes that the armed conflict which started in 1994 between the Hell's Angels and the Quebec based Rock Machine is likely to escalate, with expansion of the Hell's Angels and the Rock Machine's recent move into Ontario.

Members of the Hell's Angels continue to be involved in the importation and distribution of cocaine, the production and the distribution of methamphetamine, as well as the cultivation and exportation of high grade marijuana. Members use a vast network of associates to assist in growth and harvesting of the drugs and with its illegal trafficking.

CISC also reports that the outlaw motorcycle gangs are involved in the illegal trafficking of firearms, explosives, the collection of

protection money for both legitimate and illegitimate businesses, fraud, money laundering, prostitution and the use of intimidation and threats.

The CISC annual report goes on to describe the activities of organized criminal groups. According to the CISC annual report, Asian based organized crime groups are involved in the importation and trafficking of narcotics, counterfeit currency, software, credit and debit cards, prostitution, illegal gambling, extortion and a variety of violent crimes, particularly in western Canada, but I might say also in my own region of York.

During 1999 the Asian based organized crime gangs continued to exploit Canada's ports of entry, attempting to import illegal contraband and illegal immigrants. As members well know, Canada's public safety agencies thwarted several such attempts over the last year.

CISC expects Asian based criminal groups to increase such activities in the future. That is why we are exercising increased vigilance and increased intelligence sharing to counter these efforts.

These groups are expected to build greater alliances with other organized criminal elements. They rely increasingly on new technologies to facilitate their illegal activities.

CISC notes that in the past, eastern European based organized crime groups have been involved primarily in extortion, prostitution and other street crimes. It is reported that these groups are becoming involved in a variety of white collar crimes, including counterfeiting of credit cards and debit cards, as well as immigration fraud, organized theft and automobile smuggling.

The police have also taken note of the increased involvement of eastern European based groups in drug smuggling and money laundering. The CISC report also states that traditional organized crime groups remain a threat to Canada, despite the success of law enforcement efforts against the Sicilian Mafia.

In western Canada illegal gaming continues to be the primary activity of such groups. Elsewhere these groups are reported to be involved in drug trafficking, extortion, loan sharking and money laundering. CISC notes that increased criminal activity is being reported in tobacco, alcohol and diamond smuggling. It also reports increased criminal activity in the illegal import of firearms primarily from the United States.

Similarly, illegal gaming is reportedly being used to finance many organized crimes and other criminal activities such as drug trafficking.

Lastly, CISC reports an increased likelihood of organized criminals to use computer hackers and individuals with technological skills to forge credit and debit cards, all of which gives a sophisticated edge to criminals and makes detection and enforcement that much more difficult.

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These facts compiled from Canada's most knowledgeable law enforcement officials by CISC underline the seriousness of organized crime activity in Canada.

In response to these threats, governments at all levels in Canada are working together in the fight against organized crime. First, we must know the problem and that is why the efforts of the CISC and law enforcement across Canada in intelligence gathering and sharing are so important.

• (2215)

Armed with this information the government and its provincial and territorial partners have come up with new strategies to fight organized crime.

The government's record of achievement is clear. We brought in Bill C-95, the anti-gang bill that introduced the concepts of criminal organization, criminal organization offence and participation in a criminal organization offence. This was a tool the police asked for to investigate outlaw gangs, and the government acted.

The CISC report talks about money laundering. We now have Bill C-22 in place which has one of the most comprehensive anti-money laundering regimes in the world. With this legislation authorities can target cross-border currency movement and other superficial financial transactions.

We have a very vigorous proceeds of crime law in effect. There are now 13 dedicated units in major centres across the country investigating and seizing the assets of criminals. Some \$70 million in fines and forfeitures have been levelled against crime figures since 1997, a big blow to organized crime.

We have bolstered our anti-smuggling initiative, increased RCMP presence at airports to fight organized crime and dedicated \$30 million this year to develop ways to help police deal with the use of new technologies by criminals.

The CISC report contains some troubling information and so it should. Governments and Canadians need to know the extent of the problem we are dealing with and how organized crime targets us. Such reports have been of great use to us in developing appropriate strategies, developing the right enforcement tools and identifying areas for further research.

The fight against organized crime has been and will continue to be a key part of the government's longstanding commitment to safer communities. The same commitment was again demonstrated by federal, provincial and territorial ministers in the outcome of their meetings in Iqaluit last week.

The federal government will not relent in its efforts to provide national leadership in the fight against organized crime, building on the advice of the police community across Canada.

[*Translation*]

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, according to what the member is saying, everything is fine and dandy in the fight against organized crime in Canada and the government seems to have been doing its job.

He mentioned the solicitor general's report on organized crime. If he read it, he would see that things are not as rosy as he seems to think they are.

He bragged about the government seizing some \$37 or \$57 million in proceeds of crime—I do not remember the exact amount—when money laundering and hard drug transactions in Canada total some \$15 billion a year. What our police forces can do in the fight against organized crime is just a grain of sand in the desert, and maybe this is due to the fact that we do not have the right tools.

In 1995 we passed a few amendments to the criminal code which took effect in 1997. These amendments were made under the name of anti-gang legislation so it would be easier to gain public support in that regard. But this name does not ring true because all those responsible for enforcing this legislation come to the conclusion that it is not anti-gang legislation since the desired results cannot be achieved. It is too difficult to enforce.

• (2220)

I hope the member read section 477 of the criminal code. One has to prove that an individual was party to the activities of a criminal organization, that this individual knew that the gang members had engaged, within the preceding five years, in the commission of indictable offences under the criminal code, for which the maximum punishment is imprisonment for five years.

All this being cumulative it is very cumbersome and complex to enforce and it is not needed to fight organized crime.

The member heard the speeches, he heard the comments made by members of the Bloc Québécois. We have been studying the issue since 1995: We are not talking through our hat, and neither are we reacting to what happened to one journalist. The situation is serious. Quebec and Canadian society is facing a complex problem, namely organized crime.

Does the member opposite agree with the Bloc Québécois that we need further tools? We need legislation with teeth. If we have to use the notwithstanding clause, if we cannot do otherwise to eradicate organized crime, is the member willing to go along with it?

[*English*]

Mr. Bryon Wilfert: Mr. Speaker, I thank my hon. colleague for his question. I do not think that talking about trafficking of

narcotics, illegal gambling, extortion or prostitution is making light of the fact that this is a very serious issue.

I pointed out those issues very clearly in the CISC report. The government has information and has acted. The hon. member said that Bill C-95 was not much legislation at all. It was passed in two days with the consent of all parties including his own. I would suggest on reflection that maybe if it was not what the member wanted in 1997, his party should not have given it the support that it did.

Very clearly we have said that we are prepared to deal with this issue. We have brought in legislation and we will continue to fight organized crime wherever it exists.

In my region of York we have a problem with Asian and eastern European gangs. There was an excellent report done by our police force on this issue. It is very disturbing to see the influence and the depth at which organized crime operates both in my own region and elsewhere in the country.

The Minister of Justice clearly indicated today that in consultation with her provincial and territorial counterparts she is prepared to look at whatever additional tools are needed, but I do not think an artificial date of October 6 will necessarily be the answer. We need to make sure that the proper tools are in place, that those tools will meet the test of law, and that at the end of the day they can be used for the very purpose which we all in the House want to see, that is an end to the role of organized crime wherever it exists in the country so that people are not in fear.

The CISC 2000 annual report is very important reading for all members. That is the base on which the Minister of Justice and the Solicitor General of Canada have indicated that they are prepared to work with their counterparts and policing agencies across the country to provide additional tools for enforcement.

Mr. John McKay (Scarborough East, Lib.): Mr. Speaker, when hon. members rise at this time of the evening they usually say something like it is a great pleasure to participate in this debate and that it is an important topic. Then they say some platitudinous things and sit down.

There are times, in particular in the context of the debate this evening, when one wishes that hon. members would confine their speeches to areas in which they have some knowledge. I like to remind hon. members from time to time that we are in the Parliament of Canada.

The House referred this subject matter to the justice committee for study and a report back in a timely fashion with respect to the recommendations. That is a committee on which I enjoy sitting. It is a committee that faces many of the most problematic issues of the day. This is probably one of the most problematic issues. We frankly have struggled on the justice committee to try to get a handle on this massive subject which goes to the very roots of our

democratic institutions and is a real and palpable threat to our community.

• (2225)

One of our dilemmas was speaking to the press, making speeches and conducting our deliberations publicly. We all agreed on a self-imposed gag rule which turned out to be a bit of an oxymoron when it comes to members of the House. We did that to provide some level of confidentiality so that when witnesses came before us they could feel some confidence that what they said would be held in confidence. We in turn would get the real goods rather than the platitudinous speeches we so often hear about resources and funding, et cetera.

We felt that this level of confidentiality would in fact make our report more meaningful so that we could then move to recommendations to the House which in turn might lead to useful legislative initiatives. That is why it is my view that this call for an emergency debate is counterproductive. It will pretty well guarantee that the work of the subcommittee will be compromised or possibly even useless.

The report will be meaningless because we will not get the real goods. Witnesses will not tell us the real story. They will go off record or speak to us outside the committee room about what they really mean to say. They will not commit to writing and we will therefore be limited in what we can say in our report.

This is a classic case of parliament shooting itself in the foot partly because of hysteria. It is easy to state the problem, but it is much more difficult to apply one's mind to the resolution and to reply to the problem without lapsing into some generalized government bashing about cutting back, et cetera.

The last example of parliamentary ineptitude in this area is in my view with respect to Bill C-95, incidentally also sort of a pre-election response to a real problem. Bill C-95 is now codified in section 467 of the criminal code. It defines participation in criminal organizations. This is a classic case of legislate in haste and repent in leisure.

Arguably Bill C-95, now section 467 of the criminal code, is one of the most useless bills parliament has ever passed. The crown will not touch it because it is afraid it is not charter proof. The six elements of the offence, heaped upon a predicate offence, make the burden of proof sky high.

Everyone in the court house knows that accused *x* has links to organized crime, but the crown is unable to prove all six elements beyond a reasonable doubt. The police do not use it because of the ability to wiretap for in excess of a year. The time is too long. Investigations change directions over the course of a year. They question whether using this section will expose their whole case to a charter challenge. Therefore literally years of work will go out the window because they are afraid that section 467 will not withstand a charter scrutiny. The disclosure requirements expose

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years of police work to defence lawyers and therefore to their clients. They can get everything they want with a normal application of wiretap provisions of the criminal code and not risk wasting thousands of hours of work.

• (2230)

In summary, parliament, in a pre-election knee-jerk reaction to a substantive problem, gave the police and crown useless or marginally useless tools. I respectfully submit that is what this debate invites us to do once again. We apparently do not learn. As the famous Yogi Berra once said “This is déjà vu all over again”.

Compound legislative sloppiness with judicial laziness in the area of ever expanding definitions of disclosure and of relevance. Crowns have an obligation to disclose to defence that which may be relevant to the accused presenting a full defence. Since defence is under no such obligation to disclose its defence, even if it does not have one, disclosure becomes one grand fishing expedition. Crowns and police end up providing volumes and volumes of material because the judiciary will not circumscribe definitions of relevance. Therefore almost everything becomes relevant.

It has become so bad that certain jurisdictions will not share information with Canadian authorities for fear that their own investigations will be compromised by permissive Canadian courts that allow this ever-expanding definition of relevance.

People’s lives are at risk. Police spend endless hours vetting disclosure binders and needless time and resources are devoted to wild goose chases. Then the defence, in an ultimate act of arrogance, will say “It is not in the right format” or “I want it tabbed and correlated”.

This is serious stuff and frankly an emergency debate is counter-productive. It is a little like bringing gasoline to a fire. It is a pathetic response by members opposite to attempt to show that they are doing something when in fact they are being counterproductive to the work of the committee.

Last week the committee spent the entire week in Vancouver. We walked the streets of east Vancouver with the police. We spent some time on the docks and were there when containers were opened. We went to the border and looked at how massive the problem is. We went to the airport and even got on an airplane with customs officers and examined all the places where one can put contraband. We were all profoundly affected by this.

Mr. Gurmant Grewal: Mr. Speaker, I rise on a point of order. I hate to interrupt the hon. member who was speaking very well, but he, I and many other members are members of the subcommittee. As subcommittee members we are under gag orders. While the member is speaking on this issue he is discussing in the House what we are not supposed to discuss. If that is the case, why are certain

members of the House under gag orders but not the government members?

The Acting Speaker (Mr. McClelland): I am sure that anyone who is listening is listening with heightened interest to the hon. member for Scarborough East. It is a question of debate. It is not a question for the Speaker to settle. It is a question for the House. That can be settled in some other venue but not here.

Mr. John McKay: Mr. Speaker, if the hon. member had been here at the beginning of my speech he would have noticed that hon. members on the subcommittee have basically ignored the gag orders, as has the hon. member opposite, and we are being reported in the newspapers. Frankly, our confidentiality has been completely compromised. We asked that this emergency debate not occur but it has occurred.

In my view the ability of the subcommittee to produce a meaningful report with confidentiality restrictions is completely shot. I feel betrayed and disappointed that we cannot conduct the subcommittee in that matter.

To finish off, all of us were affected by the lives that we saw. The undercurrent of violence is always there and the threat to our democratic life is profound and it is real.

• (2235)

The subcommittee is not ready to report and this evening’s debate and the compromise by members opposite of these gag orders will make our report very problematic. I am quite disappointed in the ultimate result.

This is an enormous and significant problem. It goes to the very root of our democratic way of life. People in good faith could arrive at some meaningful legislative responses and the couple of suggestions I put forward with respect to 467 and with respect to the ever-expanding definitions of relevance are areas we should seriously explore. I think that members in good faith could well arrive at some reasonable resolution of this matter and prepare a useful and a meaningful response for Canadians.

Mr. Darrel Stinson (Okanagan—Shuswap, Canadian Alliance): Mr. Speaker, I want to ask the member for a clarification with regard to the subcommittee. I heard and was led to believe that the subcommittee report was under a gag order. I heard the member from the other side say that this was no longer the case. Is it my understanding that the member is now free to speak to us and the public about what went on in that subcommittee?

Mr. John McKay: Mr. Speaker, the committee started out by exploring the issue of confidentiality. It is clear that it is not working. It is clear from the newspaper articles printed time and time again and quotes attributed to certain members of the House who are on the subcommittee that there is no realistic possibility that we will have the confidentiality we all wish to have. As a

consequence, this does not lead to the conclusion that the work of the subcommittee is without relevance.

The material that we have had and I expect we will have over the course of the next few weeks is substantive, is useful to deliberations and will help us, I hope, suggest to parliament some reasonable legislative responses which will be of assistance in responding in a reasoned and deliberate fashion so that the government may draft legislation in response.

[*Translation*]

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, I guess we can blame the statements of the hon. member on the late hour. He is a bit confused and, with all due respect, I will try to correct some of the things he said.

We one this side, my colleagues in the Bloc Québécois as well as the Alliance members who sit on the subcommittee, feel bound by the rules of confidentiality. I do not think that the members who have already spoken tonight or who will speak later on will break the confidentiality of the work being carried out by the subcommittee.

Second, I do not agree with the member that a more dispassionate and civilized debate, based on the insight parliamentarians should always demonstrate, could prejudice the future findings of the subcommittee.

As the leader of the Bloc Québécois and member for Laurier—Sainte-Marie said, the subcommittee on organized crime is involved in a long term process where it will have to address a whole series of problems. What the Bloc Québécois is asking for in the short term, by mid-October or in the near future, is that the government take very specific and time specific measures to declare illegal a number of criminal biker gangs.

● (2240)

I would like our hon. colleague to tell the people who are watching tonight's debate that we can act at both levels, we can uphold our oath and also exercise caution and take our responsibilities.

[*English*]

Mr. John McKay: Mr. Speaker, I disagree with the hon. member opposite. I think our work is affected. I think our work is compromised by the debate and that it will be politicized. The consequence of that will be legislation, which we already have an example of in Bill C-95, which in my view was legislation in haste, repent in leisure. Bill C-95 was a knee-jerk response to a difficult problem, the result of which we are now reaping the whirlwind thereof.

My view is that the work of the committee, which I thought was going at a reasonable pace, has now been compromised. We

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probably will not enjoy the level of confidence from witnesses that we might otherwise have come to expect. However, I hope that will not totally compromise the work of the committee. Nevertheless, we will continue to vigilantly work at this problem. I hope we will be able to respond in a timely fashion to this issue with meaningful legislative initiatives and suggestions which the committee can put forward to parliament and parliament in turn can put forward to the government.

The Acting Speaker (Mr. McClelland): Just before we get to the next intervention, and without making any editorial comment, it was pointed out to me earlier that the Chair has become involved in issues relating to the in camera proceedings of committees in parliament. While everything raised in the House was, in my opinion, raised legitimately in debate, it might be wise for all of us to remember the issues that have gone on before relating to committees and in camera proceedings of committees. Again, I say that without making any editorial comment about any of the interventions by any members but we need to be mindful of our responsibilities in that regard.

[*Translation*]

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, before I begin my speech, I wish to inform you that I will share my 20 minutes with my colleague, the hon. member for Saint-Bruno—Saint-Hubert.

We have to look at why the Bloc Québécois felt the need to debate this issue today. In fact, it is not just today that we have felt the need to address this issue.

The whole thing really began with the events that occurred in Montreal in 1995 when young Daniel Desrochers was killed by a bomb blast. We immediately felt the need to look at this issue.

Later on, we had Bill C-95. It is true that the Bloc Québécois supported that bill. Members will remember that it was passed on the eve of a federal election call. In other words, it was that or nothing.

I would ask members opposite to read the comments that we made back then. We said, among other things, that the legislation would never allow the police to catch the leaders, that it would never allow it to gather evidence. The leaders are always those who call the shots. Those at the bottom of the pyramid carry out the orders and pay for those at the top, who are never caught. We said that it would be much too difficult to collect evidence against these leaders and that crown attorneys and the police would come to the same conclusion.

Then in 1996, since that legislation was not enough, the Bloc Québécois member for Hochelaga—Maisonneuve, who is just behind me, introduced a private member's bill that basically sought the same objective as today's motion, namely a tougher act to fight organized crime. This is nothing new. That was in 1996.

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• (2245)

During the election campaign in 1997 we debated this issue. We were calling for strong laws to fight organized crime, which is very active in Canada and Quebec.

In the fall of 1999 a motion to establish a sub-committee to study organized crime was unanimously passed. This did not come out of nowhere, it was once again the Bloc Québécois that had deemed it important to study the issue with every parliamentarian from every political party gathered around the table to work out a solution. It was adopted unanimously, and the sub-committee is in the process of studying the whole issue, but I will get back to this later on.

In June 2000, the three Bloc members on the sub-committee on organized crime issued a letter in the media saying that every available tool should be considered, including the use of the notwithstanding clause if necessary. That was in June 2000. If we were talking about it at the time, it was not as a result of some incident or an attempt on the life of a journalist.

On September 1 I addressed the Canadian Police Association in Halifax. I raised the issue in my speech. I said "I think we have reached the stage where we must consider the possibility of using the notwithstanding clause should it be necessary to reach the goal we are pursuing, namely an efficient legislation to fight organized crime". This is nothing new.

During the day, I heard the Liberals say that the decision to raise this issue today was an emotional reaction to the shooting of a Quebec journalist. This is not true. We want to debate this issue today because it is our first opportunity to do so and especially because all kinds of events took place, including that one. There were other events as well. The biker war has killed 150 so far. That is a lot of people, and it is nothing new.

Our position has not changed since 1995. There is nothing new.

What is new, however, and I have to say it, is the arrogance shown by the government which has refused to allow the House to vote on our motion, to vote on a very concrete measure forcing the government to introduce, by October 6, effective legislation to fight organized crime. On top of that, on the same day, the Minister of Justice has announced that she will propose a motion to limit debate on another bill, the one dealing with young offenders. As a Quebecer I must say that I find this rather bizarre.

On one hand we have the Young Offenders Act which works well in Quebec. Quebecers are telling the minister "Do not touch the law, it works fine. We do not need your Bill C-3". Yet the minister has informed us that she is going to steamroller over anyone who opposes this bill and ram it through.

On the other hand Quebecers are nearly unanimous in calling for legislation with teeth to battle organized crime effectively. The government tells us "There will be no discussion". We did manage to get some discussion tonight, at last. And the government tells us "There will be no vote either". How can Quebecers find anything of themselves in this government?

I do not seek to win any votes with this. The Liberals are the ones looking for votes. For the Liberal government, the equation is this "What do we have to do to get more votes?" Attack 12-year-olds, maybe lower the age to 10, put them in jail. As far as major criminals are concerned, there is the Canadian charter of rights. That protects them. They have the same rights as anyone else.

• (2250)

I believe the Minister of Justice's thought process makes no sense. Since 1995, coming back to the subject, certain things have been done. The witness protection legislation has been amended. There is an act aimed at improving penal legislation. There is the 1997 anti-gang legislation to which I have already referred; the legislation regulating certain drugs and other substances has been changed, as has the legislation on the proceeds of crime. The criminal code has been amended in just about every possible way imaginable, as has the Narcotics Act. The \$1,000 bill has even been withdrawn, something the Bloc Québécois has been demanding for the past three or four years at least.

Today, however, there is one thing that must be pointed out. What is it? In 1995, there were 28 criminal biker gangs in Canada; in 2000, there are 35 such gangs on police files. The police have all the details on who the gang members are and so on.

They are more organized and richer than ever, and the government opposite is saying that everything is fine, that everything is under control and that there is no real need to change anything. There is especially no need to invoke the notwithstanding clause and section 33 of the Canadian Charter of Rights and Freedoms. This is alarming. People are worried, and with good reason.

There is a real need for the sub-committee on organized crime. Everything that I have heard here represents facts that can be found in public documents. The only member who broke his oath, the only member who passed on privileged information that he received in the Standing Committee on Justice and Human Rights, which is looking at the issue of crime, is one of the members of the Liberal government across the way.

I think that members opposite are looking for a way out because they are finding all this too much work. They are either lazy or irresponsible. We, however, will not back down. This evening the debate is about whether it should be a crime to belong to an association of criminals. If so, we will sit down and look for a

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solution up to and including using the notwithstanding clause, but that is not an end in itself.

The Standing Committee on Justice and Human Rights, which is studying the whole issue of organized crime, has a long road ahead of it. From it we will learn exactly what needs to be changed in the long term. There are things to do; protection of jury members, the way criminals move about across the country, the border problem. A number of things are involved.

I have taken part in many open line shows. When I say that people are anxious it is because they are, but they are also fed up with a do-nothing government. What they want is something that moves. We are no longer in consultation mode with respect to criminal organizations. We are in action mode. Something has to be done and the public expects that from a responsible party and from a government that claims to be responsible.

Today I invited the Prime Minister to assume his responsibilities as the head of the government and demanded that parliament vote on this important issue of fighting organized crime. He did not assume his responsibilities at the appropriate time. I would hope that there are people on the other side who will wake up and put the Prime Minister straight.

Mrs. Pierrette Venne (Saint-Bruno—Saint-Hubert, BQ): Mr. Speaker, as we now know criminal gangs of all kinds are expanding and do not hesitate to impose their law wherever they can and wherever it is profitable.

In Quebec a criminal gang like the Hell's Angels does a lot more than simply manage some trafficking. These people do not hesitate to use all means at their disposal, including of course illegal ones, to eliminate all those who put themselves in their way. Not long ago, I was against the adoption of an anti-gang legislation.

• (2255)

At the time I was convinced that police forces and the judicial system had all the tools they needed to stop the activities of all criminal organizations in Canada without exception and put all their members behind bars.

With passage of Bill C-95 in April of 1997, I believe like many others, that some provisions of the new act, namely those on search and seizure, penalties for gang members, electronic surveillance, explosives and crime proceeds, could actually stop the illegal activities of most of these criminal organizations. Unfortunately I now have to change my mind since I see no real improvement in the fight against the activities of these criminal gangs.

I therefore urge members of the House to seriously consider any new reasonable measure that could help to put a stop to this high level criminality. Under the present circumstances, it seems almost

impossible to put these offenders behind bars because they use the current legislation to thwart the very provisions that are supposed to put them out of business.

How is it that we cannot connect certain shifty individuals with organizations like biker gangs or well-known mafia groups? And how is it that it is almost impossible to connect many criminals with violent crimes or some other offence like drug trafficking?

Obviously I would not want to see the Canadian authorities go on a purposeless witch hunt across the country. I am quite capable of seeing the difference between ordinary people and notorious criminals. I also know, however, that there are many dangerous individuals out there who are members of the 35 biker gangs known in Canada who are ready to do anything and who brag about having committed criminal acts without being bothered by the authorities.

I therefore think it is important for us to adopt new anti-gang legislation that would give us the tools to separate the good citizens from the bad criminals, members of all kinds of organizations whose ultimate aim is to commit offences that will give them enormous financial benefits and even more power.

In other countries such as the United States, France, Italy and Russia there are laws that try to improve the tools the police and judiciary have at their disposal to help them fight organized crime.

For example, our neighbours to the south have the RICO Act, the Racketeer Influenced and Corrupt Organizations Act, which targets four violations related to infiltration of businesses by gangsters. About fifty offences are clearly mentioned in that legislation and offenders are liable to a life sentence or twenty years in prison.

Contrary to what some parts of our Bill C-95 provide for, in the U.S. a person charged with an offence does not have to be convicted of the criminal activities mentioned in the RICO Act. The prosecution just has to prove that some crimes, such as extortion, theft, arson, abduction, fraud or the printing of counterfeit money, were committed.

Furthermore, with the RICO Act, contrary to what happens in Canada, there is a procedure called the reverse burden of proof. Under this procedure, once certain criminal activities have been proven beyond any reasonable doubt, the accused has to demonstrate to the court that the source of his assets is legitimate.

In Quebec as everywhere else in Canada, if members of the House were to promptly pass some new anti-gang legislation, we could, from then on, require any member of a criminal gang to explain before the court where he got luxury items, such as residences, cars, jewels and so on, when his income tax return shows a very modest annual income.

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Another good example is section 265 of the French criminal code, passed in February 1981. It is the only one to explicitly forbid membership in a criminal organization. It says, and I quote:

Anyone found guilty of membership in an association or involvement in an agreement designed to take one or several measures in preparation for one or several crimes against persons or property offences shall be sentenced to a period of imprisonment of five to ten years and may be denied entry.

As people say in France, it is a well-known fact that membership in a crime syndicate is illegal.

• (2300)

Unlike what we see in Quebec and in Canada, criminals in France do not operate openly. If they were still in existence, the Bonnot gang would not be allowed to have a bunker or use calling cards. Some of its members would not be using complimentary tickets to attend a boxing gala.

The leader of the Bloc Québécois recently reminded us that organized crime is responsible for over 150 violent deaths. He also added that we now have a consensus in Quebec to act quickly to fight organized crime.

The Bloc Québécois, the Quebec government, the Quebec Press Council and the Montreal Urban Community Police Department are among the groups urging the federal government to introduce harsher legislation against organized crime.

In our view, a partial suspension of the Canadian Charter of Rights and Freedoms is not to be excluded if it could help to achieve the desired effects, namely to quickly quash any increase in violence and the feeling that these criminals are untouchable, as they would like the population to believe.

Believe me when I say that I am not trying to score political points when I stand here in the House to demand changes to the criminal code. In fact, because the illegal sale of all kinds of drugs brings every year some \$10 billion to drug traffickers, we have to deal swiftly and firmly with such criminal activities. Are members aware that some young prostitutes hit the streets as soon as 6 a.m. because they need a fix?

The work of the House sub-committee on organized crime will surely continue for some time, I hope, in spite of the remarks made a little earlier by our Liberal colleague. However, we feel it is urgent to act in order to deal swiftly and effectively with those who treat the laws with contempt.

Personally, I think it is urgent to act to quickly better equip ourselves to effectively counter organized crime because the situation is catching up with us.

In conclusion, I urge members of the House as well as government members to act as quickly as possible in order to repress more

effectively all criminal gangs at work in Quebec as well as across Canada.

I feel that the shortcomings of several of our laws are major assets for organized crime and its supporters. I would even add that the strength of organized crime lies in the weakness of our actions.

Mr. John Bryden (Ancaster—Dundas—Flamborough—Aldershot, Lib.): Mr. Speaker, it is unfortunate and I regret that the leader of the Bloc Québécois has made fun of my kind words concerning Mr. René Lévesque who was a journalist and a Premier of Quebec.

How arrogant of me, an anglophone, to dare say something positive about a famous Quebecer. I truly admired Mr. Lévesque as a journalist. Mr. Lévesque understood human rights and liberties.

Mr. Lévesque must be turning in his grave at this proposal of the Bloc Québécois to limit freedom of association. This is the very freedom Mr. Lévesque defended as a journalist and as a premier of Quebec.

• (2305)

How ironic. The members of the Bloc, the sovereignists, want to reduce the scope of this legislation. That is impossible, for if we reduced basic rights, criminal groups would win.

[English]

I have something to say in this debate and I have waited a long time. I am one of the few people in this Chamber who is a former journalist. I can assure you, Mr. Speaker, that in my view, René Lévesque, as one of Canada's most celebrated journalists, would indeed be turning in his grave at the very thought that his colleagues in Quebec would be proposing to lessen the rights of Quebecers, lessen the rights of Canadians as an instrument to get at criminal organizations.

I must tell a story, Mr. Speaker. In my early young days as a reporter I myself had my own encounters with organized crime. I have great sympathy for the Quebec journalist who found himself wounded severely in the recent incident that has led to this debate. When I started out at the Hamilton *Spectator* many years ago as a police reporter, the city editor at the time really admired the way I seemed to be able to get information out of anyone. At that time I was only a reporter for two years.

Hamilton has had a Mafia problem for some time and I imagine it still has a Mafia problem now. It certainly did then. There was a particularly notorious Mafioso by the name of Johnny Papalia who lived in town. A couple of years ago he was gunned down in a contract killing. Even for 20 years he has obviously had quite a reputation in his own organization and it cost him in the end. He was notorious and he used to operate from a little company called

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Monarch Vending which is on Railway Street, a little blind street in Hamilton.

What was happening was the *Globe and Mail* was running a series of exposés on the Mafia and the city editor in Hamilton wanted to match the exposé. The exposés were about a different Mafia leader altogether, but he suggested I go down and get Johnny Papalia's reaction. No one had ever interviewed Johnny Papalia. He was notorious. He was a tough guy.

Anyway, I dutifully decided to take a taxi rather than my own car because of course even journalists do worry about these things and I did not want Johnny Papalia's friends to get my licence number. I took a cab down to 10 Railway Street. The cabbie said to me "You are going to see Johnny Pops". I said, "Well, yes". The cab dropped me off. He was kind of interested. He drove down to the end of the street and backed up into a driveway. He wanted to see whether I would come out.

I went into Monarch Vending and there was this great big guy. There were lots of thugs around in those days and they looked like thugs. I said I wanted to see Johnny Papalia and they were so amazed. This Mafioso guy came out. He was a tough looking hombre and he said "I will tell you once, take off. How dare you come here". I said, "Look, Mr. Papalia, I just came here to get your side of this article in the *Globe and Mail*". He raged at me and I backed up and out of the door and down the driveway and past his Cadillac. He had a Cadillac in the driveway. I got a little mad myself and I said "All right, if you do not want the damned story" and I took the newspaper article and spiked it on the radio aerial of his Cadillac. I have to tell you, Mr. Speaker, for some time afterwards I did look under my car in case there was a bomb or any other thing but there was not.

In those days, I think generally speaking, there was an unwritten rule. That unwritten rule was that one did not intimidate, harass or threaten the life of journalists.

Why we are having this debate tonight and why it is so very important is that organized crime has broken that code. They have attacked a journalist in the course of his duty. I have great admiration for the Quebec reporter. I am glad he survived but we should all be desperately concerned when an event like this occurs.

I think it is absolutely right for this parliament to go on the attack against this kind of threat but I caution everyone that there is no journalist in this country, I am sure, who would really want to sacrifice our fundamental liberties just because one or two of us get killed because that is what does happen. I lament the Bloc Quebecois. They do not realize it is the same tradition of journalism in Quebec as it is in the rest of Canada. Nothing is different.

• (2310)

[Translation]

Quebec journalists follow the same tradition of defending basic rights.

[English]

You do not sacrifice a fundamental right like freedom of association because a journalist has been attacked, but what parliament must do is it must make these organizations pay. The only way you can make organizations like this pay when they attack journalists, when they attack politicians, or when they attack justice officials, is to take business away from them.

I proposed earlier, Mr. Speaker, that I really do think that the government has been going at this problem in bits and pieces. In fact over the last five or six years the government has failed to comprehensively address the ways in which organized crime is making money.

I have followed this debate this entire evening and a lot of the debate has focused on increasing policing. There were some very good comments about taking the ports police away. I do believe that our open ports and the ability to export any kind of contraband out of Canada is one of the major things that is fueling profits for organized crime. That has been a very good suggestion.

But just adding police is not the answer. As I alluded to earlier, we have to stop the ability of organized crime to make money in Canada and to launder money in Canada, and to engage in easy cross-border transportation, both in money, and information is another thing, and contraband. We have not done very well there.

We have had an opportunity in the past and we have not exploited it. We need to go after, as I mentioned, non-profit organizations and charities. I know this sounds preposterous that I should be bringing charities into a debate about organized crime, but I can assure the members opposite that this is very, very serious. The charity industry is over \$100 billion.

I was going through my pile of correspondence as I was listening to the debate. I had a number of annual reports from major charities. I will not name them because it is a little hard on them in the context of this particular debate, but some of these charities were very prominent charities. They sent their annual reports out and there is no financial detail. There is no audited financial statement.

Major charities are operating with no transparency and it is an absolute invitation to organized crime. One can set up a charity anywhere in this country and there is no requirement for them to report. So the charities have become famous, I think worldwide, Mr. Speaker, for the ability for organized crime or ethnic organizations to finance terrorism abroad, you name it. They are able to

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finance everything through the various charitable non-profit organizations in this country.

I have complained about this issue many times. I regret that the government has been slow to respond, but I regret also that I have had very little support from the opposition benches. The opposition benches are constantly looking for opportunities to embarrass the government, and when a backbench MP comes along with something that really is central to solving the organized crime problem—or not solving, nothing solves it—but making it costly for organized crime to operate, I just have not had the support. I regret that, because I really think that many of the members on the opposite side are very sincere in what they try to do. I think that by and large this debate, except where it entered into the delicate ground of interfering with our fundamental liberties, has been well aimed.

I have to be a little careful because I do not want to cast aspersions on the justice minister and the solicitor general who very patiently took part in this entire debate and I hope receive some very good suggestions, but the responses from the justice minister and the solicitor general are still partial. No one seems to recognize or appreciate that the Internet and electronic communications and the global marketplace are a boon to organized crime, an absolute boon to organized crime. What we really have to do is have an open debate.

• (2315)

It was quite a revelation to me to know that the subcommittee on organized crime was having in camera discussions. That is pretty useless, I want you to know, Mr. Speaker, because I am a person who did not happen to be on that committee. I can tell you that I would have had some input in that committee. I can tell you that it was one of the places where I would have liked to have had some input.

I learned tonight the subcommittee received a submission to which the justice minister alluded. It was a consultation paper on the intimidation of key players in the criminal justice system. This consultation paper arose from a survey that was done in 1998 following a court case involving the Hell's Angels in which Quebecers were asked whether or not they feared reprisals if they did jury duty on a case involving organized crime like the Hell's Angels.

I think 81% of them said they feared intimidation, so the justice department issued a consultation paper which the subcommittee on organized crime is supposedly considering. It seeks laws, regulations or penalties specifically aimed at intimidation of people in the criminal justice system like judges, juries, policemen and prison guards, but they left out politicians and journalists.

This whole way in which we try to control the bad side of society, the way that we try to get control over the negative, shadowy forces that would steal, that would kill, is through our

politicians and journalists as well as through our criminal justice system. I would submit that it is more so with our politicians and journalists. The journalists are the ones who write the stories and put their lives in danger, and the politicians are the ones who act upon those stories and pass legislation.

There is ample opportunity for organized crime to get at politicians. There is the instrument of blackmail. I believe that there have even been instances where politicians in this parliament have been physically threatened. That is possible. One can have one's family physically threatened. I am not talking about the Quebecois member. I think the problem is a bit more general than that.

We cannot allow that to happen. If there is to be a consultation paper that seeks to put in place new penalties or new laws preventing the intimidation of people in the criminal justice system, then those penalties, those new innovations, those initiatives, should apply also to journalists and politicians because there is no doubt about the seriousness of what has occurred.

I welcome this debate. I am just a little saddened that members of the Bloc Quebecois do not appreciate that they allow the criminals to stampede the politicians into passing laws. That is what they are proposing, the notwithstanding clause to circumvent the constitution so that in one particular instance somebody can be arrested because they are wearing a Hell's Angels jacket. That is unacceptable, because if we had a law like that it could be used by another government against a separatist party or against any other kind of organization, the flavour of the time shall we say, decided was a threat to peace, order and good government.

We must never allow that to happen. The final analysis is that when we allow criminals to diminish our fundamental rights and freedoms then crime wins.

Mr. Myron Thompson (Wild Rose, Canadian Alliance): Mr. Speaker, I thank the hon. member for his words tonight. I certainly understand what he is saying, particularly with respect to organized crime. When we hit the pocketbook, touch the financial resources, it will hurt and have an effect. There is no doubt about that.

I am really concerned that the member alluded to an incident where a journalist was shot and that there was a knee-jerk reaction. Over just a short period of time over 150 people in Quebec alone have died at the hands of organized criminals. These include not only gang members but also innocent bystanders. That is just in Quebec. That is not to mention what has happened across the country in many other areas where people have died. That is not to mention the hundreds and hundreds of young people, the most vulnerable, who have died of drug overdoses, who have been hired by organized crime.

• (2320)

There is violence galore. I do not think we can ignore the fact that violence is prevalent and that people are dying. It is not a

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knee-jerk reaction to one incident. When is somebody going to wake up, take the bull by the horns and say that is enough?

Maybe it will infringe on the rights to belong to an organization, providing that organization is definitely connected to all these problems. There might be even another one and another one. I really think that the hon. member is missing the boat by simply saying that taking away all the methods of earning money will be the answer. I think it has to be a combination. We have to start acting like we mean business. Maybe it would be a drastic measure.

It is true that we want to protect the liberties we are used to, the things to which we are so accustomed. All of us want that. It was not the politicians. It was not Mr. Trudeau and the charter of rights that brought in all these liberties. It was the soldier over many years of protecting the country. That is what brought us all these freedoms.

I would suggest a lot of these soldiers who died in wars to protect the freedoms we have would be turning over in their graves knowing how many people are being pulverized by these criminals. Sooner or later we must get a little stronger in our thinking, other than what can we do to break the backs of their economy. That is part of it, but in the meantime there will be an awful lot of violence to prevent that. What are we to do about that combined complex problem?

Mr. John Bryden: Mr. Speaker, so we invoke the notwithstanding clause and we pass legislation that makes it a crime to belong to Hell's Angels, for example. What if Hell's Angels organizers or the real Hell's Angels grab some kids off the street and say "Wear this jacket with Hell's Angels on it?" The kid is going to wear the jacket because he is going to know that if he does not wear the jacket he is going to be beat up and then he is going to be arrested by the police.

Do you not see, Mr. Speaker, how simple it is to destroy that very principle? We are talking about sophisticated criminals. I suspect, as a matter of fact I am sure, that the head of the Hell's Angels is somewhere over in Taiwan or out in the Indian Ocean. Organized crime is a vast octopus even though the all powerful President Clinton cannot get a grip on where the leadership is coming from. It is just like a bad James Bond novel. They will be clever enough that they will embarrass this government and they will embarrass this country so much that if we actually restrict the liberties they will make sure the people we grab will be the innocent.

What I ask the member opposite, who cannot reply because it will not be his turn, is what he will do then if we circumvent the constitution, if we erode a fundamental right and we put innocent people in jail, and the Hell's Angels and the other motorcycle gangs go on in their lovely gun running, drug businesses as before? It is not the answer. It is the abyss and we must not step into it.

Mr. Myron Thompson (Wild Rose, Canadian Alliance): Mr. Speaker, I appreciate having the opportunity to address the debate tonight. I appreciate the hon. member across the way for staying as late as it is and hearing what I have to say. At least we have one over there. If it is all the same, I will go by the rule of Ecclesiastes where it says "The heart of the wise looks to the right and the heart of a fool to the left". I am going to look directly at you, Mr. Speaker.

I would like to start by saying that the hon. member is talking about some very hypothetical situations: what if, what if, and I can understand why he would do that. There is a lot of situations that are rather hypothetical in what would happen. Nevertheless, it is not addressing the problem.

• (2325)

I am sure I will get a reaction from the hon. member by making a couple of comments. There is no doubt in my mind, I say unequivocally, that the charter of rights has set up many barriers to accomplishing good judicial answers in the country.

I concur with the Quebec minister of public security that the federal anti-gang laws are too complex. They are costly and timid in stopping the province's brazen motorcycle gangs. It is a charter of rights involving freedom of association. It should be temporarily suspended in cases of suspected organized criminal activity. I am sick and tired of criminal rights superseding the collective rights of law-abiding citizens. I think on this point Canadians would agree.

I refer to Supreme Court Judge L'Heureux-Dubé's 1997 comments in response to the Feeney case. In her dissenting opinion Justice L'Heureux-Dubé suggested that now that the charter was 15 years old it might be time to reassess the balance courts construct between protecting the individual rights of the accused and preserving society's capacity to protect its most vulnerable members and to expose the truth.

In terms of the most vulnerable members I think of the young people. I think of the number of funerals I attended of students who died from drugs when I taught high school for 22 years back in the eighties and early nineties. It was all part of this problem.

It is high time we opened up the debate the judge is suggesting. We should determine whether or not the charter of rights should be extended to those convicted of committing a crime. I am confident that the charter of rights should be reserved for law-abiding citizens.

The basic rights belong there: the right to a fair trial with an assumption of innocence until proven guilty and the right to an attorney. All basic rights have to be there but once convicted how far will we allow the charter to apply to those convicted people? It constantly puts up barriers and has created the very victims groups the other hon. member mentioned several times tonight.

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The victims groups exist because they are not happy with the justice that has been prevailing in the land. CAVEAT, CRY and all such organizations which represent thousands and thousands of Canadians did not organize because they were happy with the justice system. It was just the opposite.

The next item that bothers me is the ongoing rhetoric about how we have given the tools to the police and done all the wonderful things we need to do in order to help them fight crime.

I have a press release of September 15, 2000, about three days ago. Its leading comments are "Less Talk, More Action, Says Canadian Police Association". It continues:

"This week's shooting of Montreal journalist Michel Auger is yet another example of the scourge of organized crime in our communities", says David Griffin, Executive Officer of the 30,000 member Canadian Police Association. "While organized criminals conduct their activities with virtual immunity, police are increasingly frustrated and thwarted in their efforts to fight back, due to weak laws, lack of tools, and a woeful lack of the necessary resources".

It is their press release. It is not mine yet I have heard rhetoric all night about what wonderful things they have done. According to this press release it is nonsense. It continues:

"Canada has gained third world status as a haven for organized criminals," said Griffin. "The attack on Mr. Auger is just the latest example of the violence and intimidation tactics used by these gangsters.

Our democratic institutions are being threatened by the influence of global criminals. Two Quebec prison guards were murdered, a Member of Parliament and his family were under police protection last fall after the member spoke out, and now a member of the media has been gunned down in an apparent attempt to muzzle his voice. While politicians at all levels continue to point fingers in other directions or promise to do more, the reality on the frontlines is that we are barely fielding a team".

● (2330)

I repeat, this is the Canadian Police Association. It is not the Canadian Alliance saying that. It says that this government constantly insists that it has given all the tools necessary to do the job. This press release of three days ago is very contradictory to those comments.

Despite the national and international attention that has been drawn to this issue, the Government of Canada has done little to bolster enforcement in order to keep pace with sophisticated organized criminals. . . We have weak laws, weak budgets, weak technology and little support. Our front-line officers are extremely demoralized. On the other hand, organized criminals have billions of dollars at their disposal and are literally banking on the lack of enforcement resources to track their movements.

Enough of the rhetoric about how much we are doing to help our police force get the job done that they need to do. Let us take a look

at the latest report of the Criminal Intelligence Service of Canada which stated, as reported in the *Hill Times*:

Virtually every major criminal group in the world is active in this country.

The article goes on to state:

In 1998, RCMP Superintendent Ben Soave, who heads the Toronto-based organized crime squad, warned organized crime groups are trying to corrupt politicians and police with bribes and blackmail. They are a threat to our national security.

In other countries this statement would have been sufficient to appoint a royal commission in order to find a solution to this dangerous problem. Sadly, not in Canada where politicians sit idly by.

Another government organization is saying that this government continually insists that we are happy with the situation. Those are their words, not mine. This is their press release. It is not mine. Hon. members can point their fingers at this party all they want to.

Hon. members should hear this factual story from the Ottawa *Sun* of April 25, 1999. I will read it to them.

The Royal Canadian Mounted Police began tracking the 30-metre pleasure yacht named the Blue Dawn in October of 1997, when it sailed east across the Atlantic Ocean from the quaint Nova Scotia town of Lunenburg. . . More than 150 officers had worked thousands of extra hours on the investigation, which would become the largest drug bust in British Columbia history. But as the Blue Dawn waited some 400 miles off the B.C. coast in the chilly November air to transfer its treasure of Pakistani hashish onto a smaller vessel, the long and complex RCMP drug sting suddenly hit a snag. . . we had to tell our officers that they couldn't be paid. There was just no money around to do it. We told them they could complete the operation, but they wouldn't be paid for it. . . to their credit, (the officers) decided to complete the operation without pay. . . Had the officers decided not to proceed with the bust, however, nearly 15 tonnes of hash destined for the large cities of eastern Canada would have entered the country. . . the Blue Dawn was not the first time officers were forced to donate their time. And I don't know how much longer their dedication to busting criminals will carry thus through this financial crisis we're under.

We are asking them to do that for nothing? That is a fact. Check it out. Do not take my word for it. Ask the police about the Blue Dawn, the big sting and all the donated time by police because we have not got the money to pay for it. It is strange that we have money for all kinds of silliness. When we look at the public accounts and the way they spend money on that side of the House, it drives us nuts, yet they cannot afford to pay the police in a major sting operation. What is going on?

● (2335)

To talk about all these problems is not any good without suggesting some solutions. Let me try.

First, monitor the implementation and effectiveness of the anti-gang legislation enacted in 1997. I think there was one conviction but I understand that through plea bargaining that was thrown out; one conviction since 1997.

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Second, review the effectiveness of the proceeds of crime legislation.

Third, improve the ability of the police to investigate money laundering and introduce legislation creating new financial reporting requirements for banks regarding suspicious transactions.

Fourth, significantly increase penalties for drug smuggling and trafficking.

Fifth, amend the criminal code to include a penalty for contributing to the delinquency of a minor, for people who use minors for drug trafficking and for prostitution. It is high time we socked it to them. Instead we do nothing.

Sixth, increase surveillance and controls along the borders, at ports in Canadian waters and abroad. I stood at the Canadian port in Port Erie and asked the guards what were in the boats that were coming across. They said they did not know for sure. I asked if they had any idea what they might be. They said that if it was one level, it was probably cigarettes. At another level it was probably booze. At another level it was probably people. If it was at another level it could be guns. Who stops them? Nobody.

I watched the boats go the other way to the U.S. Guess what? They did not get half way across the water. There was a patrol that stopped all of them.

Seventh, increase the sophisticated technology to better detect drug shipments. Do that.

Eighth, create a special investigative and tactical unit comprised of RCMP, Customs Canada, national defence, CSIS, solely used for combatting organized crime. Do those things.

The government has been in for seven years. Organized crime has been here longer than that. It has done nothing except implement the anti-gang thing in 1997 which did not accomplish a thing. That is what it has done.

Mr. Lynn Myers: Absolutely rubbish.

Mr. Myron Thompson: The member says "absolutely rubbish." The government has done nothing else.

I could go on and on with stories from prison guards who talk about those who have been shot at or who are being threatened. Their families are being threatened in their homes and they are afraid to react against the gang activities in the penitentiaries because of the dangers it imposes upon their families.

We put up a drug detector machine, a fancy several million dollar machine. I forget what it is called but it has a name. They put that machine in the penitentiaries. I have been to practically every penitentiary in the country and to many of them several times,

visiting of course. I have always insisted that I should go through this drug machine. I am very fortunate that I passed all the time. I asked who was tested by the machine. I was told that the guards, the people who worked there, the volunteers and the lawyers who work for the inmates were not, but the visitors were. Guess what they told me at one penitentiary when I asked what it did when drugs were detected on a visitor? The answer was "Go home, clean up and try again tomorrow".

What kind of regulation is that? That is what they are telling me in the penitentiaries. Then we wonder why drugs are so heavily prevalent in these penitentiaries. There are more drugs inside the prisons than there are on the streets.

I am really tired of the constant rhetoric that comes from that side of the House about the wonderful things that the government has done. Yet the problem goes on and on. One member would say "rubbish, it does not". Talk to all the victims of people who have died from these kinds of activities. There are thousands of them. It is not so easy to see when the only thing the member does in the House is jump from seat to seat to get camera attention.

• (2340)

It is late and I do not want to keep us here any longer than we have to. There is one more thing that I want to say. I want to quote from an article in the *Ottawa Citizen* from RCMP Commissioner Philip Murray who retired not too long ago. He said:

Organized crime in Canada is now so pervasive that police have been reduced to putting out isolated fires in a blazing underworld economy. Canada is particularly vulnerable to drug trafficking, the principal source of revenue for most organized crime groups, according to the Drug Analysis Section of the RCMP. Smugglers are attracted to Canada because of the low risk of arrest due to limited police resources that have stymied investigations, relatively light penalties and our sprawling, largely unmonitored borders.

All these comments are coming from police commissioners, the police association, prison guards, victims, the cries from Quebec and the number of lives that are lost.

Can somebody suggest to me that the charter is not a barrier to good justice in this land? I would suggest that it is time to review that statement. It is time to open up that debate. Let us not protect this document to the point that it allows all of these problems to continue to exist. Let us heed the words of the supreme court justice who said it is time to review this after 15 years. Is it having the effect of its intent when it was brought into being? I am not going to attack it and I do not think the hon. member across the way would attack it, but I think he would be willing to discuss it and see if we can improve it. At no time do I believe for a moment that Prime Minister Trudeau intended this document to be a political protective paper for the worst criminals of all kind. I do not think he intended that, but it is happening.

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The provinces do their best. Alberta passed legislation to take 11, 12, 13, 14 and 15 year old prostitutes off the streets of its cities. Not to arrest them, not to convict them, but to get them off the streets and try to help them. A complaint was laid and it was determined by our courts that under the charter of rights it is unconstitutional to do that. If my hon. colleague and I were driving down the street and we saw an 11 year old girl on the street prostituting and we did not try to help her get off the street, I would be disgusted with him and I am sure he would be disgusted with me. That is what they are trying to do and we are letting a document such as this stop that kind of activity. That cannot continue.

We will let the courts decide that it is okay for a 56 year old man to own, possess and enjoy child pornography. It was only going to be a temporary thing. It would not take long. We are still waiting two years later. Why? Because of one document.

I love Canada. I love our freedoms. I have the greatest respect and regard for the soldiers who died to build and protect those freedoms. If we are ever going to lose any freedoms, it is because of our failure as parliamentarians to implement the most elemental duty that we have, and that is to provide protection for the safety of our citizens. We had better start doing it.

• (2345)

Mr. John Bryden (Ancaster—Dundas—Flamborough—Aldershot, Lib.): Mr. Speaker, It is a pleasure to actually stand here in the House and represent them and have them formally named each time that I do stand.

The member opposite, the member for Wild Rose, spoke excellently. I think he came up with a number of very good suggestions on how we could stiffen the laws to get at organized crime. However, I invite him to review his own words in *Hansard* tomorrow and he will find that nowhere in his speech did he actually make an argument for using the notwithstanding clause to adjust the constitution or the charter of rights to limit association, to make it a crime to join motorcycle gangs.

The closest he came to a criticism of the constitution was when he brought up the issue, as he alluded to it before, of the child prostitution legislation that was attempted in Alberta. I am absolutely on the same wavelength with him there. I think it was good legislation and it should have survived but it was overruled by an interpretation of a lower court.

I think if he really thinks about it, the member for Wild Rose will realize that the problem is not the constitution. The problem is the interpretation of the constitution that is taken in varying forms by the courts.

I would like to get his reaction here because we are having a debate in which we have an opportunity to put forward novel suggestions. I think one of the problems that has bedevilled us as a society since the constitution came in and since the charter of rights came in is that there have been interpretations of the charter that we as parliamentarians know, from our own feelings, from contacts with our constituents and from our own sense of the nation, are sometimes not right.

What I would suggest to the House is that one of the reasons why we get this feeling is that we are never invited to appear before the courts for these interpretations. We make the laws but we never have the opportunity to explain to the courts what we mean by the laws. We never get to go before those courts.

I would ask the member to respond to this right now. When there is a challenge before the supreme court, the justice department sends lawyers. I am not always sure that our justice department can advocate for the laws we pass in the way that I would wish, as indeed, Mr. Speaker, in our debates here, I often find myself at odds with our own justice department. Would he think that it might be a good innovation, a good initiative, if we brought more lawyers into the House of Commons so the House of Commons lawyers could advocate on behalf of parliamentarians? It is this place, parliament, that creates the laws, not government. It is a myth that it is government. Government brings them in and they go forward but in the end it is the vote of the parliamentarians here that determines the legislation.

The courts never hear the opposition arguments when legislation goes through. They only see one side. Unfortunately, as it stands now only the government advocates on issues pertaining to interpretations of the charter.

I would suggest that the member opposite and all opposition parties should get on side and pressure the government, pressure the Board of Internal Economy and pressure the Speaker to create more lawyers in this House to sit at that table who would act for we parliamentarians and advocate for the interpretations of the legislation for us on all sides of the House.

Then perhaps someone can say that maybe the charter should not apply to children in this circumstance. Indeed, Mr. Speaker, if I had an opportunity to plead before that court, I would say that my intention as a parliamentarian is never to put children at risk in that context. The charter was never intended to do that.

However, I cannot do it alone. We need to have another voice in interpreting the charter. It is not the words that are the problem. If you start monkeying around with the words, Mr. Speaker, you will get into trouble. That is exactly what Hitler and Stalin did. They limited the right of association and that is how we got the night of the long knives or the night of the broken glass. That is how we got the genocides in the Ukraine. We cannot do that. We cannot limit

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the words of the constitution but we can certainly try to get parliament represented when interpretations of the constitution are going forward in the courts.

• (2350)

Mr. Myron Thompson: Mr. Speaker, I was going to take notes but that was a fairly lengthy thing to which I do not know how to respond.

I would like to add to the hon. member's words about what happened in terms of Stalin and Hitler. I also remember the registration and confiscation of guns along with all the rest of it.

There are a couple of things the member said that really frightened me. The first one was that we need more lawyers in this place. That is a little frightening to me. I know what he is talking about. He is not talking about sitting in the seats there but about sitting in the lawyers pew. I do not think that would work.

I am sure the hon. member has gone through creating a private member's bill. I have gone through several of them now and I find it really frustrating when the bill keeps coming back and we have to do more work or when it does not meet the charter test. I do not have the expertise on just exactly how to word a bill in order to make it pass the test. We say to those who are supposed to be able to do that "This is what I mean. This is what we want to happen with this bill", but very few bills make it. In fact, how many pieces of legislation have been rejected at the level we now have available to us because we feared it would not meet the charter test?

I would like to visit the courts with the hon. member some time on a bill that we can agree on—and I am sure we might find one—and say "This is the intent of the bill. What is wrong with it? What can we do to prevent it from ever being challenged?" We cannot do that. It cannot happen.

It was a lower court that made the decision in the pornography case but it is now before the Supreme Court of Canada. We keep saying "Let the process work". How many times do we have to continue to do this to protect those people who are a menace to our society?

I think Canadians are really tired of that procedure and we need to look at better ways of delivering justice. We need to stop the barriers in the charter that have allowed this to happen. I do think it is a good one to debate but we could not debate it in this place without being called an extremist, a racist or all the other garbage that keeps flowing over. The Liberals do not know how to debate. They only know how to call names. When will that ever end? I doubt if it ever will. As long as we have fools in here it will never happen.

Mr. Darrel Stinson (Okanagan—Shuswap, Canadian Alliance): Mr. Speaker, I know the hon. member very well. I have travelled with him to a number of prisons. I know the hon. member

was contacted by the Metis Association with regard to gang controlled child prostitution in Winnipeg. I would like him to comment a little bit on that.

We heard a comment a few minutes ago from the other side about judges interpreting the charter. If judges are allowed to interpret the charter is there not something weak in the charter? Should it not be up to us as parliamentarians, particularly the government, to close any loopholes in interpreting the charter? Why should the charter be open to interpretation?

Mr. Myron Thompson: Mr. Speaker, I find it amazing that the basic ideas and principles behind establishing a document of rights is necessary to be open to interpretation. I think that is absolutely a waste of time. I do think that the intent of any document should be clearly illustrated. If it does take better wording, then let us do it. However, I do not think we have any trouble with the intent of the legislation. We should go at it and do it in that fashion but it is very difficult in a partisan setting.

• (2355)

As far as the Winnipeg problem goes, it is a shame to see the number of under age, under 18 gangs running around the city wearing jackets to be identified. They are responsible for home invasions and causing a lot of grief but our hands are tied and they should not be. We could do something about it but we need the courage and the fortitude to do it, which is something this government is lacking.

[*Translation*]

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, I understand there will be only one other speaker after me in this debate, barring any last minute changes. I am saying this for the benefit of our security people, those who work in the cafeteria and our pages, who just started working today. Surely they will find it was a rather hard day's work. I want to assure them that it is unusual for the House to sit until 12.30 a.m. on a Monday night.

I did not want to miss tonight's debate even though today's legislative menu was rather substantial. In 1996, as the member for Hochelaga—Maisonneuve, I was the first member to introduce an anti-gang bill. The government used 80% of my bill in its own legislation.

I mention this because in 1997 we were all convinced that we were doing the right thing. It was not a partisan debate. The Canadian Alliance, the Progressive Conservative Party, the NDP, the Bloc Québécois and the government acted quickly to pass that bill. We did it in two days, which is rather exceptional.

There was a climate of terror at that time. In 1995, in my riding of Hochelaga—Maisonneuve, a car bombing had claimed the life of an 11-year old boy, Daniel Desrochers. At the same time, biker gangs were trying out a new strategy based on intimidation of the

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people within our justice system. Some people had been shot to death in our prisons. More importantly, for the first time in our history, biker gangs were using explosives on a large scale.

That is why Bill C-95 contained nine very important provisions. The first one—I will list them rapidly—was to create a “criminal organization offence”, which we included in the criminal code, whereby profiting from a crime or committing a crime for the benefit of a criminal organization was a new offence punishable by a 14 year sentence. Possession of an explosive substance was also liable to imprisonment for 14 years. There was an obligation for the solicitor general to report to the House once a year.

There was another extremely important provision which I will have the opportunity to come back to: the possibility of obtaining from a judge wiretapping warrants for more than three months, from three months to one year, in fact. This provision was welcomed by the judiciary community as it hampered investigations to have a warrant for one or two months and then to have to go to court to ask for an extension. At the time, the legislator was extremely well-advised to allow wiretapping warrants for one year.

There were also more generous provisions concerning searches and, of course, allowing a judge to subpoena individuals where there were reasonable grounds to fear that they would commit a crime, to issue probation orders, and to order them to keep the peace.

Bill C-95 was good legislation. I am convinced that, as parliamentarians, we went as far as we could in view of the information we had.

● (2400)

Bill C-95 contained another feature, that is to not allow a criminal sentenced for gangsterism to be paroled before having served half of his sentence.

What I would like to remind the House tonight is that we must talk about these issues with serenity, of course. We must talk about these issues on the basis of all the information available to us and we must do so in a non partisan manner. We in the Bloc Quebecois are all doing this and I am convinced that our government colleagues are doing the same thing because the lives of our fellow citizens are at stake. And it is more fundamentally the way in which we want to see democracy.

It is not possible for us to be members of parliament while outside, in communities, there are people who get away with bearing the colours of the Hell's Angels, the Rock Machine or any another criminal biker gang, and these people can make terror reign in communities. And it is not possible that, year after year in

February, we pass a budget, parliament's budget, and that, parallel to this an underground economy is put in place.

I remind hon. members that the underground economy, the activity of the underworld on the Canadian territory, is estimated at \$200 billion.

I want the debate to proceed with serenity as much as I am convinced that we must act quickly. We do not have much time in front of us.

In 1997 when we passed the anti-gang bill we took stock of the state of the underworld at the time and especially the criminalized biker gangs. Everything has changed since then. As parliamentarians, we should know that as long as we do not outlaw criminalized biker gangs our legislation will have an extremely limited impact.

Why is that? It is because the underworld is very dynamic, well informed, extremely rich and powerful. We should be talking about the way the underworld operates in the year 2000.

Bill C-95, which created a new offence concerning gangs activities, prescribed three things. The organization had to have at least five members. It had to have committed five crimes punishable by five years in prison, under the criminal code, in the last five years. What did the underworld, the Hell's Angels and other criminalized biker gangs do to circumvent this new provision? They made sure those who committed offences associated with gangs by planting bombs, killing people and benefiting from the underground economy did not have a criminal record. People who did not have a criminal record or previous sentences under the terms of section 487.1 could not be brought to court.

As parliamentarians, we should give serious thought to the fact that since 1997 not a single crown attorney in Winnipeg, Alberta, Saskatchewan, New Brunswick or Newfoundland has succeeded in getting a conviction under that provision. And that is not because of a lack of skill, hard work or knowledge of the law.

● (2405)

None of the attorneys was able to lay a charge so there was no trial in Canada and therefore no sentence, since no charges were laid. This is the worst part about the way organized crime operates in the new millennium.

It does not mean we should throw in the towel and capitulate. Fatalism would then be our worse enemy. It means we must seriously consider invoking the notwithstanding clause.

Why should we consider using this clause? Because we have considerably amended the laws over time. We amended the criminal code at least eight times. And they were not minor cosmetic changes or marginal amendments. We substantially amended the criminal code and therefore our criminal system.

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We amended the Witness Protection Act to ensure better protection for informants. We know quite well that, in the area of criminal activity it is impossible to complete an investigation without some kind of co-operation, without the help of informants.

We modified the Proceeds of Crime (Money Laundering) Act to withdraw the \$1,000 bill from circulation. If we were to ask police officers or those present in the House how many have a \$1,000 bill in their pocket, very few would raise their hand. Casinos, travel agencies and people doing cross-border trade were compelled to report suspicious transactions.

On eight occasions extremely significant amendments were made to the criminal code. Despite all that, organized crime has never been as powerful as it is now. This is why it would be very unwise to refuse to consider invoking the notwithstanding clause.

I want to remind hon. members that the notwithstanding clause is a legitimate one. We are not breaking the law and we are not violating the constitution by using the notwithstanding clause. Under the Constitution Act, 1982, we can restrict some freedoms that are considered fundamental, but not just any one of them.

For instance, we could not restrict the judiciary guarantees provided for in sections 7 to 14 of the act; we could not limit language rights nor mobility rights. But very conveniently it was provided in the Constitution Act, 1982, that under certain extreme circumstances we could limit freedom of association.

This is precisely what this is all about. The Bloc Québécois, the Fédération professionnelle des journalistes du Québec, as well as other intermediary bodies asked the government to create an offence of association. Thus, membership in a gang such as the Hell's Angels, the Rock Machines or any other criminal group known to the RCMP or CSIS would be forbidden by the legislation. Membership in those gangs, working for them or acting in such a way as to making them richer and benefiting from membership in those gangs would be forbidden.

What is the objective of the legislation? It is not merely gang membership. If members of the Hell's Angels, the Rock Machine, the Bandidos or any of the others joined together to do sports or some other activity, as legislators we would not be concerned.

We know very well that these people are joined together for illegal gains. What must be banned is membership in these biker gangs, linked with illegal gains, and thus with the acquisition of property, and of course the laundering of the proceeds of crime. I do not believe that there is anything excessive in this.

At any rate, the notwithstanding clause needs to be renewed after five years of use. We could very well use the notwithstanding

clause. I sincerely believe that the bill must define the gangs currently referred to.

• (2410)

"In particular" could very easily be added, along the lines of section 15 of the 1982 Constitution Act. Some may say "Yes, but if an explicit reference is made in a bill to the Hell's Angels, the Rock Machine, the Dark Circle, or any other biker gang, they are just going to reorganize under another name". If they did so, but continued the same type of activities, recourse to the phrase "in particular" would enable us to prosecute them.

I believe the question we need to ask ourselves is this: If we do not act now, how far is this going to go? We are familiar with the strategy used by the biker gangs. They began by infiltrating the economy. Then they infiltrated major law firms, followed by major accounting firms. In the last three years they have deliberately set out to intimidate the judiciary.

After that it is very probable that the strategy of intimidation will extend to judges. They could very well go after a judge, a parliamentarian and finally a head of state. If we do not take tough action immediately, we can bet that there will be no limits on their strategy. As we know, these people are driven by the desire for gain.

Once again, I repeat, we must act quickly, with vigilance and diligence. There are enough good jurists and the legal community has enough talent and experience to come up with a bill whose wording is sufficiently precise to allow us to achieve the goals we seek.

The Bloc Québécois wishes to work together with all the opposition parties. In the past, when we made gains in the struggle against organized crime it was because we worked in a very consensual manner.

I am thinking back to when the bill on the collection of DNA material was passed. It was when young Tara Manning had been brutally murdered and all parties in the House worked together in a very mature manner. That was how gains were made.

In conclusion, I will say that the best thing we can do for the security of our communities, for our senior citizens, for our young people who are listening to us tonight and waiting for us to take concrete action, is to recognize, with all the serenity that must characterize our decision making, that we are now at a point where the only way we will win the war against organized crime is by invoking the exemption clause, which is a legitimate clause, a tool that exists in the constitution of 1982.

After having struck down the leaders of organized crime we will be able, in a few years, to re-examine the situation. I am convinced that we will win the battle against organized crime and once that

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has been done, it will be much easier for our fellow citizens to reconcile themselves with our democratic institutions and to have confidence in our decision-making process and, hence, in our parliamentary process.

[English]

Mr. Gurmant Grewal (Surrey Central, Canadian Alliance): Mr. Speaker, I rise on behalf of the people of Surrey Central to participate in the debate tonight. We are debating the issue of organized crime and what Canadians want the federal government to do to fight organized crime.

For the benefit of Canadians watching this debate, I am honoured to represent the Canadian Alliance as a recently appointed member of the subcommittee on organized crime which is currently conducting in camera hearings.

• (2415)

Committee members are under a gag order that the Liberal dominated committee has insisted on applying. Therefore, I will be careful not to violate that order in my remarks tonight. I will not be able to say certain things which I may have been tempted to say otherwise. I will also be careful not to point fingers at any organized groups or organizations. I will be diligent not to reveal any proceedings nor compromise the secrecy or security of the witnesses appearing before the subcommittee.

I can declare that this committee is a facade. My constituents and I and most Canadians are used to this kind of inaction by the weak Liberal government. After seven years of being in power the government has finally created this committee to investigate organized crime. Where has the government been for the last seven years? Did it not know about the magnitude of organized crime? The government struck this committee simply because we are on the eve of the next election and the Liberals want to be able to say that they have done something about organized crime. What a sham. By the time the committee submits a report it will be too late for the government to do anything about it because the Liberals will not form the government after the next election.

Tonight our brothers and sisters from Quebec are demanding that the government do something before October 6 of this year. As everyone knows, last week in Quebec there was a brutal organized crime related shooting of a journalist, the well known crime reporter Michel Auger.

I am sorry to say that this tired, weak, arrogant Liberal government that lacks vision will not be responding to Quebec's plea for immediate action against organized crime. The hearts of the people of Surrey Central go out to the people of Quebec. They have our sympathy.

I hope the committee does good work. I wish it could work fast and that we could get on with the work of combating organized crime and its effect on our society. Organized crime in Canada takes many forms and is flourishing due to mismanagement and lack of vision and action by the government.

International drug cartels use Canada as a point of transit for distribution of their illicit and life destroying products. There are many cross-border issues that bring organized crime into our country, including our close proximity to the U.S. and our lax laws.

There is no clear, precise definition of organized crime. It includes money laundering, drugs, weapons and commodities smuggling, counterfeit currency, credit cards, passports and fake identification, telemarketing, loan sharking, insurance fraud, theft, human smuggling, prostitution, extortion, home invasion and trafficking in stolen goods. These are all areas within the purview of organized crime.

Corruption in our industries and political corruption in particular are the result crime that is highly organized and aimed at achieving the corruption of our public officials and the captains of our industries.

Violence is a byproduct of organized crime. It is a trap that criminals use to get what they want.

The cost to society is huge. According to a CSIS report released in December 1998 it is estimated that the Canadian economy lost \$14.8 billion to international organized crime. The underground economy is big. It is a threat to our society and a threat to civilization.

In my opinion it is almost a national emergency. It is already late. The government should have taken solid action many years ago. For many years our governments were asleep at the wheel. The various Liberal and Tory governments failed to realize and even acknowledge the problem of organized crime, let alone the action plan to counter it.

• (2420)

If politicians in our country deny or downplay the importance of organized crime and refuse to talk about it publicly because it may antagonize an ethnic community, or because it may upset the image of Canada or a province or a city as a crime free area, then organized crime has a licence to do what it pleases.

Despite the evidence, the infrequent official Canadian commissions into organized crime in the 1960s and 1970s all concluded that organized crime did not exist in Canada. It was not until the 1977 report of the commission of inquiry on organized crime that the concept was finally documented.

A CBC program in June 1977 provided Canadians with six hours of television about the mafia and triads in Canada, which finally

brought the topic into the open for the general public. Since then, none of the Liberal or Tory governments have taken any concrete action to curb it.

Our current Prime Minister believes in a don't worry, be happy policy. Organized crime seems to be a campaign issue in the next election. The government is soft on crime in our foreign missions and is weak in control and management of every department. We regularly read about it in the newspapers these days.

For example, in British Columbia, my constituents always watch for and pay close attention to excellent new articles by Fabian Dawson of the Vancouver *Province* newspaper. He has been diligent in chronicling the evidence and details of incidents of abuse totalling millions of dollars in over a dozen Canadian missions abroad.

Canada had about 2,000 blank visa forms allegedly stolen from our Hong Kong office. By failing to deal with corruption in our foreign missions, the government is providing a means for criminal entry into Canada and has hung a welcome sign on Canada's back door.

Another example is 788 files containing sensitive background information on businessmen and criminals have been deleted from the computer assisted immigration processing system in order to allow undesirable people and people who otherwise would not qualify to enter Canada. The files will be altered simply to bring the criminal element back into Canada. This information is given according to Brian McAdam, a former investigator and internationally renowned expert on triads. McAdam also knows all about the so-called sidewinder investigation that has been tanked due to political pressure. What a bag of snakes that one is.

Since my election I have been working with the RCMP to pursue reports from my constituents about harassment they receive from corrupt officials in Canadian offices abroad. For example, my 1998 report to the RCMP concerning visa scams resulted in the firing of local workers at Canadian missions in New Delhi, India and Islamabad, Pakistan. Alleged bribes, stolen money, compromised interests of officials, and corruption from locally hired staff in many of our foreign missions is left unaddressed by the government.

The criminal element is now light years ahead of our law enforcement agencies. They have state of the art equipment because they have no shortages of resources. They have unlimited money at their disposal. They continue to exploit the lack of action. That is typical of the Liberal government's poor record in preventing corruption to begin with and getting to the bottom of it once detected.

• (2425)

The government gives terrorists and organized criminals their tax free status in Canada. About 50 so-called terrorist organizations

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enjoy tax free status according to CSIS. Taxpayers, through our federal government, are helping terrorists and organized criminals to send money to finance weapons acquisitions to commit terrorist activities in other countries. Even the federal ministers help them raise funds by attending their fundraisers. These things are public knowledge.

Last spring before the House rose for the summer recess I met with a group of Tamils who came to Parliament Hill. There was a huge number of people. There was a big gathering, a rally. I passed to the Prime Minister the petition they brought with them calling on the government to go forward with Canada's recent agreement to support the United Nations declaration to fight terrorism.

At about the same time Canada Post was scrambling to try to prevent a so-called vanity stamp of a Tamil tiger from being released. A stamp had already been issued to a Tamil tiger supporter even though that person was deceased before the stamp was issued which is contrary to vanity stamp guidelines. As it happened, by mismanagement of our federal government our departments were not working hand in hand. Foreign affairs could have shared with Canada Post the details or pictures of individuals being proposed for vanity stamps.

The worst criminal element already considers Canada a haven due to the lenient criminal justice system operated by the Liberals. Why is it that the Liberals only means of detecting criminal activity at our foreign missions and HRDC is through routine audits? The Liberals refuse to implement a system of self-detection and self-correction in the operation of Canadian offices in foreign lands. Indeed, they apply a cover-up mentality to internal audits that reveal serious and daunting information concerning abuses. They try to hush up and discredit information pertaining to mismanagement. The Liberals should not rely on the media or members of parliament and whistleblowers to protect Canadian interests and the loss of taxpayer dollars to the criminal element operating in foreign nations.

Finally, they seek to punish whistleblowers who come forward with information to help correct the system, save taxpayers' money, protect our sovereignty and territorial integrity. I am prepared to table in the House very shortly a private member's bill entitled the whistleblower protection act. It has been delayed due to translation problems.

On behalf of my constituents and Canadians I can recommend that to fight the effects of organized crime our federal government should have an integrated approach to the various departments such as justice, various law enforcement agencies, immigration and citizenship, foreign affairs and international trade, defence, revenue and customs, finance, transportation, telecommunications, even agriculture, fisheries and oceans because they have vessels to patrol, the RCMP, CSIS, the passport office and many other departments. This is common sense.

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We should also have an integrated approach at various levels of government, the federal government, provincial and territorial governments and municipal governments. We should also have co-operation between politicians, the judiciary and bureaucrats. They should complement each other in an effort to combat organized crime. Organized crime is like a cancer and its control should be treated like a process.

• (2430)

We should give effective legislation to our law enforcement agencies. We should reduce the unnecessary paperwork load that keeps the hands of law enforcement agencies tied.

We need better wiretapping regulations to assist the agencies. We need to amend proceeds of crime legislation. We need to amend the Immigration Act. There is a need to review penalties for organized criminals and drug dealers. We should pass legislation with teeth, and there should be no more revolving doors.

Legislation like disclosure provisions should not be used as fishing expeditions by lawyers for the criminals. Laws pertaining to disclosure need to be amended.

We should be working closely with our foreign allies, our friends and other nations that want to combat organized crime. There should be a high level of co-operation and sharing of intelligence and resources.

Organized crime is a systemic problem rather than a bad apple scenario. We have to get tough and smart. The lazy Liberal government should either effectively lead or simply get out of the way.

In the end, today I see our young promising new team of pages. I would like to welcome them to the House of Commons and wish them all the best. Today I was the first member to speak in the House and I forgot at that time and now I am the last member to speak as well. It was really a serious issue. I believe that all members of the House contributed to this issue and we should effectively deal with organized crime in Canada.

Mr. Lynn Myers (Parliamentary Secretary to Solicitor General of Canada, Lib.): Mr. Speaker, I have one question for the member opposite. Where has he been when the government passed legislation with respect to additional money for CPIC? Where has he been when we added additional money for the RCMP? Where has he been when we bolstered the immigration services? Where has he been when we have co-ordinated such so that we have CSIS and the RCMP reporting to immigration when it comes to organized criminals coming into Canada? Where has he been when we have negotiated either bilateral or multilateral arrangements with respect to other embassies in foreign lands and with respect to co-operation and sharing of information? Where has he been when the government has acted repeatedly with respect to organized crime?

Are we doing enough? I said in my comments that no, we have to continue to work, continue to pull together and to meet with the provinces and the territorial people to find solutions that are beneficial for all Canadians.

I really would like to know where the hon. member has been during all these times when the government has acted and continues to act. It is very easy to get into the politics of blame, negativity and hurl things like "They are soft on crime".

As the former chairman of the Waterloo regional police and having been in charge of 700 police officers, I can tell the House that the government is not soft on crime. We continue to work hard when it comes to crime issues, when it comes to justice and due process, when it comes to things like safety and security in our communities. That after all is fundamental to the very fabric of the country.

I ask the hon. member, with all due respect, to read what the government has done, brush up on the statutes and the legislation, take a look at the strides and efforts that we have made in the past little while, especially in the last seven years since we have been in power. Perhaps then he will get a better understanding of where we are heading as a country.

• (2435)

It is easy for the Alliance Party opposite to always try to find the wedge issues or the leverage issues that tend to pit Canadians against Canadians, region against region, people against people, and group against group. That is its *raison d'être*.

I reject it as do most Canadians because that is not what Canada is all about. Canada is a much better place than the Alliance people opposite would paint it.

Mr. Gurmant Grewal: Mr. Speaker, I want to address the issue the hon. member has raised. He asked where I was. I want to ask him where he was when organized crime was taking place in the streets. Where was he when the moral of police and law enforcement agencies went down? Where was he when a major drug dealer was deported from the country in 1995? He changed his name, came back to Canada in 1997 and is still dealing drugs in the country.

Where was he when he saw the revolving door and that people were selling drugs on east Vancouver streets? I went for a ride along with the RCMP one evening. They showed me all around the back alleys where the drugs were sold and the druggies were using them. The system is a revolving door. The officers told me that as soon as Honduran refugees on the streets see the police car stop they raise their arms because they know the process. They will stick their tongues out because they know they have to be checked. No one is talking but the action is still taking place because the people are used to it.

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I invite the member to come to the streets of east Vancouver where people have been dying from drug overdoses. The dealers are entrenched into the system and are not legitimate refugees in Canada. The officers said that when they search the people who are selling drugs every one of them would have a certain amount of money of all denominations in their pockets. They searched them and it was true.

The officers said that if they were to search them they will have a business card of only one lawyer. We saw probably 16 of them. At every corner of the street they had the business card of the same lawyer.

I invite the hon. member to visit east Vancouver to see it and not to sit here and simply make a political attack in the House. I invite him to look through the lens of issues, not through the lens of politics.

It has been the mentality of government members that when opposition parties raise some issue they first ignore it. Then we increase the volume and they reject the premise like the member is doing. When we increase the volume even more they steal the ideas. They should have vision. They should have taken action on organized crime many years ago. The Liberal and Tory governments time and again denied that there was any organized criminal activity taking place anywhere in Canada.

If they had taken action then and had vision we would not be facing this problem today. Government action is many years behind. It should have taken action probably 10, 15 or 20 years ago.

It is never too late but it first has to acknowledge that there is a problem. The Liberals time and again throughout this debate have rejected and failed to acknowledge that there is any problem with organized crime at this moment in Canada.

There is a proverb in English which explains the learning philosophy. I said it in the House some time ago but I will repeat it: He who knows not and knows not that he knows not can never learn. The person will never learn until he recognizes that he does not know.

• (2440)

That is the Liberal mentality. Hon. members of the House have time and again given many analogies and examples and quoted many experts about organized crime. Even I can quote one. Recently the new head of the RCMP, Commissioner Zaccardelli, said members of organized crime were trying to corrupt and threaten parliament and other Canadian institutions.

Crime is everywhere. As I said at the beginning of my speech, I am a member of the subcommittee. I heard what other members did not hear. The member probably is a member of that committee and he was not there. I want to ask him where he was when the committee was having hearings.

Mr. Lynn Myers: Mr. Speaker I rise on a point of order. For the record I want to inform the member opposite that while I was on the organized crime subcommittee and still am, I was in Ukraine and Russia taking a look at organized criminal activities.

The Acting Speaker (Mr. McClelland): We did not really need that bit of information either. It is not a point of order.

Mr. Gurmant Grewal: Mr. Speaker, I asked the hon. member this question because he asked me where I was. It is important that we take this issue in totality and try to help Canadians and to help future generations.

This is an integrated effort, team work. All of us should work together. This is a very serious issue. This is no time to play politics or political games.

The Acting Speaker (Mr. McClelland): There being no further members rising on debate, I declare the motion carried.

(Motion agreed to)

The Acting Speaker (Mr. McClelland): Accordingly this House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

(The House adjourned at 12.43 a.m.)

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