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**Chair**

**Mr. Brent St. Denis**

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## Standing Committee on Industry, Natural Resources, Science and Technology

Monday, February 21, 2005

•(1535)

[English]

**The Chair (Mr. Brent St. Denis (Algoma—Manitoulin—Kapuskasing, Lib.)):** Good afternoon, everyone. Welcome to this Monday, February 21, meeting of the Standing Committee on Industry, Natural Resources, Science and Technology.

Colleagues, you'll notice that we have a video screen here. As a first step, I'm just going to verify which folks are in the Rouyn-Noranda videoconference site. Also, at the table we have Professor Proulx from Chicoutimi.

Do we have Randa Napky there?

[Translation]

**Ms. Randa Napky (Director General, Abitibi-Temiscaming Regional Tourism Association):** Yes. Can you see us?

**The Chair:** Yes. I'm checking to see who's present. Thank you, Randa.

Jean-Claude Beauchemin, Guy Trépanier and André Brunet are here. We're missing Martine Rioux.

[English]

[Technical difficulty—Editor]

We'll take a moment to make sure we have a connection the other way, but while we're waiting, colleagues, I'll just pass around the amendments that we received from different parties.

[Translation]

Good afternoon, everyone. I'd like to welcome our witnesses

[English]

at Rouyn-Noranda, and Professor Proulx from the Université du Québec à Chicoutimi. Thank you for being here.

We're here today to continue our study of Bill C-9. We're going to try to conclude by 5:15 p.m. or so. We're going to go in the order on the agenda, which would have us start with Professor Proulx.

We'd ask you, Professor Proulx and the other witnesses to follow, to try to keep your remarks to five to seven minutes, if you can, please, so that we'll have lots of time for questions.

Professor Proulx, we invite you to start, sir.

[Translation]

**Prof. Marc-Urbain Proulx (Professor, Université du Québec à Chicoutimi, As Individual):** First, I'd like to thank you for inviting me. Since I only have a few minutes, I'll get right to it.

Regional policy in Canada, as in the rest of the world, is fundamentally interfunctional and interdepartmental. That means that a number of departments concerned with industry, transport, natural resources, employment and training, to name only a few, take part in developing and implementing government measures in the regions. This is also a policy that inevitably affects the provincial, regional and, increasingly, local levels. By its very nature, regional policy therefore requires coordination and cooperation between departments, as well as between levels.

Bearing that in mind, the first question I would like to ask is this: would an eventual department established under Bill C-9 be able to play the interdepartmental and interfunctional coordination role at the federal level more effectively? Would that department be able to better ensure coordination between levels. In that perspective, we've proposed an amendment designed, if the department were established, to provide for the implementation of a genuine coordination mechanism, horizontal at the federal government level and vertical between levels. That would enable the department to play its regional policy role more effectively.

Second, I would like to state that the purpose of regional policy in the past was to develop the various areas of Canada. That was also the case elsewhere in the world. During the 1960s and 1970s, regional policy was strongly focused on the fight against regional disparities. Thus, when the economic situation of certain regions was not as good, the policy focused on those regions in an attempt to restore their economic fabric so that the social problems created by the economic slowdown would be resolved.

However, as social policy in most countries of the world, including Canada—and this is also the case of Quebec—with regard to social services, education and employment, in particular, is now centralized, that policy does much to alleviate the social problems in local areas whose economic fabric is declining. As a result, around the world, regional policy has, to a large degree, returned to its initial purpose, which is to develop the regions. Currently in Canada and Quebec, we implement this policy or achieve this purpose through areas of excellence. In this context, an effort is made to target the strengths and specialties of each region. Our governments then intervene through regional policy to stimulate industrialization in the areas of excellence that have been identified.

In the present context, I wonder whether it wouldn't be preferable to target public measures on the basis of specialties and niche areas rather than designated areas, as the bill provides. The amendment I am proposing concerns niche areas and regional specializations rather than areas in economic difficulty. However, that would not mean that more resources couldn't be allocated through social policy to the designated areas, given their economic problems.

I would now like to address my third question and the amendment I'm suggesting on this subject. The federal government purportedly may allocate budgets directly to important development projects or megaprojects. In the outer regions, it's common to see major regional development projects or megaprojects emerge. One need only consider the tar sands in Alberta, the Hibernia platform in Newfoundland and other major projects being announced in the outer regions, particularly in wind energy and hydroelectric energy in northern Quebec and in the northern parts of certain Canadian provinces.

• (1540)

Here's the amendment I propose. Wouldn't it be appropriate to provide in the act for directly allocating money to the Province of Quebec in this case so that, in future, megaprojects can be carried out for the development of Quebec's outer regions?

My fourth point is related to the fifth and concerns two amendments. Public measures, the Canadian SFDCs and the CLDs, for example, increasingly intervene in Quebec's supralocal regions. This is the case not only in Quebec and Canada, but virtually all around the world. Regional policy is becoming increasingly microeconomic, that is to say that it acts directly on organizations.

In this context, Quebec has been creating a number of socio-economic actors at the supralocal and regional levels in the past 30 or 40 years. I'm thinking in particular of those in education: Cegeps, universities and school boards. I'm also thinking of those in health and social services: the hospitals and CLSCs. I'm also thinking of economic organizations: the chambers of commerce, the CFDCs, the community futures development corporations and the CLDs. Lastly, I'm also thinking of the players in employment such as Human Resources and Skills Development Canada and Emploi-Québec. So where regional policy comes into play, there's an increasing number of players.

I've made an amendment out of this. Rather than create a new organization, I suggest that Bill C-9 use the microeconomic players already in the regions to create more cohesion. It should therefore exploit the presence of those organizations as far as possible in order to maximize convergences and coherence through regional planning value-added. I think it's very important not to let mandates overlap or for the number of organizations to increase, particularly since, in Quebec, we've been witnessing a very significant supralocal reform in the past six or seven years.

Since 1996, the Quebec government has reinforced its supralocal level by putting in place the CLDs (local development centres), CLEs (local employment centres), merging school boards and, especially, strengthening the municipalities by merging urban agglomerations such as Rouyn-Noranda, Saguenay, Rimouski and Trois-Rivières. I think it's entirely appropriate for Bill C-9 to be based on the context of this reform so as to enhance and consolidate

what's already there, rather than create more turbulence in an area where there are already a number of independent players. Those players have every interest in seeking coherence and cohesion in a spirit of local and regional development.

That's what I wanted to tell you. The brief I've submitted contains five amendments. Thank you for your attention.

• (1545)

**The Chair:** Thank you, Mr. Proulx. You'll have the opportunity to develop your arguments during the meeting.

In Rouyn-Noranda, I hand over, first, to Randa Napky.

**Ms. Randa Napky:** Good afternoon. Can you hear me?

**The Chair:** Yes. Go ahead; it's perfect.

**Ms. Randa Napky:** Good afternoon, everyone. My name is Randa Napky. I'm the Director General of the Abitibi-Témiscamingue Regional Tourism Association. I was asked to testify in order to show you what a strategic regional partnership can generate in a region such as ours.

You no doubt have a copy of my presentation in hand. The title is "Canada Economic Development for Quebec Regions: The Prerequisite for Regional Economic Development", since it concerns financial capital, but also human capital.

For those not familiar with this region, Abitibi-Témiscamingue was originally a logging and mining region. Those two industries occupied the authorities, elected representatives and everyone related to those areas. They worked in order to develop them.

Ten years ago, when people were talking about the tourism industry in Abitibi-Témiscamingue, that seemed a bit ridiculous, if I can put it that way. As you'll understand, the idea of inviting people to come and see a logging and mining region was beyond anyone's understanding.

After massive investments by the Abitibi-Témiscamingue district development council (CRDAT) at the time and the Federal Office of Regional Development in Housing Infrastructure, Heritage Events and so on, we thought we should now do some promotion. And to promote this, we need people who believe in it. Promoting tourism in a region such as ours, was definitely beyond the understanding of authorities and certain elected representatives, as I said a moment ago.

So we found a major partner in what's now called Canada Economic Development, which decided to try an experiment with us because we fundamentally thought that we had attractive assets and competitive advantages in many markets.

Our partnership started with something unique, the Outfitters of 48th North. We have 102 outfitters in Abitibi-Témiscamingue. We're a hunting and fishing region. We decided to try an experiment in this area. The tripartite and three-year agreement between ATR, 12 outfitters and Canada Economic Development was a first in Quebec. Those 12 outfitters put a product on the market.

And as for results, we've gone from 9,000 American tourists in 1998 to 24,000 in 2000, a 167 percent increase. We went from 37,000 overnight stays in 1998 to 112,000 in 2000, a 203 percent increase. As you can understand, that attracted the interest of Tourisme Québec and a number of advertising companies, which asked us to tell them our strategy. It was very simple: a tripartite agreement and a regional decision to develop and market a product.

That's how things started with Canada Economic Development. We didn't have a marketing plan. In Abitibi-Témiscamingue, tourism started about 15 years ago. We sat down around the table with CED and decided to come up with an initial marketing plan. Then we organized the first tourism industry forum in Abitibi-Témiscamingue, which attracted more than 330 participants. Thirteen provincial regional branches attended. The First Nations, school boards, providers of tourist goods and services, the federal government, everyone was there. We sensed that there was an interest and a desire to develop this economic activity in Abitibi-Témiscamingue.

That forum laid the ground work for the achievements of the first marketing plan. I want to quote what Tourisme Québec wrote some 10 years ago. Tourisme Québec did not recognize the tourist attractions of Abitibi-Témiscamingue. That's not their fault; that's the way it was.

In the fall of 2003, the Abitibi-Témiscamingue region was described as follows in *Tourisme Québec vous informe*. The title on the cover page was: *L'Abitibi-Témiscamingue - L'efficacité à son meilleur!* [TRANSLATION] Abitibi-Témiscamingue: Efficiency at Its Best. The article began as follows:

Abitibi-Témiscamingue can boast of having implemented nearly 90 percent of its most recent strategic development and marketing plan. Not only has the region integrated its products in a well-defined offer, but it has set up fruitful partnerships—an important step for tourism north of the 48th parallel.

• (1550)

With Canada Economic Development and our partners, who today are the Conférence régionale des élus de l'Abitibi-Témiscamingue, the CLDs and the CFDCs, we now have economic activity in Abitibi-Témiscamingue. The first to believe in promoting this economic activity was Canada Economic Development.

So there was a marketing plan. Three years ago, we had no packages in Abitibi-Témiscamingue. They didn't exist. We're now on our sixth package brochure since 2000. We've held information seminars and workshops, financed, once again, by Canada Economic Development. That's enabled us to have more than 30 goods and service providers in our goods club. Previously we held fairs where there was only the ATR. Today there are more than 15 of us at every fair. It's now become normal; people are used to working.

Following this development and marketing plan, nearly 98 percent of which was implemented, which is very rare because studies often stay on the shelves, a specific tourism agreement was signed between Tourisme Québec and Tourisme Abitibi-Témiscamingue in 2001. I'd like to note that a representative from Canada Economic Development took part in the discussions. There were also some 20 persons, organizations and provincial departments considering the conditions and implementation of this specific agreement. Even though they were provincial organizations, Canada Economic Development was part of the discussions.

The Association des clubs de motoneigistes de l'Abitibi-Témiscamingue was created, a first in Quebec, to pool the resources of all those clubs, which are currently having difficulties. We decided to bring them together in order to find solutions. Three years later, they're still here.

A specific agreement was then signed between two regions, the James Bay region and Abitibi-Témiscamingue, to develop ecotourism, adventure and outdoor activities. That's a first in Quebec.

Then, as I said a moment ago, the first package brochures for Abitibi-Témiscamingue were launched. Since 2000, we've posted 30 percent increases in the hotel occupancy rate in Abitibi-Témiscamingue, which is quite rare. If you look at the TQ statistics, you'll see that our region is now considered as something of a phenomenon.

We've strongly positioned snowmobiling in Abitibi-Témiscamingue. In the past three years, \$600,000 in investments, 50 percent funded...

**The Chair:** Excuse me, Randa, you'll have to do a summary now.

• (1555)

**Ms. Randa Napky:** It's a summary I was asked to do, sir.

**The Chair:** From five to seven minutes.

**Hon. Denis Coderre (Bourassa, Lib.):** A shorter summary.

**Ms. Randa Napky:** Excuse me, but as I told you, I was invited to testify on the benefits of the partnership with the Economic Development Agency of Canada for the Regions of Quebec.

For us, Tourisme Abitibi-Témiscamingue, it's important to have this organization, which is of strategic importance for a region such as ours. It operates not only in the tourism industry, but also in various industries. This organization should be confirmed. It must be able to defend its own estimates in the House of Commons. It must also be accountable.

As you will understand, a region such as ours requires this kind of financial capital in order to make decisions. It's here that we decide on the development orientations and axes that we set for ourselves. Development organizations such as CED are familiar with regional dynamics, the regional mentality and the priorities and orientations we want to set for ourselves. They form an integral part of those decisions. As I said a moment ago, it's not just financial capital that's necessary, but also human capital. They're involved at all levels.

So it's important for an organization such as ours to confirm this role and to afford the regions the same opportunity, if not more so, to make decisions and achieve success stories such as the tourist industry in Abitibi-Témiscamingue and the agri-food industry.

I apologize; perhaps I was misdirected. I was asked to testify on this strategic partnership. I'll close by telling you that this has been a resounding success here.

**The Chair:** Thank you. You'll have the opportunity to express other ideas.

Mr. Jean-Claude Beauchemin, Mayor of Ville de Rouyn-Noranda, you have the floor for five to seven minutes.

**Mr. Jean-Claude Beauchemin (Mayor, City of Rouyn-Noranda):** Thank you for allowing me to speak.

First, I'll say a few words about Rouyn-Noranda, of which it is my honour to be Mayor.

Rouyn-Noranda is a new city following the amalgamation of a number of municipalities in 2002. It's the result of the amalgamation of 14 municipalities that previously formed a regional county municipality. Thus, in our local community, there were two levels: the city and, originally, the regional county municipality. In my opinion, the fact those 14 municipalities amalgamated lends particular interest to what I'm going to tell you about cooperation. Here we're talking about a municipal area of 6,480 km<sup>2</sup>. We're the fourth largest municipality in Quebec in terms of area, and we have a population of approximately 40,000 inhabitants.

One of the features of this city is that it has a strong urban core and some 12 dynamic rural communities. So it's an area which, in addition to being vast, is also occupied. Cooperation here is not a vain word. We have a municipal administration that must take into account two realities: urban and rural. On the rural side, we oversee the destiny of a dozen small communities, which of course all have their own problems, dynamics, characteristics and strengths. They must be made more dynamic.

Our population is still relatively young and works primarily in the service sector. The economy is being deeply restructured, of course, as is the case in all the resource regions of Quebec. Our unemployment rate has averaged over 10 percent over the past five years. So economic revitalization and diversification are not vain words either. In that perspective, we want to continue relying on our traditional specialty, logging and mining. However, while those industries are traditional, the way in which our forests and mines are now exploited is entirely modern. It has nothing to do with what was being done scarcely 20 or 25 years ago.

So we're talking about a convergence of two cultures: urban and rural. Our city distinguishes itself by its simple and effective operating structure, which is based on many cooperation mechanisms in which citizens have an opportunity to take part in the decisions of the municipal council. I emphasize this aspect because, as you'll see later on, it's one of the two main concerns I want to address here this afternoon. For example, we have a women's commission, the Women and City Commission, the Youth Commission, the Advisory Committee to the Ombudsman for Persons with Responsibilities, the Advisory Committee on Urban Planning, the Social Housing Committee and the Transportation Committee. I could continue listing the neighbourhood councils we have in each of our rural neighbourhoods. So there are a lot of democratic cooperation entities in which each person may participate.

This tradition—and I'm going to cover this aspect briefly—is really specific to Quebec, particularly in the regions. We have a public administration model that leaves a lot of room for cooperative organizations, local organizations and local communities. The Quebec government has confirmed its intention and orientation in this regard, particularly in the past two years. In 2004, following a project introduced by the government in 2003, the Conférence régionale des élus was established. This is a forum consisting mainly

of local elected officials and representatives of civil society. It is now the main regional cooperation entity. The organization addresses all regional development issues directly with the Government of Quebec. And it's in this context that I have the pleasure of speaking to you today.

With my colleagues, I've carefully examined Bill C-9. I thank you for affording me the opportunity to speak and to express my opinion on this subject.

• (1600)

I'll get straight to the heart of the matter, with four points and two chapters. First, in Quebec, several consultative bodies and government departments are already actively fulfilling their respective mandates in the spirit targeted by Bill C-9; that is, the economic diversification and revitalization of the regions.

Bearing in mind the shortage of financial and human resources, we are concerned that there may be a duplication of programs and activities, thus resulting in reduced efficiency. We therefore hope that the creation of the new Agency provided for in Bill C-9 will provide an opportunity to harmonize federal and provincial initiatives.

If my memory serves me, a previous Quebec-Canada agreement on regional development expired in 1997. There has not been another since. With the work you have undertaken, this would be a good opportunity to return to a healthier practice of cooperation between the two levels of government.

That is why we recommend that a mechanism to harmonize the initiatives of the various stakeholders be set out in the Act, in order to ensure more effective coordination of activities and maximize benefits.

If this first remark is not taken into consideration, we anticipate that conflict will arise between the levels of government. Needless to say, it would be the local players, the local and regional communities that pay for that.

That is why we recommend that a federal-provincial agreement governing the actions of the two levels of government be concluded before the proposed legislation is adopted. We think this first chapter is extremely important.

I'm not saying that things aren't tolerable right now, that there's nothing to be done with it, but we nevertheless have a system of duplications in which, if two jurisdictions don't operate in tandem, without overlapping, it's thanks to the local stakeholders, who know each other and who speak to each other, not to the federal and provincial governments.

In light of this dual structure, the CLD on the one hand, the CFDC on the other, a Martian who came down among us and saw the situation might wonder in what kind of country he had landed, in what odd place he had found himself. This is a country or a place where taxes from the same people finance two organizations, each of which acts in its own area for the purpose of economic development and diversification.

Second, I'm very much concerned about democracy at the local level. In light of its tradition of mutual consultation based on democratic institutions, Quebec has always favoured collaborative approaches and the active involvement of the regional communities in the decision-making process. Given the nature of the Agency proposed in Bill C-9, we fear that there may be a strong centralization of this process and a breakdown of the mutual consultation mechanisms currently in place in the regions.

That is why we recommend that the new Agency respect Quebec's particular approach and integrate into the demographic network that already exists at the local and regional levels.

I'm not saying there's currently no cooperation, contact or interest with CED, an organization that plays an important role. However, we nevertheless have two very different approaches, which I would say are nearly foreign to each other. The one, in Quebec, is highly democratic and based on cooperative bodies, while the other is much more bureaucratic and centralized.

In the same line of thinking, we are concerned that the authority granted to the minister may be overly subject to arbitrariness when it comes to regions, areas or communities. The bill, clause 6 in particular, provides that the minister will decide by order. No framework is provided for the designation of any particular agency by the minister. Moreover, I was somewhat concerned at the wording of clause 6, both subclauses 1 and 2. I read the English version thinking that it might be a translation problem. I don't think so. The minister may designate a region if he thinks...

• (1605)

**The Chair:** Mr. Mayor...

**Mr. Jean-Claude Beauchemin:** I'm coming to the end.

**The Chair:** Yes, good.

**Mr. Jean-Claude Beauchemin:** The bill states that the minister may designate a region "where, in the opinion of the Minister, exceptional circumstances provide opportunities for improvements in employment." Does that mean that the minister can say that there's nothing to be done in a particular region and that he's going to abandon it or that he's not going to designate it? In my opinion, we're in an area where there's far too much potential arbitrariness on the part of the minister.

We therefore recommend that this designation process be more clearly defined and that it be subject to consultation with regional consultative organizations and the local communities. By that I mainly mean the cities and municipalities, of course. We recommend that a settlement mechanism be put in place to resolve disputes that may arise between the Agency and local and regional stakeholders.

I'll stop there. You'll understand that we view the bill with interest, but also with prudence. We're often told this bill won't change much in the present situation, but we feel we shouldn't miss this promising opportunity to make changes to ways of doing things.

I'll leave you with that, and I thank you for listening to me.

**The Chair:** Thank you, Mr. Beauchemin.

Ms. Martine Rioux, is she there? No?

Mr. Guy Trépanier, you have five to seven minutes, please.

**Mr. Guy Trépanier (Director General, Société de développement du Témiscamingue):** Good afternoon, everyone. My name is Guy Trépanier, and I'm the Director of the Société de développement du Témiscamingue, which is a CFDC, that is to say a Community Futures Development Corporation, for the regional municipal county of Témiscamingue.

I'll address two main points in expressing our concerns.

The first point refers to subclause 4(3) of the bill, which concerns the powers, duties and functions of the minister. Paragraph 4(3)(a) states: (a) guide, promote and coordinate the policies and programs of the Government of Canada in relation to the development and diversification of the economy of the regions of Quebec;

We want to emphasize our support for this definition of the minister's role. Allow me to explain. Since we are a CFDC, we've always worked with Canada Economic Development. For us, this change means that the Agency will report to a minister who will be much more aware of the concerns of the region and Quebec than Industry Canada, which is an enormous department. In that sense, we are reassured by the fact that there's a political direction that is more aware of our concerns.

More specifically, I'd like to emphasize the importance of coordination. It must be clearly understood that a lot of departments in the Government of Canada are not physically present in the regions. In other regions, there's Canada Economic Development, which is an agency, and Human Resources and Skills Development Canada. In essential respects, the other departments, such as the Department of Indian and Northern Affairs, Health Canada and Canadian Heritage, are not very present, for reasons that can be explained. So, the coordination role in intervention that will be played by the Agency through the minister's new power represents an asset for us.

We experience problems in a lot of projects every day. For example, we're working on a broadband network development project involving the Government of Canada, the Government of Quebec, the municipalities, schools boards and the First Nations. The links between the federal departments, Health Canada, Industry Canada and CED, are too vague for the moment. We think that political coordination would be an asset. There have been good experiences with the Rural Team of Abitibi-Témiscamingue, but we should go further in this area.

As for the second subclause on the minister's role, I believe that the people who preceded me clearly emphasized the importance of developing cooperative relationships with the bodies that report to the Government of Quebec and the other bodies that the community has established at the municipal level. The presenters who preceded me elaborated on this point. Once again, since Canada Economic Development will report to a minister, it will be one of the minister's responsibilities to ensure that these matches are made.

The second point to which I'd like to draw special attention concerns the object, powers and duties in clause 11. Paragraph 11(1)(a) states: (a) in cooperation with other concerned ministers and boards and agencies of the Government of Canada, formulate and implement policies, plans and integrated federal approaches;

I draw your attention to "integrated federal approaches". We'll come back to that.

**Paragraph 11(1)(b) states:** (b) plan, implement, direct and manage programs and projects, or offer services, intended to contribute directly or indirectly

Then it states a series of three points. I would suggest the addition of a fourth point.

**The first point, subparagraph 11(1)(b)(i), states:** (i) to the establishment, development, support and promotion of enterprises, and more particularly small- and medium-sized enterprises, in Quebec.

That's a point that's very consistent with the terms of reference that the CFDCs and Canada Economic Development already have under the Community Futures Program. It's important to remember that, but there's nothing new in it.

•(1610)

My second point is the development of entrepreneurial talent in Quebec. This also concerns the current and traditional programming of Canada Economic Development and the CFDCs in the context of the Community Futures Program.

We would also add the increased takeover capability of the local communities. In recent years, one of the major aspects of Canada Economic Development's intervention in the regions through the CFP and close cooperation with the CFDCs has been to intervene in the communities in a context that enabled those communities to increase their takeover capability, not only in economic and financial terms, but also in all other aspects that support development. The Government of Canada's Community Futures Program is recognized around the world, by the European community and by the OECD. It is a program that has proven its value. The bill should provide for stronger means of action in the communities. That would consolidate the approach we are so proud of and whose success is recognized.

I suggest adding the increased takeover capability of the local communities. That would support an approach that's already well under way.

Those are the two subjects I wanted to address: the importance of a political decision-making authority as close as possible to the agency coordinating the Government of Canada's interactions and that will clearly define the cooperative efforts that will have to be made in each of the communities and territories in which the agency acts, and the addition to the bill of the increased takeover capability of the local communities.

•(1615)

**The Chair:** Thank you, Mr. Trépanier.

Now let's listen to Mr. André Brunet from the Centre local de développement Abitibi.

**Mr. André Brunet (President, Centre local de développement Abitibi):** Thank you, Mr. Chairman. I'm pleased to be here with you today.

I'd like to do a brief overview of what I've done in my life. The first person I spoke to and who worked in economic development for the federal government was Mr. Pierre De Bané. That was in 1978-1979. Since that time, I have never stopped working in economic development. Mr. De Bané is now a senator, but I have not followed the same path. All that to say that my involvement in the economic development of my region goes back a very long way, more than

30 years. I've contributed to it in various capacities. First I was a member, then President of the Corporation de développement de la région d'Amos. Then I was Mayor of that same city. So I worked as an elected representative. For five years, I was also President of the Conseil régional de développement, the cooperative body at the time for the Abitibi-Témiscamingue region. I also made recommendations at the 1996 economic summits which led to the creation and introduction of the CLDs in Quebec. For some years now, I have chaired the CLD de l'Abitibi, which is located in the Amos area. For 30 to 35 years, I've worked in the economic development of my corner of the country, Abitibi-Témiscamingue. My roots are here, I was born here and I want to live here until I die.

I must say that, in the course of my work, I have seen things change and become established. I'm still convinced that economic development and wealth creation necessarily require men and women who want to get involved and become entrepreneurs. There is no other way to create wealth in a region. You need men and women who want to become entrepreneurs.

Governments, be they federal, provincial or municipal, must always address the issue of economic development with a great deal of modesty. Our actions do not necessarily create wealth. However, those actions, together with entrepreneurs, can create wealth in a country. So you have to view economic development with a great deal of modesty. A minor contribution by each order of government must be made in cooperation with the other parties because, if we scatter our efforts, what little effect we can have is totally neutralized.

The three previous persons, as well as Mr. Marc-Urbain Proulx, referred to coherence, cohesion and complementarity among the players. I think you have to clearly understand that this is the most important message regarding the creation of a department that will work in economic development in Quebec.

Forums for cooperation and action have been put in place gradually and with difficulty, but they are now solid. I believe the federal government must absolutely agree to work with the players and parties in place.

All orders of government can affect the conditions in which entrepreneurs will succeed. I'll cite a few examples that I've witnessed over the years. When an entrepreneur wants to start up a business in Montreal, Ottawa or Toronto, he goes to the bank and takes out a loan for the building he wants to build. He gets a mortgage that represents 80 to 90 percent of the value of the building he wants to construct.

In a region like ours and other regions in Quebec, a mortgage will represent more than 40 percent of the value of a new building. These are very different conditions, conditions that don't do much to help the entrepreneurs of our region or the regions of Quebec. We must therefore try to have an impact on conditions. Through tax measures, governments can have an influence on conditions. The primary role of the orders of government is thus to influence conditions, which, in many cases, are fiscal conditions.



•(1620)

We can help entrepreneurs develop their businesses by making services available to them, be they technological, export or other services. I think that's the role of the upper levels of government.

As for providing very local assistance to entrepreneurs, you are no doubt aware, at least I hope you are, of the CFDCs, at the federal level, the CLDs, at the provincial level, but also of the Conférences régionales des élus, the forums for cooperation in the 17 administrative regions of Quebec. As we say here, Marc-Urbain and my other colleagues, those are the essential players. We'll have to learn to work and live together, and to harmonize our actions in these areas. That's what will enable us to develop our regions.

I've wanted to be involved in economic development for a very long time now. I still want to be involved, on a voluntary basis, as I've always done in these organizations. You often feel major frustration in the course of your career. When frustration is caused by human stupidity, I must say it's very unpleasant. A number of situations in which people from various levels were unable to agree were, for me, perfect examples of human stupidity. You must avoid that.

I don't want to repeat what the others have said, but if I had to send a message, I would say that, in my view, you have to listen to the people from the various regions and develop a cohesiveness and a complementary relationship with this agency which is going to work in Quebec. We have to provide for mechanisms. To date, I haven't seen any mechanisms in your bill that will make it possible to put all that in place.

Thank you.

[English]

**The Chair:** Merci, Monsieur Brunet.

Thank you very much. The witnesses gave us some very interesting insights. We'll follow with questions.

Mr. Schmidt, are you going to start?

**Mr. Werner Schmidt (Kelowna—Lake Country, CPC):** How much time do I have?

**The Chair:** Given the number of people around the table, try to keep the questions to five minutes, which is our original deal.

•(1625)

**Mr. Werner Schmidt:** There are lots of questions I have to ask. I'm not going to ask them all in five minutes; it'll take longer than that.

First of all, I'd like to thank the gentlemen here and the people on the videoconference for your input. I think it was very well done. I was particularly impressed with the concern you have about the coordination, cohesiveness, and coherence that's supposed to be developing out of this bill.

I'm not sure if you all want to comment on this, because you'd probably repeat yourselves, but there was one common thread that went through the various comments. That was the coordination that's necessary between the various levels of government, for one thing, and then the input of the local communities. In some cases I detected

perhaps a certain resistance to the federal government intruding, through this agency, into the affairs of the Province of Quebec.

Could you comment on that, please?

[Translation]

**Mr. Jean-Claude Beauchemin:** May I speak, Mr. Chairman?

**The Chair:** Yes.

**Mr. Jean-Claude Beauchemin:** I think we should refrain from getting tangled up in issues regarding levels of authority. They exist, but with respect to local and regional development, with regard to the Constitution, I don't think I can say that a given region is mine and not someone else's and that you should leave it to me.

However, there have been displays of resistance, and the date when that started is known. In Quebec, an agreement with the federal government on a development project expired in 1996 or 1997. However, the Government of Canada never subsequently showed the least wish to renew that agreement or establish a new one. Without engaging in controversial discussions that have no place here, we can say that, unfortunately, the problem is all too often one of visibility. For my part, I'll tell you today that Canada will get good visibility in Quebec by being a good partner rather than isolating itself and always wanting to act directly and solely at its level.

[English]

**Mr. Werner Schmidt:** I might interrupt by saying that's not so much a concern. Do you believe that this agency will in fact bring about the kind of cooperation, consultation, cohesion, and logic that I bet you're concerned about?

[Translation]

**Mr. Jean-Claude Beauchemin:** I'll answer this. When I read the bill, I see no such thing in it. As my friend Guy Trépanier said a little earlier, I don't see it as a golden opportunity to do that now because it would be a department that, by its very nature, could act in an intersectoral way, in other words that could act in the various federal departments. However, nothing in the bill, as drafted, suggests that. I think that should be added. That's why I propose, suggest that the act provide for cooperation mechanisms in order to head in that direction.

**The Chair:** Thank you, Mr. Beauchemin.

Mr. Proulx, you have the floor.

**Prof. Marc-Urbain Proulx:** Mr. Beauchemin answered virtually the same way I'm going to answer. No mechanism is currently provided for. There is a plan to create a department, but no provision is made for a cooperation mechanism either between federal departments across Canada or between the federal, provincial and regional levels. For the moment, there's no provision for a mechanism to design policy. Nor is there a mechanism for implementation in the field. However, the boards of directors of the CFDCs permit a certain degree of microregional cooperation. However, the regional agencies of Canada Economic Development have no boards of directors. So they aren't able to bring players together around issues in the context of regional actions.

[English]

**Mr. Werner Schmidt:** You're suggesting this is a very serious shortcoming in this bill, and it should be put into the bill.

[Translation]

**Prof. Marc-Urbain Proulx:** That's what I believe, based on my analysis. That's why I made it a formal amendment.

[English]

**Mr. Werner Schmidt:** Do I have some time?

**The Chair:** A short one, Werner, please.

• (1630)

**Mr. Werner Schmidt:** Okay. I have a very short one for Randa. It has to do with the table on page 4 of your presentation. Could you give us a short statement about the derivation of those numbers? How were those numbers accumulated?

[Translation]

**Ms. Randa Napky:** The figures come from the Tourisme Québec publication entitled *Le tourisme au Québec en bref*. Every year, Tourisme Québec produces a new version which is distributed within the tourism industry in Quebec. You can check these figures with Tourisme Québec, where they originate. Does that answer your question?

[English]

**Mr. Werner Schmidt:** I understand that, but how did Tourism Québec get the numbers in the first place? What was the source of those numbers?

[Translation]

**Ms. Randa Napky:** I know that Tourisme Québec works with Statistics Canada. Those figures come from surveys conducted in each region of Quebec on hotel accommodation establishments. I can't tell you what format or methodology was used. These are the only figures we currently have in Quebec.

[English]

**Mr. Werner Schmidt:** Thank you very much.

[Translation]

**The Chair:** Thank you, Ms. Napky.

Mr. Gagnon, over to you.

**Mr. Sébastien Gagnon (Jonquière—Alma, BQ):** Thank you, Mr. Chairman. I want to thank the witnesses for being here with us today. This is a very important exercise. My question is for both Mr. Proulx and Mr. Beauchemin.

I'm one of the persons responsible—or at least one of the stakeholders—for economic development in Saguenay—Lac-Saint-Jean. There's currently a whole organization developing, particularly after the creation of the CRE. I'm aware of this because I come from the region, and I imagine the same is true in Abitibi. The federal government is absent from this table. Our purpose today isn't to put pressure on it to participate, but I'd like you to be able to explain to us how important it is that the actions of the agency or department be carried out on the basis of those priorities. All types of exercises have already been conducted. There was a summit of Quebec and the regions; there are local and regional priorities. One senses—at least this is the case in Saguenay—Lac-Saint-Jean—a desire to unite, cooperate and develop a regional strategy to provide for the future, to be able to develop and take action.

Mr. Proulx, perhaps you can begin.

**Prof. Marc-Urbain Proulx:** Mr. Gagnon, first I should tell you that there is informal coordination between the various local and regional development agencies in the field. People know each other and respect each other. So somehow they try to coordinate their activities.

It would be a good idea to formalize that coordination more in order to avoid certain slip-ups, overlaps and setbacks, as we've observed on a number of occasions.

The arrival of the CFDCs in the mid-1980s was a good example of that. For Quebec, it was the late 1980s, since it came a little late. The CFDCs created a cooperation structure that, at the time, was a minor revolution or, at least, a mechanism permitting a certain evolution in microregional or supralocal cooperation. However, the Canadian government showed at the time that it could provide a mechanism allowing for a certain degree of progress through the forces for socio-economic development.

Now, precisely with the Conférence régionale des élus, the CRE, on which Canada Economic Development does not sit, and because there's been an increase in the number of agencies, in particular the CLDs and other types of agencies in the regions, it's time to recreate a mechanism for cohesion in order to add more. In this spirit, we should move away from the informal and formalize to a greater degree. So if Canada Economic Development provided for a mechanism, and perhaps even stimulated planning at the supralocal and regional levels, that could help advance matters and create more coherence and cohesion, which the players in the field want and which moreover all Canadians and Quebecers want, since the purpose of those agencies is precisely to try to do things better, to stimulate social and economic development more effectively.

**Mr. Jean-Claude Beauchemin:** I'd simply like to add my two cents worth to illustrate what Mr. Proulx has just said and to make it more concrete. When he says that there is growing cooperation in the field, that's because we need it. It's vital for us. For example, the municipal community appoints directors to both the CFDC, at the federal level, and to the Quebec CLDs. At home, for example, we appointed the same directors to two boards.

We have an opportunity to correct the situation, but it stops there. It's not normal for the two levels of government to be unable to sit down and say that, as of now, they're going to do it.

There might be a hierarchization in this kind of action. For example, we're a border region with Ontario. There's Abitibi-Témiscamingue in Quebec and Abitibi in Ontario. Both are mining and logging regions. Currently, when we want to cooperate, we turn to Canada Economic Development, but then the Government of Quebec is no longer involved. Then we become a bit schizophrenic. So the idea is to take the opportunity to put an end to this situation.

• (1635)

**Mr. Sébastien Gagnon:** I expressed concern about the constitution, under this bill, of designated areas as a result of which the minister would be free to intervene in a region where employment was declining.

Last week we heard from people who came and testified about the success of their businesses, of certain programs. I was surprised by one of them, the Director General of a CFDC near Huntingdon, a municipality whose situation we're familiar with, in view of its relationship with the textile industry. So if you take, for example, Abitibi-Témiscamingue, the Gaspé Peninsula, Saguenay—Lac-Saint-Jean, the Huntingdon region, the Lower St. Lawrence and the North Shore, those are all regions that need a significant contribution in terms of economic development. However, I'm concerned when we talk about designated areas and about targeting one region more than another. In what kind of competition do you have to qualify?

The witnesses unanimously said that, in overall terms, Canada Economic Development, as it currently stands, is doing a good job, which Mr. Beauchemin and Mr. Proulx emphasized in their briefs.

Could you give us your comments on this notion of designated areas that might result in arbitrary decisions? I also invite other witnesses to react.

**The Chair:** Thank you, Mr. Gagnon.

Mr. Proulx? Mr. Beauchemin?

**Prof. Marc-Urbain Proulx:** I can answer, if you wish, first.

The designated areas in Canada have always been determined on the basis of politics. That's quite clear. Moreover, in some cases, it was quite amusing to see how those areas were determined. As a result of political demand, depending on regional policy, between 60 and—we've recently seen this—70 percent of Canada consisted of designated areas. The resources allocated to support local and regional development in certain designated areas are thus relatively diluted over the region as a whole. If areas that actually had major economic problems were the only ones designated, then there'd be more resources and the order of things could be changed. What the Canadian analysts pointed out was that, as a result of these policies to support certain designated areas, given that a lot of regions are designated, generally the resources are diluted and there's little effect.

We have come to the point where we think it would have been better, not to designate areas where there are major economic problems, although it's important to support development in those areas, particularly essential services, but to designate the niche areas or specializations of the various regions in order to focus on development issues in a manner consistent with regional policy.

Take a mining town like Murdochville. It's quite clear that this area currently deserves government support, but first we should try to see the specialties or resources in which we can invest in that area because there's clearly no more copper. So we can't change the order of things, but, if we manage to find another specialty for this town, we'll be able to do something. So it's more important, I think, and in the view of the Canadian policy analysis specialists, to focus on the specialties and resources of a region than on the fact that its unemployment rate is high.

• (1640)

**The Chair:** Thank you.

Françoise Boivin, please.

**Ms. Françoise Boivin (Gatineau, Lib.):** Thank you, Mr. Chairman.

Being from a region myself, the Outaouais, I don't think I heard in the speeches of anyone who spoke to us today that our witnesses don't believe in regional development or in its importance.

I'm going to go back to your idea of formalizing cohesion, of finding an area of coherence. I must admit that, when I look at the various organizations that handle various things in the regions, sometimes I'm happy, as a woman, to see that there are a number of organizations.

Mr. Mayor, you referred to the Conférence régionale des élus, among other things. I know that we women suffered an enormous loss with the creation of that organization. That's my humble opinion. We lost a great deal in terms of women's forums. That said, I think that the presence of women in the business world is important.

As for the cooperation and importance of Canada Economic Development, I'd like to hear you talk a little more about the subject, Mr. Mayor, because we've heard from a lot of stakeholders from various regions, and we've received a lot of reports from various stakeholders from various regions. People seemed to be relatively unanimous. I sense that the bill poses a problem for you. I'm trying to understand how Abitibi-Témiscamingue would be different from other regions in that regard. What we generally hear is that CED and the CFDCs do a good job. I'd like to hear more from you on that subject.

**Mr. Jean-Claude Beauchemin:** Madam, I'm pleased to have the opportunity to come back to that. First of all, I want to say I entirely agree with you. My idea was not to reduce the number of forums where we can gather and meet because, like you, I think diversity is important. However, the idea is to determine how we can then work together, or whether these are universes that tend to be parallel. I would remind you that parallel lines never intersect. So that would have to be organized a little. I'm not denying that CED does a good job; I said it, by the way. The problem, however, is really to align our various actions.

I want to take the opportunity to react a little to what Mr. Proulx said on the subject of copper. There's a lot of it left in Abitibi-Témiscamingue, but it remains for us to find it. We're convinced we'll find it. I understand that the people from the Saguenay aren't very well versed when it comes to mines.

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

**Mr. Jean-Claude Beauchemin:** We now have a committee that was created by the Government of Quebec and that's called the Copper Plan. So we're going to work, but with the Government of Quebec. However, if you consider the Cadillac Fault, you see that it doesn't stop at the Ontario border, that it continues on the other side. So we have an interest in working with Ontario. That's where CED becomes a promising player. Right now, since this involves two administrations, which, instead of joining forces, are each acting in their own area, we're going to work with the Copper Plan, and when we go and work with Quebec officials, by definition, they won't be able to follow us if we want to go to the Ontario side, unless they get special permission.

It's in this respect that I applaud this bill. As I said earlier—perhaps not loud enough, so I'll repeat it—I see this as an opportunity, which we're missing, to state more clearly in the bill the obligation to rely on good coordination. We should take advantage of this to strengthen cooperation mechanisms and democratic mechanisms. So I don't want to bite the hand that feeds me; I'd simply like it to offer a little more.

**Ms. Françoise Boivin:** Mr. Proulx, earlier you talked about finding a mechanism to try to formalize cooperation in order to be a little more coherent. My concern as a politician is this: if we legalize a little too much, don't we risk removing the flexibility, the beauty of the system at it stands? Perhaps it works less well in certain regions, but I know that it works very well in the Outaouais, among others. The CLD stakeholders talk about the CED people; the community stakeholders as well. So sometimes I'm a bit concerned when people want to make a bill too closed and put us in a straitjacket we can't take off.

• (1645)

**Prof. Marc-Urbain Proulx:** You're right that we don't necessarily need a straitjacket. In any case, the planning applied in the various areas in Quebec, regionally and locally, has never included any. There has always been flexibility. People redo their plans every four, five or six years, which enables them to review the issues. So it isn't planning over 25 or 30 years. So it's relatively flexible.

What concerns me a great deal is the lack of cooperation, but not in the field. In the field, it's done informally. Of course, cooperation should be improved and formalized to a greater degree, somewhat to ensure that it's there, but my concern is mainly with cooperation between Quebec City and Ottawa. I'm mainly concerned at seeing two regional policies in Quebec: one from Quebec City and one from Ottawa. These administrators or officials don't talk to each other a lot. It would be in our interest to have a more formal mechanism, as there was, moreover, in the past.

Canada had specific framework agreements on regional development from 1973 to 1988 because it felt a need at the time to further formalize relations between Quebec City and Ottawa on regional development. We haven't had any since 1989.

We believe that cooperation should be further formalized. In any case, that appears to be spirit of the people of Abitibi. That's the spirit I'm trying to outline to you. I don't know whether we should go back to the old arrangement, but we have to find an arrangement to coordinate regional development strategies and measures between Ottawa and Quebec City to a greater degree.

**Ms. Françoise Boivin:** In both directions. Thank you.

[English]

**The Chair:** Thank you.

Brian Masse is next, and then we'll go back to Werner, I think.

**Mr. Brian Masse (Windsor West, NDP):** Thank you, Mr. Chair.

I'll start with a question for Mr. Beauchemin and then I'll turn it over to others to comment.

Looking at the recommendations or issues you've identified as consultation, what specifically can be done to reinforce that? I'm a former city councillor, so I can understand the difficulties in dealing

with provincial and federal governments and the inclusion mechanisms that are very important. Perhaps you could elaborate on whether the legislation is worthwhile in its current form for municipalities or smaller regions. Finally, will it have the ability to empower larger regions versus smaller ones, or will it be worthwhile for all those that want to work together?

[Translation]

**Mr. Jean-Claude Beauchemin:** I think Mr. Proulx answered that very well earlier when he asked which regions would be designated. That's indeed a very great concern. According to the bill as it now stands, we're going to continue with exactly what we've always had, that is to say political pressure, rather than an expression of needs as a basis for decisions. I don't want to go back over that.

As regards the local communities, you'll agree with me that they're completely absent from the bill. I think that, in the designation process, the bill should make express provision for two things: first, that the local communities must be consulted in one way or another, and, second, that they should have a right of remedy if they realize that decisions have not been properly made.

I state it simply, but I believe my colleague Mr. Brunet could add many points because he has had the opportunity to participate closely in both the local community and in planning. So I'll hand over to him.

**Mr. André Brunet:** I'd like to point out certain important points that at times seem to be forgotten.

Quebec has the largest area of the six major Canadian provinces. In all of Canada, Quebec has the most kilometers of roads. So this is a large country occupying a large area, with enormous constraints. In regional development terms, ultimately, Quebec's 17 regions could be designated areas in various capacities.

It seems to me that, in economic development, what has the greatest effect is that people in the field agree to do the same thing. So, when you talk about economic development, you should immediately think about cooperation in the area. When people in a given area agree to take action, they succeed. If there's no agreement in the area, you can invest all the money you want, you won't be able to build anything. So the criteria based on unemployment or other factors are all well and good, but I think the most important criterion is whether people in the same area agree to do a specific thing. If the answer is yes, I think you have an area that's designated for highly effective action.

You must understand that that's my way of defining a designated area. Another person might have another criterion, such as the unemployment rate. Others could have other criteria. So it's very subjective; there's a danger there. We have to find the right mechanisms in order to be able to take effective action in the regions of Quebec, which are vast and extensive.

I believe that, in all of Quebec, the only place where the CFDC and the CLD have managed to occupy the same office and have a boss is Témiscamingue. I'm going to tell you why they succeeded. They succeeded, against all odds, because the place is so far away that no official has an expense account big enough to go and do checks. I think that was the only way to get people to work together, in secret, ultimately, away from the federal and provincial people.

I asked Mr. Chevrette and Mr. Cauchon, who was the person responsible at the time, to do this officially. Every time, the answer was a categorical no. They wanted at least to put the CFDC and the CLD in the same physical location so that they would work in a complementary fashion. Every time, it was a categorical no. That was an illogical stand that caused a great deal of difficulty in Quebec.

I can tell you that the CLD d'Amos managed to secretly get close to the CFDC as well. We rented an office just below the CFDC to be as close as possible and to better serve our clientele. When we act in secret, we get things done in our region in spite of the federal and provincial governments. But it would be nicer to do that with them than in spite of them. That's ultimately the change we would like.

I don't have a formal recommendation to make, but I can tell you that we're much more effective when we take action in a region where we cooperate and feel we're being consulted. So I wish that you would add to the bill these forums for cooperation, these forums for agreement, which enhance the effectiveness of the work in the regions.

• (1650)

**The Chair:** Thank you, Mr. Brunet. Thank you, Brian.

[*English*]

Thank you, Brian.

Werner, and then I have David Smith.

[*Translation*]

Please be brief.

**Prof. Marc-Urbain Proulx:** Prof. Marc-Urbain ProulxI wanted to add something that would supplement what people have said about what's going on in the field. What's going on in the field is going beyond policy, if I understand matters correctly, in a number of cases.

To answer the question from Mr. Masse, who wonders whether what's in the bill right now is enough or whether the purpose is to meet needs with respect to the regions, I don't think so, and I've suggested an amendment concerning that. I believe the government must reserve the opportunity to make massive or substantial investments in projects that will drive regional development.

Quebec is a vast area. There are resources to exploit that require major projects. Consider forests, in particular, since that's a topic that's been widely debated in Quebec over the past two years. We're going to need economically stimulating projects in forest management or, if you will, forest cultivation.

Take the Gulf of St. Lawrence, where the renewal of marine resources is an extremely important issue in which the federal

government—moreover this is its jurisdiction—can intervene with major resource renewal projects, with major development projects.

Take energy, for example. In the coming decades, that'll be an extremely important issue for Canada and Quebec. I believe that, without necessarily committing money, the federal government must reserve the opportunity, in Bill C-9, to invest, together with the Government of Quebec and in Quebec, in economically stimulating development projects that will probably go beyond the structures in place. They may be projects in tourism, forestry or energy.

I'll close by saying that we have to think of wind energy, hydroelectricity, salaries. Let's think about the future. There are going to be more major projects in our immense region because Quebec is very big.

• (1655)

**The Chair:** Thank you, Professor Proulx. Now it's over to Mr. Werner Schmidt.

[*English*]

**Mr. Werner Schmidt:** Thank you very much, Mr. Chairman.

While various interventions were being made, I went into certain provisions in the bill. There were three things that puzzled me.

The minister, on the one hand, is given the authority to set up designated areas. He is advised to consult and to bring about coordination of the various departments. Clearly, that is his purpose.

I also look at the work that has been done in the city of Rouyn-Noranda. Fourteen municipalities came together under one. The tourism in Chicoutimi also worked out very well. It's working very successfully.

It seems to me that we have before us, represented by the witnesses, people who not only understand but who can actually demonstrate an ability to work together to bring about cooperation and coherence and actually coordinate issues. And you've done that. You've actually demonstrated that is possible.

To come back to the point, if the minister has the power to do this, if he sets up advisory commissions and he has all the power to do that sort of thing, do you not believe that with the goodwill you have already demonstrated, this agency would achieve the kind of coherence and coordination you have talked about?

**The Chair:** Are there any speakers?

**Mr. Werner Schmidt:** I'm puzzled.

[*Translation*]

**The Chair:** Mr. Proulx, over to you.

**Prof. Marc-Urbain Proulx:** What I think...

**The Chair:** After Mr. Proulx, it will be Mr. Trépanier's turn.

**Prof. Marc-Urbain Proulx:** I think you're right. There's a lot of cooperation on local and regional development issues, even if it's often unofficial and informal. It could be more frequent, but it's nevertheless done. It clearly depends to a large degree on personalities. At times there are areas of agreement or cooperation between people, and that can make things work well. But it's not always the case. Then it becomes impossible to cooperate without official mechanisms.

What concerns me more is not so much what's going on in the field between Quebec City and Ottawa. In fact, in this case, we're talking about Montreal, since the Economic Development Agency of Canada for the Regions of Quebec would be located there. I'll give you an example. The Community Futures Program was established in 1988. In fact, it was established in 1987, but we didn't get it in Quebec until 1988, one year later. Why? Because there was a disagreement over the issues between the provincial Liberal government at the time and the federal government.

If there had been an official cooperation and strategy mechanism that could have harmonized strategies and issues, federal intervention in the field would have been more effective. A host of other examples show that it would be possible to mitigate the problem of an absence of an official mechanism designed to support cooperation between the federal and provincial governments on regional development.

In that spirit, I am suggesting an amendment designed to establish an official mechanism to assist the minister in the role he'll have to play, not only with his colleagues from the departments in Ottawa to induce them to take part in regional policy, but also between the federal government, the province and the regions.

[*English*]

**The Chair:** Merci, Professor Proulx.

I know you have to leave momentarily to catch a plane, so thank you for having been here today and sharing your wisdom.

**Mr. Werner Schmidt:** Can I ask one very short question?

**The Chair:** Mr. Trépanier wanted to jump in. We're probably going to have to come back to you another time.

[*Translation*]

**Mr. Guy Trépanier:** As we've already emphasized, cooperation in the regions is occurring naturally, whether it involves the municipalities, the Government of Quebec or the federal government. In view of the urgent nature and scope of the issues, partnerships are being established. However, you can understand why the local communities and regions have very little power when it comes to negotiating partnerships or agreements between the Government of Quebec and Government of Canada.

That said, I get the impression that the idea of establishing the Agency is well received. It would report to the minister, who would be able to intensify contacts with the authorities concerned, whether they were in Quebec City or in the municipalities.

In the field, we see that these links are always complex matters. At some point, it becomes impossible for the administrative machinery, the officials, regional directors and deputy ministers of Canada Economic Development to do this kind of arbitration. To the extent that the Agency would report directly to a minister, I think the chances of speeding up dealings between the various parties concerned would be much better.

We have the impression that, from a political standpoint, this enormous department, Industry Canada, currently has trouble mobilizing the parties on these issues. We hope the minister responsible for the Agency will be able to do so.

• (1700)

[*English*]

**The Chair:** Merci, Monsieur Trépanier.

Just a very short comment, Werner.

**Mr. Werner Schmidt:** It's not a comment; it's a question, and it has to do with the relationship between the Canadian Tourist Corporation—

**The Chair:** Excuse me, Werner.

Ms. Randa Napky.

[*Translation*]

**Ms. Randa Napky:** I'd like to go back to what was said earlier about a framework agreement between the provincial and federal governments.

We're a regional agency, and this arrangement therefore responds very well to our needs. It also gives the regions flexibility. Even though we're not operating in the context of Quebec or federal policy, it enables us to choose the directions we want to take.

Earlier I cited the example of tourism in Abitibi-Témiscamingue. It was non-existent and no one was interested in developing it. At the regional level, however, we decided to do so in spite of everything, and we succeeded. You have to keep that flexibility in the regions. With Canada Economic Development, we have it.

**The Chair:** Thank you very much.

[*English*]

We'll come back, Werner. It will be a couple of minutes before we end.

David Smith, please, and then we're going to make an effort to share time between Paul and Yvon.

[*Translation*]

**Mr. David Smith (Pontiac, Lib.):** I'd like to thank my neighbours from Abitibi. I am the member for the riding of Pontiac. We share the same park, the Parc La Vérendrye. The rural Outaouais green belt is located in my riding. There's probably no more unemployment in Chelsea. In some areas of my riding, however, you find unemployment rates of 30 or even 35 percent. These are completely different worlds, that range from one extreme to the other. You can find a 30 percent unemployment rate 50 minutes from the National Capital. So it's quite serious. Imagine the reaction of people in the National Capital Region when they're told they have to cross the park in order to go to Abitibi. If they think 50 minutes is long, imagine their reaction if they also have to go through the park.

I want to talk about great projects like your tourism project. I want to point out that I'm a native of the Maniwaki region. So I know about outfitting. I also know the tourism industry. I congratulate you for what you've done because what I'm seeing today is community cooperation. The people from the CLD, from CFDC and perhaps the municipalities and other regional economic players have decided to take charge of a project in an attempt to develop the region. In my riding, I also represent 43 municipalities that have their own visions, personal opinions and development objectives.

My question is for the mayor. Today you're representing a municipality that is an amalgamation of 14 former municipalities. You say you consult the amalgamated former municipalities a lot. I suppose you've carried out projects with Canada Economic Development.

Have you noticed how easy it is to do business with these people because it isn't very bureaucratic? There's not a big, multi-level structure of officials. There are few officials in the organization. Have you sensed that in your dealing with them?

• (1705)

**Mr. Jean-Claude Beauchemin:** I'll start a joke. I have to be careful with what I say because I'm sure they're listening.

**Ms. Françoise Boivin:** There are 52 opposite him.

**Mr. David Smith:** Go ahead, it's all right.

**Hon. Denis Coderre:** The 75 officials here are listening to you.

**Mr. Jean-Claude Beauchemin:** Mr. Chairman, I'm thinking of my friend Denis Couture, who is here in the region. It's indeed very easy to contact CED in the region when we have projects. We know each other. There are no problems. We know all the people in the office. However, the lack of a framework very often causes the following problem. I'll take advantage of your question to plead once again for a better linkage between Canada and Quebec. We very often find ourselves with standards that, although the project is a good one and we'd like to carry it out—and here I'm tying in with what Guy Trépanier said—under the Industry Canada rules, we can't touch it.

In the case of tourism, for example, we had fantastic assistance in carrying out one project, but that was because we were developing a trip to combine two cultures, the Ontario and Quebec sides. There are projects where things go very well. There are others where things don't go well at all. However, on the human relations side, we can't complain. On the contrary, it works very well.

I'd like to raise a question. We didn't have an opportunity to ask it earlier. The MPs from Quebec will very quickly understand what I say. When we talk about regions, depending on whether you're doing it from the federal or Quebec standpoint, we're not at all talking about the same regions. For the federal government, the region is not only Abitibi-Témiscamingue, but also all of northern Quebec, the Outaouais, Pontiac and, if I'm not mistaken, part of the Laurentians. That's not conducive to smooth operation.

**Mr. David Smith:** Let's look at the bill before us. The plan was already around; it had been headed up by Industry Canada. They were suggesting that it have its own head. Some people would like there to be much tighter control.

It's unfortunate that Mr. Proulx has left. If it were only up to him, we'd keep the wood at home to make furniture and for all kinds of industries. The same would be true for you. There'd be full employment, and the people back home would be very happy.

A little earlier, Mr. Proulx referred to projects and tighter control. Let's take the example of the Aluminum Technologies Centre. That program was created to help these people develop expertise. We've seen similar examples in the language field in the Outaouais. We responded to a regional need. You also referred to a First Nations House. As you know, that's a federal responsibility. Canada

Economic Development could therefore help bring together the stakeholders and other players who could help you implement your project.

Do you think that might be part of their role?

**Mr. Jean-Claude Beauchemin:** Of course it's part of their role. I see my friend Brunet wants to react, so I'm going to let him speak.

**Mr. André Brunet:** It's funny. We achieved the successes we had in spite of the federal government. We had success because officials agreed to put their heads on the chopping block, to take risks and move forward on issues that otherwise would have come to nothing.

Mr. Proulx talks about consulting more formally. If an official was changed at Canada Economic Development, it would take us three or four years to get into his good graces, to be able to get him to do what we want, and for him to do it. Being forced to take these kinds of steps to do regional development makes no sense.

The bill must absolutely provide for a mechanism enabling everyone to agree on us taking that kind of action. So that means consulting, being able to agree and everyone heading in the same direction. If the bill doesn't provide for that, things will be as they were before. If we have a good official and we manage to convince him, it'll work. Otherwise it won't.

But that can't continue. This is 2005. It's urgent that the regions start developing as well. That's why we're talking about things being more formal.

• (1710)

**The Chair:** Thank you, Mr. Brunet.

[*English*]

I'm going to try to have short questions by Paul and Yvon and Werner. Unless there are other burning questions, we'll conclude with these three members.

Paul.

[*Translation*]

**Mr. Paul Crête (Montmagny—L'Islet—Kamouraska—Rivière-du-Loup, BQ):** Thank you for showing us a microcosm of life in the regions. The same is true in the Lower St. Lawrence. People aren't all thinking the same thing, but the opinions are out and we can thank you for them.

I'll be brief. You told us you were managing the local area in dispute in your region and that you would like there to be an agreement between Quebec City and Ottawa so that the area involved in the federal-provincial dispute is managed. I'd like you to give us the two or three chapter headings you would like to see included in that type of agreement. That's my first question.

Second, would it be possible for Mr. Trépanier to send us his amendments as soon as possible? We're supposed to conduct the clause-by-clause consideration of the bill this afternoon. Perhaps we could give you a fax number because I'd like to get your amendments as soon as possible. Otherwise I'd like to find a way to talk to you after the meeting, to be sure we get them on time.

**The Chair:** Are there any comments?

**Mr. Jean-Claude Beauchemin:** Pardon me, but I didn't understand what you said, Mr. Crête.

**Mr. Paul Crête:** My first question, which is for you, was what chapter headings you would like to add to the federal-provincial agreement on the actions of the two levels of government, as you suggest in your brief. You said a lot about how you organize locally with regard to areas where there is conflict. You want there to be an organization that properly manages conflicts and finds solutions at the federal and provincial levels. What would be the important chapter headings in your view?

**Mr. Jean-Claude Beauchemin:** Pardon me, but I don't feel I can comment on federal-provincial relations. I'm not a legislator. I admit I don't feel comfortable saying how the federal and provincial governments can put that into their bills.

I listened to Professor Proulx with great interest. I thought he proposed some promising options, particularly when he referred to intersectorality and hierarchy.

However with regard to local authority, I feel comfortable saying that, when designated areas are discussed, the local communities will have to be consulted and will have to have recourse.

**Mr. Paul Crête:** Thank you.

**The Chair:** Thank you, Mr. Crête.

Mr. Lévesque, you may continue, please.

**Mr. Yvon Lévesque (Abitibi—Baie-James—Nunavik—Eeyou, BQ):** I feel privileged this afternoon because I've previously met the four persons who are with us. I've worked with them from time to time, in various ways, whether in tourism or regional development.

I'd like to recall that the Economic Development Agency of Canada for the Regions of Quebec has been in existence since 1991 and that it is headed up by Industry Canada. I had occasion to work for the Barraute-Senneterre-Quévillon CFDC.

I'm going to ask you two brief questions because I don't have a lot of time and I want to leave others some time as well. We're used to sharing in Abitibi. I wonder whether the Canada Economic Development programs to date have proven adequate in meeting the needs of the Quebec regions.

We know this bill offers nothing new apart from creating a new department out of the budget of the Economic Development Agency of Canada for the Regions of Quebec. I wonder whether there'll be enough money to maintain existing programs.

Let's take the example of the First Nations House, which was mentioned by a Liberal Party colleague. Canada Economic Development's response is that it doesn't have the necessary programs to fund a First Nations House. The Department of Indian and Northern Affairs Canada gives the same answer. So who offers these programs? There are a lot of federal departments that don't have programs or whose programs are decided on individually.

Those are my two questions. First of all, to date, has Canada Economic Development had enough programs to meet the needs of the regions? Second, does the bill establishing the new Economic Development Agency of Canada for the Regions of Quebec aim to

show that additional programs will be created and additional money found to fund them?

• (1715)

**The Chair:** Thank you, Mr. Lévesque.

Does someone wish to answer those questions? Mr. Trépanier, go ahead.

**Mr. Guy Trépanier:** I'll give a brief answer. As regards funding, we know that the needs are enormous relative to what the government can provide. I won't elaborate on that. I'd simply like to say that we have more trust in an agency that reports to a minister than an agency reporting to Industry Canada, which already has four agencies to administer across the country. It seems to me the messages coming from the regions can get to the minister more directly if he's responsible for the agency and is from Quebec himself.

**The Chair:** Does anyone else wish to respond?

Mr. Brunet, go ahead.

**Mr. André Brunet:** I would add that small is beautiful. When the minister is responsible for a portfolio for Canada as a whole, it's hard for him to see the details specific to Quebec, for example. Earlier the mayor mentioned that, from a simple terminology standpoint, when people talk about regions at the federal level and at the Quebec level, they're talking about two completely different entities. If we have a minister responsible for Quebec, perhaps he'll understand that it's a region of Quebec. He may understand that there are 17 of them. Already we'll have made great gains.

As Mr. Proulx and others speakers mentioned, an important factor that should not be forgotten is the need for action across departments. A multitude of departments are involved in economic development. However, as Mr. Lévesque just showed, it may happen that no department feels responsible for reacting to a region's need because none of them has the necessary programs to do so. At that point, the government should act across departments and have the capability to work, not vertically, but horizontally.

Every minister responsible for some kind of economic development should have a minimum of authority over other departments so as to be able to force them to take economic development action in given areas. If you appoint a minister who is only vertically responsible for one element, once again we won't be any further ahead. We'll be limited to that vertical authority.

To do economic development, you have to have all the government's mechanisms and tools. When it comes to economic development, you need a minister who can intervene with other ministers and put pressure on them. We don't see this aspect in the bill that was tabled.

**The Chair:** Thank you, Mr. Brunet.

[English]

Next is Werner and then Denis.



**Mr. Werner Schmidt:** I want to thank you, Mr. Chairman, especially for this last comment by Mr. Brunet, because it leads directly into the question I was going to ask before. It has to do with the Abitibi-Témiscamingue tourism group and the CTC, the Canadian Tourism Commission. What is the relationship between those two, the tourism commission of Canada and the work you're doing in Abitibi? What is the connection?

**The Chair:** Ms. Napky,  
[Translation]

do you have anything to add?

**Ms. Randa Napky:** Currently, the regions like Abitibi-Témiscamingue don't have any close relations with the Canadian Tourism Commission. The Commission often deals with product clubs and large associations of this kind and positions products in various markets at the regional level. Regions like Quebec City, Montreal and Eastern Townships work closely with the Canadian Tourism Commission. In Quebec, however, regions like ours still don't fit in with the programs.

Does that answer your question?

• (1720)

[English]

**Mr. Werner Schmidt:** Thank you. That's good.

**The Chair:** Okay, Werner.

Denis.

[Translation]

**Hon. Denis Coderre:** Good afternoon, ladies and gentlemen.

Mr. Napky, please say hello to Jocelyn Carrier for me.

I know that you're at the forefront on a number of these issues. You've done a lot for the region, and I congratulate you on that.

Good afternoon, Mr. Brunet, Trépanier and Beauchemin. However, one could say that you're going a bit overboard, especially when you consider what Canada Economic Development has done, particularly for specialty beef. I think you should weigh matters more carefully before saying our government isn't sensitive to the situations of the regions.

Mr. Beauchemin, you're very much involved in the airline, particularly in Timmins, and the fact that Canada Economic Development plays a role with regard to FedNor should make you beware: you shouldn't limit yourself too much in the way of doings things. This isn't a federal jurisdiction, in view of the fact that some say the cities are creatures of the provinces. As a result of M-30, you can say it's necessary to put everything under the same heading. Unfortunately, I believe Quebec City has some work to do before it can consider repatriating what comes from Ottawa.

I somewhat disagree with what my colleague Mr. Lévesque said about First Nations House. He knows it's, once again, an education issue. We're always told on this side of the House that we should stick to our own business. For once, we're doing it: this is a matter of provincial jurisdiction. I believe the Chairman of the Val-d'Or Chamber of Commerce responded to that very well. Don't you think it's somewhat pointless to fall into constitutional semantics? The

question wasn't a constitutional one: it concerns a change of status. In that sense, I hail what Mr. Trépanier said, that the presence of a strong voice would make it possible for someone to be appointed solely on the regions question.

I find it somewhat unfortunate that Mr. Proulx has left. If there's one agency that invests an enormous amount in this region, it's Canada Economic Development. I'll ask you only this: Have you read the bill? Have you noted what clause 11, among others, states, that is that you now have a regular minister and that the minister will be able to work in an integrated manner in the context of all programs. It also states that, at the government level, in Cabinet, the minister will really have a say in the matter.

Earlier we were talking about the CLDs. Mr. Brunet, I understand that, as the Chairman of the CLD, you want a bigger piece of the pie: that's normal. However, the CLDs were created after the CFDCs, precisely because of my friend Guy Chevrette's flag war.

Don't you think that everyone has a role to play and that, as a result of this good complementary relationship, the bill should be evaluated solely in terms of status rather than from a constitutional standpoint? Section 36 of the Constitution Act, 1982 provides that the Canadian government has something to do with the regions. By showing more flexibility than now, we could avoid restricting ourselves and prevent officials from falling prey to acute semantic problems. We know what has to be done, and that's, above all, investing for the people of the regions.

All those who want to answer, feel free to go ahead.

**The Chair:** Mr. Trépanier.

**Mr. Guy Trépanier:** I'm going to try a first answer. Mr. Coderre, if I went a bit overboard, you've really gone overboard. I even think you've fallen out of the boat.

**Hon. Denis Coderre:** I didn't know you liked boats.

**Mr. Guy Trépanier:** You need a boat to be able to fall out of one.

With regard to economic development, all we're asking you to consider, all we're asking you to provide for in the act is that we be able to work together with each of the regions of Quebec, with the people who take action within an area.

Abitibi-Témiscamingue used to have 150,000 inhabitants, and now has 145,000. In all, roughly 100 persons, mayors and presidents of this and that, are engaged in development in that area.

When the 100 persons in question and all the orders of government agree, we're really effective. That's all we're telling you.

Now, as regards the mechanism, I hadn't anticipated...

**Hon. Denis Coderre:** Consequently, there's no need for formalities, Mr. Mayor, because it's already working. You're right, it's already working. I'm very much in the field and I know everything my friend Carrier and the others have done in Abitibi-Témiscamingue, where you have to take the local atmosphere into account. I don't see any problem.

We shouldn't limit ourselves within a process, when we know perfectly well that things are working very well. There are 14 CED regional offices, and it's working well.

Ultimately, you're asking us to send you the cash and to let you work things out. You know that's not possible and that that's the way it works.

• (1725)

**Mr. Jean-Claude Beauchemin:** I'm sorry, Mr. Coderre. I don't know why you're suddenly annoyed. I think we've tried to be constructive here this afternoon. We said we were interested in this bill, that it was interesting. It seems to afford an opportunity to improve things.

I heard no one here today say that nothing was working. That's not the idea. We're simply saying that certain things could be a little better. I think we have to seize the opportunity. Now if you're not interested in hearing those things, stand up and tell us, we'll go home and that'll be it.

**Hon. Denis Coderre:** No, we agree on the agreements, my friend, but we don't agree when you say we aren't sensitive to regional development...

**The Chair:** Excuse me, Denis.

I'll let Mr. Beauchemin have the last word.

**Mr. Jean-Claude Beauchemin:** That's not what we said.

I'm sorry, Mr. Chairman, I don't think we said that you were being insensitive. The fact that you've allowed us to speak our minds today clearly shows that you're interested in this. I specifically addressed the Quebec MPs, saying I was sure they would clearly understand.

Mr. Coderre, I believe your remarks show a singular lack of elegance. I've asked you not to attribute to us things we haven't said. Try instead to refer to what we have said. That may change your reaction.

For my part—and I also sense this in my colleagues—I've tried to make a constructive contribution. Now if you don't want to hear it, that's your business.

Thank you.

**The Chair:** Thank you, Mr. Beauchemin.

Are there any other comments, other questions?

[*English*]

**The Chair:** Are there no burning questions?

[*Translation*]

Then I'd like to thank the witnesses for their work.

[*English*]

Thank you very much for the efforts you made today to be with us, all in one location. We appreciate it, as also in the case of Professor Proulx, who had to leave.

We have a fax number. If you have amendments, they should be sent in quickly—the number is 613-992-5015—to the attention of Dan Shaw. That's for today only.

*Merci, tout le monde.* Thank you for your assistance. We'll take a minute just to invite officials to the table.

*Merci beaucoup.*

[*Translation*]

**Hon. Denis Coderre:** Come back and see us again.

[*English*]

**The Chair:** We'll have a suspension of one or two minutes to allow officials to come to the table and for members to catch their breath.

**Mr. Werner Schmidt:** Mr. Chairman, before we—

**The Chair:** Mr. Schmidt, please.

**Mr. Werner Schmidt:** Before we adjourn, Mr. Chairman, I feel somewhat uncomfortable about the way we treated our witnesses. I think we were preoccupied with the clause-by-clause in many ways, and we really didn't give adequate attention to the clause-by-clause and didn't give adequate attention to the witnesses. I felt very badly about that, and I will take some responsibility for it, for agreeing that we might do clause-by-clause today. It turns out that we really don't have enough time, I think, to do the clause-by-clause.

I would move that we consider this be postponed to the next meeting of this committee and that we do the clause-by-clause then.

**The Chair:** It's a motion. Are there any comments?

Brian and then Denis.

**Mr. Brian Masse:** I'm concerned, as we're asking for amendments to be faxed in to us right now, whether we're going to actually have the ability to analyze those and do due diligence. I would suggest this is a constructive way to proceed. I would like to see whether we are going to receive some amendments in the context of what we're debating here.

**The Chair:** Denis.

[*Translation*]

**Hon. Denis Coderre:** Mr. Chairman, I acknowledge the generosity of spirit of my friend Paul, and I understand he's trying to do a good job, but, from that to receiving an amendment later by fax...

In fact, I agree on one point: we already had the amendments. I think we're in a position to debate those amendments. The idea of receiving another amendment later makes me somewhat uncomfortable. I'm sure it would be possible to do so, but I'm a bit uncomfortable because of what Brian just said about analysis.

Furthermore, I don't believe Mr. Trépanier represents all the presenters. I don't very much like having things happen suddenly like that. I think we should study these ones. We're able to do so, and we should start with this.

• (1730)

[*English*]

**The Chair:** Paul.

[*Translation*]

**Mr. Paul Crête:** I don't think Mr. Coderre has understood much. The major amendments suggested by the Université du Québec à Chicoutimi were in the letter. However, Mr. Trépanier's amendment is very technical and would add a paragraph (e) or (d) to the clause.

I only wanted him to have the same advantages as the other witnesses. We agreed to do the clause-by-clause consideration today. We definitely don't want to tell these people that their evidence only served to make us look good. We have to listen to them.

So we've given them the tools. If they provide us with the amendment so we can study it, so much the better. If we don't have the time, we'll accept that fact. Now we have to see whether we can consider all the amendments today or whether it's preferable to do so tomorrow. However, I know that other persons have been sent for.

If I understand correctly, the Conservative Party of Canada and the NDP would like to delay the process. So let's consider the situation.

[*English*]

**The Chair:** The reality is that if we don't finish clause-by-clause today, we have to finish it March 21. There are two breaks. There are sessions organized for the textiles and for Bill C-19 and Bill C-21. It would be March 21.

There's a motion on the floor by Mr. Schmidt to basically delay the clause-by-clause to what would be the next open meeting, which would be March 21.

We have the break, and the witnesses are all lined up to come in tomorrow.

Paul.

[*Translation*]

**Mr. Paul Crête:** We had agreed to start the day. We may be able to see whether it's possible to complete clause-by-clause consideration. However, it must be kept in mind that we changed our schedule because of the budget. Committee members agreed to sit on Monday and Tuesday instead of Monday and Wednesday.

I remember I said at the time that clause-by-clause consideration would have to be on Tuesday. We ultimately agreed that it would be Monday afternoon. That gives us very little time to do it. Can we reach a compromise to ensure we finish it this week?

In fact, it would be good to finish the clause-by-clause consideration this week. I understand the Conservatives' point of view, but is there any way we can start today, while considering the possibility that we may not necessarily finish this afternoon?

[*English*]

**The Chair:** If the motion by Werner fails, we will start and see how far we go. If we don't finish, we don't finish. If we finish, we finish. If the motion by Werner passes, we will adjourn today. If the motion fails, we'll start the amendments and just see how far we go.

On that, I will just call...

Does everybody understand?

**Hon. Denis Coderre:** First of all, I agree totally with Paul in regard to starting. Secondly, tomorrow should also be for clause-by-clause, because it's not that big.

**The Chair:** We have witnesses coming in from different—

**Hon. Denis Coderre:** I agree. I heard exactly the same thing as Paul, that today and tomorrow were about Bill C-9, about the clause-by-clause.

**The Chair:** No, that's not correct. Let me just ask the clerk.

Paul.

[*Translation*]

**Mr. Paul Crête:** There's another subject for tomorrow. That's why we're limited. If we can postpone tomorrow's subject, we may reach a compromise and may be able to proceed with full clause-by-clause consideration tomorrow. We could inform people by the end of today, or tomorrow morning, that the other committee meeting won't take place and that we will proceed with clause-by-clause consideration tomorrow. In that way, we'd take everyone's request into consideration. The Conservatives would have more time and we'd have time to consider it all.

• (1735)

[*English*]

**The Chair:** We have witnesses who may have already started to travel here.

[*Translation*]

**Mr. Paul Crête:** We'll do it after the evidence.

[*English*]

**The Chair:** With consent, could we have a clause-by-clause session after the meeting on Bill C-21 tomorrow?

**An hon. member:** Agreed.

**The Chair:** How it will work, then, is we will start on the amendments, on the clause-by-clause, and we'll finish after tomorrow's meeting by extending tomorrow's time. In other words, we'll break up our clause-by-clause into some time now and some time after the meeting tomorrow. Is that acceptable?

We have witnesses coming in. We can't call them now and cancel.

Jerry.

**Hon. Jerry Pickard (Chatham-Kent—Essex, Lib.):** Mr. Chair, this committee has been under a tremendous amount of pressure to get things done. There's absolutely no question about that, and everyone of us knows it. But I believe it would be irresponsible if we were to put this off for a month. If that in fact happens—

**Mr. Werner Schmidt:** That wasn't my intention when I—

**Hon. Jerry Pickard:** I realize that, and reconsidering, I think you could look at that.

I think we should try to go as far through this legislation as we can today, with the caveat that if there are some things we have to finish off tomorrow, we put them on the agenda. But let's try to get our regular schedule finished as much as we can today, if not all of it or almost all of it. I think we're then looking at a few minutes at the end of the meeting tomorrow to deal with anything that's left. That would probably allow for Werner to cover the things he said, for Brian to cover what he said, and for a responsible look at another amendment if it comes in, while we still deal with what we have on the table.

**The Chair:** Brian.

**Mr. Brian Masse:** We've invited people to submit amendments at the end of this meeting. My only concern is whether they will be consequential to anything we're doing here. Maybe the researchers can provide...but we don't know what type of.... We have a general idea.

My only concern is about due diligence in terms of giving somebody the fax number and inviting them to submit amendments. I don't want to see it delayed either, whether we do it tonight or tomorrow night. I agree, and I don't want to hold up anything unnecessarily. But it's about asking people to send in amendments and having decisions that could be consequential. That's my concern.

**The Chair:** That's a fair comment. I'm not sure Joann can tell us....

I said March 21. That would be the first full open session. We could add it to any other meeting in between. That's what I meant. But if we were to start and then an amendment arrived tonight that affected something we'd already done, does that put us in a box?

Joann is our legislative expert.

**Mr. Werner Schmidt:** That's exactly my concern.

I would be really happy if we took this idea and did it after the meeting tomorrow. That would solve it for me, very carefully. That we know ahead of time that we're going to be an hour after the meeting is fine by me. That way we'll have a consistent pattern, we'll be able to take the whole thing as a package, and I would be very pleased to deal with it that way.

**The Chair:** There are votes tomorrow at 5:30 p.m., so we'll have to agree to come here after those votes.

**Mr. Werner Schmidt:** That's all right. We should get this done.

**The Chair:** Okay. So we have a school of thought that says we should start and should take the risk that an amendment we receive is affected by something or affects reversely something we're doing now, and we continue tomorrow after the votes. Werner is actually suggesting that we start tomorrow after the votes and just not get ourselves into that situation.

**Mr. Werner Schmidt:** Mr. Chair, it's really just a further extension of my motion. If you wanted to start now, you'd have to have an amendment.

**The Chair:** The motion on the table is to suspend—to adjourn the meeting, essentially—and not continue to clause-by-clause. Shall we vote on that?

Did you add “till tomorrow”?

**Mr. Werner Schmidt:** Yes, I did.

**The Chair:** Paul.

[Translation]

**Mr. Paul Crête:** Is the motion now to postpone this until tomorrow?

[English]

**The Chair:** No, it's to adjourn today

[Translation]

and to commence clause-by-clause consideration tomorrow

[English]

after the votes.

• (1740)

[Translation]

**Mr. Paul Crête:** Can't there be a meeting tomorrow morning?

[English]

**The Chair:** Yes, if we can get a room—it's an “if” because rooms are tight—we could have a meeting tomorrow morning.

Denis.

[Translation]

**Hon. Denis Coderre:** I have a problem. We seem to be operating in a disorganized fashion. I understand that everyone has to be given an equal chance, but I find the idea of inviting people to fax other clauses to us and commit to considering them makes no sense, particularly since each person was responsible for speaking to the persons concerned. I'm not trying to put my finger on the problem, but we're wasting a lot of time. I think we should immediately move on to consideration of the clauses and amendments received. Otherwise, are we going to change rules every meeting so that things work? It makes no sense. Pardon me, but I think we're bogging down in details. I don't know how my remarks will be translated, but that's what I mean.

[English]

**The Chair:** Paul.

[Translation]

**Mr. Paul Crête:** I only want to say that we were to receive witnesses this afternoon, before the clause-by-clause consideration of the bill. A minimum of decency would be to enable those people to bring forward their amendments, if they have any, like real witnesses. The other witnesses have presented their briefs to us. I hadn't spoken to the man in question for a very long time. He spoke to us about a one-line amendment. We suggested that he send it to us. If he doesn't send it, we won't have it. If we could start today and finish tomorrow, I think that would be all right.

What I'd like to know is whether the Conservatives' motion has carried because, after the discussion we had, there could have been a consensus to start today, then finish tomorrow. Would the Conservatives be prepared to do that, or do they maintain their position that we adjourn until tomorrow? That's all I want to know.

[English]

**The Chair:** We're going to settle this now. I think we've heard everybody. Really, Werner's motion is that we not start today and that we start clause-by-clause tomorrow from the beginning. If you pass that, we'll try to start tomorrow after the meeting and see how far it goes. If you don't support that, we'll start today, with the option of continuing tomorrow.

Do people understand? Werner's motion is to start the clause-by-clause tomorrow and attempt to finish tomorrow. If you don't do that, we'll start and, if we need to, we'll finish tomorrow.

(Motion agreed to)

**The Chair:** Brian.

**Mr. Brian Masse:** Can we have something tabled on this? We've put ourselves in this position because we invited delegations to speak on a bill we want to do clause-by-clause on afterwards. I would suggest that the committee not get itself in that situation ever again. That's really the end of—

**Hon. Jerry Pickard:** It was the chair—

**Mr. Brian Masse:** No, it's not even a criticism, Jerry. It's a practical problem we have arising out of this situation. I'm just suggesting we avoid doing that in the future.

**The Chair:** Fair comment. Are there any other comments?

We have Bill C-21 tomorrow and then we'll start the clause-by-clause after that.

Thank you.

We're adjourned.

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