



CANADA

# House of Commons Debates

---

VOLUME 139 • NUMBER 048 • 3rd SESSION • 37th PARLIAMENT

---

OFFICIAL REPORT  
(HANSARD)

**Wednesday, May 5, 2004**

—

**Speaker: The Honourable Peter Milliken**

## **CONTENTS**

(Table of Contents appears at back of this issue.)

All parliamentary publications are available on the  
"Parliamentary Internet Parlementaire" at the following address:

**<http://www.parl.gc.ca>**

# HOUSE OF COMMONS

Wednesday, May 5, 2004

The House met at 2 p.m.

---

*Prayers*

---

• (1400)

[English]

**The Speaker:** As is our practice on Wednesday we will now sing O Canada, and we will be led by the hon. member for Edmonton North.

*[Editor's Note: Members sang the national anthem]*

---

## STATEMENTS BY MEMBERS

[English]

### THE ENVIRONMENT

**Hon. Charles Caccia (Davenport, Lib.):** Mr. Speaker, researchers at Harvard University and the American Public Health Association report that smog and carbon dioxide are affecting respiratory health.

In less than 20 years the rate of childhood asthma in Canada has risen from 2.5% to 11.2%. In the case of adults, 14% of Canadians are diagnosed with asthma.

The high concentration of carbon dioxide can affect asthma in several ways. Research shows that cities are under a dome of carbon dioxide created by the burning of fossil fuels such as gasoline, coal and natural gas. Carbon dioxide does not disperse. It reaches high concentration and alters the climate of cities underneath, thus affecting human health.

Christine Rogers, of the Harvard School of Public Health, refers to asthmatic children as being hit “with a powerful one-two punch: exposure to the worst air quality problems and allergen exposure arising from global warming”. Kyoto opponents may want to reflect on these findings.

\* \* \*

• (1400)

### SUDAN

**Mr. Stockwell Day (Okanagan—Coquihalla, CPC):** Mr. Speaker, just a few days ago I met with people who had just returned from Sudan. In gruesome detail they documented the killing of children, the mass execution of civilians, systematic rape,

wholesale destruction of villages and the displacement of thousands of people.

Yesterday the United Nations compounded months of inaction by allowing the election of Sudan to its commission on human rights. One country walked out of that charade in disgust. Canada sat there silently.

It is not too late for Canada to save its reputation and, more important, to possibly save lives.

I have requested, in a motion before our committee on human rights, that our government announce it will immediately dispatch to Sudan a monitoring team, including MPs, to join other countries in an international effort to possibly stem the tide of this genocide.

The question now is not why did Canada not act yesterday, but will the Government of Canada act today?

\* \* \*

### ASIAN HERITAGE MONTH

**Ms. Sophia Leung (Vancouver Kingsway, Lib.):** Mr. Speaker, the strength of diversity has become the strength of our country. We now celebrate our diversity on many occasions. May is Asian Heritage Month in Canada.

In December 2001, a motion was introduced by Senator Vivienne Poy and passed by the Senate of Canada. Throughout the month of May we will celebrate and honour the heritage of Canadians of Asian descent.

Asian Canadians have made and are making a huge contribution to every aspect of Canadian life, in arts and culture, in science, in medicine, in business, in education and in politics.

It is my hope that through Asian Heritage Month activities, members of all communities across Canada will continue to develop a deeper insight into Asian cultures and a greater appreciation for our rich multicultural heritage and for one another.

\* \* \*

• (1405)

[Translation]

### PROJET JEUNESSE SAINT-MICHEL

**Mr. Gilbert Barrette (Témiscamingue, Lib.):** Mr. Speaker, this past April 24 and 25, a spaghetti festival was held to raise funds for Project Jeunesse Saint-Michel in Rouyn-Noranda.

*S. O. 31*

In a friendly competition with my provincial counterpart, Daniel Bernard, more than 6,000 servings of spaghetti were sold with the help of 154 volunteers.

My thanks to all the volunteers and all those who attended over the two days of the fundraiser in support of this youth organization.

\* \* \*

[*English*]

#### CANADIAN RANGERS

**Ms. Nancy Karetak-Lindell (Nunavut, Lib.):** Mr. Speaker, in early April, 15 Canadian Rangers and 9 members of the Canadian Forces journeyed through the north to reinforce Canadian sovereignty. This was the longest sovereignty patrol of its kind ever conducted by the Canadian Forces.

The group travelled to Canadian Forces Station Alert, which is the northernmost outpost in Canada on Ellesmere Island, placing three cairns along the way and both the Canadian flag and the Canadian Ranger flag was flown.

The 1,300 kilometre trek started in Resolute on the south coast of Cornwallis Island. Travelling across Devon Island, with some of the harshest terrain, the team endured long snowmobile rides while contending with severe ice, weather conditions, injuries and damage to their equipment.

I applaud the efforts and the daily courage exhibited by those Nunavummiut and Canadian Forces personnel as they made their way to CFS Alert.

\* \* \*

#### THE LOVE BOAT

**Miss Deborah Grey (Edmonton North, CPC):** Mr. Speaker, on this day in history, May 5, 1986, the TV series *The Love Boat* docked for the very last time, but it seems the Liberal government is working on its sequel.

Let us see. Well, we certainly have the pleasure boat. Canada Steamship Lines is riding high, collecting a reported \$161 million of taxpayer money.

Prime minister, Captain Stubing, is making Canadians seasick with his toing and froing about when to call the election.

Meanwhile, the always friendly ship's crew is busying handing out freebies to Liberal passengers on the Earnscliffe deck.

And health minister, Doc Bricker, with all that hair, might just be more charming than effective. From day to day his health care policies range all the way from port to starboard.

Oh look, it is time for a \$100 million sponsorship break.

And now we are back. All aboard. Our good ship Liberal lollipop seems headed for rough electoral waters.

Whoa. It looks like the member from Hamilton is our first woman overboard. Was she pushed by the captain? Surely not. Anchors away.

It seems this Liberal love boat has run aground on fantasy island.

#### PERMANENT JOINT BOARD ON DEFENCE

**Ms. Sarmite Bulte (Parkdale—High Park, Lib.):** Mr. Speaker, I rise today to congratulate our colleague from Whitby—Ajax on her appointment as the new chair of the Canadian section on the Canada-United States Permanent Joint Board of Defence.

Created by Canada and the United States in 1940, the Permanent Joint Board on Defence is a senior advisory body on continental defence. It is composed of military and diplomatic representatives from both nations. For 64 years, the Permanent Joint Board on Defence has served as a strategic level institution charged with considering issues affecting the defence of the northern half of the western hemisphere.

Our colleague from Whitby—Ajax was first elected to Parliament in 1997. She has served on the Standing Committee on National Defence and Veterans Affairs and is currently the chair of the Standing Committee on Human Resources, Skills Development, Social Development and the Status of Persons with Disabilities.

I invite all my colleagues in the House of Commons to join me in congratulating our colleague from Whitby—Ajax on her new and additional responsibilities.

\* \* \*

[*Translation*]

#### UNIVERSITÉ DE SHERBROOKE

**Mr. Serge Cardin (Sherbrooke, BQ):** Mr. Speaker, on a spring morning fifty years ago, on May 4, 1954, the tree of knowledge took root in Sherbrooke, with the opening of the Université de Sherbrooke. This, the first francophone university in an outlying region of Quebec, was born from the daring and vision of its founders and has since met the academic needs of tens of thousands of students from Quebec and other parts of the world.

Yesterday, I attended the 50th anniversary gala, which celebrated 50 examples of brave and innovative actions, each of which has opened up new perspectives, new fields of action, and new approaches, and has broadened our horizons.

As it has expanded, the Université de Sherbrooke has acquired an international reputation, not only for the quality of its programs but also for the people-friendly campus its 100,000 or so graduates have been able to enjoy.

The Université de Sherbrooke is an excellent example of what can be accomplished if one dares take the first step. Once again, my wishes for a happy 50th birthday to the Université de Sherbrooke, one of the jewels of the Eastern Townships.

•(1410)

#### CANADIAN APPAREL AND TEXTILE INDUSTRIES

**Hon. Eleni Bakopanos (Ahuntsic, Lib.):** Mr. Speaker, on May 3, I had the pleasure of attending FuturTex 2004, the ninth annual conference of the Textiles Human Resources Council, with my colleague, the hon. Minister of Health, Minister of Intergovernmental Affairs and Minister responsible for Official Languages. Textile and apparel industries are a strong presence in a number of ridings, including mine, Ahuntsic, and that of the hon. member for Papineau—Saint-Denis.

I congratulate the organizers for their successful event.

[English]

The Canadian apparel and textile industries are a vital part of the Canadian economy and our government remains dedicated to the support of these industries.

We will continue to build on the \$60 million measures announced in February by our colleague, the hon. Minister of Industry and Minister responsible for the Economic Development Agency of Canada for the Regions of Quebec.

These measures will assist the Canadian apparel and textile industries in promoting their competitiveness as well as ensuring that they continue to excel in an increasing global marketplace.

I look forward to further collaboration with this industry as do other colleagues in the House, and our government.

\* \* \*

#### SENIOR CITIZENS

**Mrs. Carol Skelton (Saskatoon—Rosetown—Biggar, CPC):** Mr. Speaker, across Canada there are seniors who are struggling to meet the rising costs of basics. Groceries, housing, taxes and general necessities are quickly eroding their limited budgets.

Canada's seniors do not expect the government to keep them in the lap of luxury, but they are expecting to be kept out of poverty.

The Liberal government has been quick to reward its friends, hands out bonuses to almost everyone and wastes money at every turn.

Let us ensure our seniors can live out their lives in dignity within a safe and friendly Canada that they worked to develop. They did not work for a Canada whose social programs are scaled back at the very same time as their income.

How long does the Liberal government expect our seniors to continue doing more and more with less and less?

\* \* \*

[Translation]

#### EMERGENCY PREPAREDNESS WEEK IN CANADA

**Hon. Yvon Charbonneau (Anjou—Rivière-des-Prairies, Lib.):** Mr. Speaker, Emergency Preparedness Week runs from May 2 to May 8, 2004. Under the theme "Prepare now!", Canadians can learn how the Government of Canada is working with provincial and

S. O. 31

territorial governments to promote national awareness to emergency preparedness and to the need to be prepared for any emergency.

[English]

If we have learned anything over the last few years, it is to expect the unexpected. To mark this important week, events and activities across the country will stress the importance of being prepared and of increasing our overall level of civil preparedness.

[Translation]

This week also provides an opportunity to find out about the progress made to ensure that Canada is an even safer place. All levels of government are increasing their ability to deal with emergencies and their effectiveness in this regard.

[English]

I encourage all Canadians to take time during Emergency Preparedness Week to learn what they can do to prepare themselves for a possible emergency.

\* \* \*

#### STATUS OF WOMEN

**Ms. Judy Wasylcia-Leis (Winnipeg North Centre, NDP):** Mr. Speaker, the Liberal attempt to deny the problems confronting Canadian women as it charts its course to corporate Nirvana keeps running aground on the rocks of real life issues.

Ignoring Canada's glaring gender inequality in the Liberal throne speech and budget ran into more rough water today when the pay equity task force called for a complete change from the government's laissez-faire approach that has left women's wages stagnating 30% behind men's.

Unions and women's advocates have called for proactive laws for decades, but the Liberals have refused, just as they have refused action on growing economic inequality that has been today cited by campaign 2000 as the root cause of our outrageous child poverty levels and poverty of families headed by women on their own. Equally disturbing was the report just released by the National Council of Welfare entitled, "Income for Living?"

Women in Canada are being left behind on the shore because this government and its corporate friends want low wages, no benefits and high profits, keeping women's priorities off their agenda.

\* \* \*

[Translation]

#### PUBLIC SERVICE

**Ms. Diane Bourgeois (Terrebonne—Blainville, BQ):** Mr. Speaker, on Thursday, Canadian Heritage dismissed one of its employees, Edith Gendron, who had just become the president of a sovereignist group in the Outaouais called "Le Québec, un pays".

This measure by the federal government squarely violates the Canadian Charter of Rights and Freedoms, considering there was nothing wrong with the work performed by Ms. Gendron. Moreover, as a federal public servant, she has political rights recognized by the Supreme Court of Canada.

### Oral Questions

It is also strange and ironic, to say the least, that one of the members of the committee that made the decision to dismiss Ms. Gendron is none other than Guylain Thorne, a well-known Liberal and former chief of staff of the member for Bourassa.

By refusing to get involved, the Minister of Canadian Heritage, who is also a Quebecker, becomes an accomplice in the taking of a partisan, undemocratic and totally discriminatory measure. Such are the true Liberal values.

\* \* \*

•(1415)

[English]

#### CENTRE FOR INTERNATIONAL GOVERNANCE INNOVATION

**Hon. Andrew Telegdi (Kitchener—Waterloo, Lib.):** Mr. Speaker, yesterday evening Louise MacCallum and Michael Barnstijn announced a joint \$2.5 million donation to the Centre for International Governance Innovation in my riding of Kitchener—Waterloo.

Louise and Michael are former software engineers at Research in Motion who worked on developing the BlackBerry. Over the past four years they have given more than \$30 million to worthy organizations, including a children's museum, a nature reserve, the University of Waterloo School of Architecture, the Theatre & Company in Kitchener, and the Canadian War Museum.

This latest donation to CIGI will make a real difference to all of humanity by supporting research on strengthening and reforming the United Nations.

To this end, Paul Heinbecker, Canada's former ambassador to the UN, is studying if multilateral organizations such as the G-20 can help the UN displace unilateralism and war as a way of resolving conflict.

On behalf of the people of Kitchener—Waterloo and all Canadians, I want to thank Michael and Louise for their generosity in support of this important work.

[Translation]

This is what Canada is all about.

\* \* \*

[English]

#### SPECIAL OLYMPICS WINTER SPORTS

**Mrs. Diane Ablonczy (Calgary—Nose Hill, CPC):** Mr. Speaker, today I have the pleasure of giving parliamentary recognition to 24 outstanding athletes who represented the Calgary area with great distinction as national level competitors in winter sports at the Special Olympics.

Their disciplined training, hard work and determination were the keys to solid performances at the games. Their pride, their passion and their power exemplified the best in sport and sportsmanship at the Special Olympics. These 24 excellent competitors represented their city and their province in a dignified and professional manner, making everyone proud of them and of their achievements.

I have in my hand the names of these 24 special Olympians and their coaches for alpine skiing, figure skating, Nordic skiing, snowshoeing and speed skating. They are: Alpine Skiing: Brenda Hill, head coach; Shaun Johnson, Erin Kotte, Andreas Walther, Alyssa Hatton, Wade Watson; Figure Skating: Barb Prystai, head coach; Kyla Scoville, coach; Rick Pettifor, Corrie Ennis, Sarah Ekman, Erin LeBlanc; Nordic Skiing: Bob Oldridge, head coach; Mary Riddell, Dick Cooke and Patti Fairhart Jones, coaches; Donelda Wood and Walter May, monitoring coaches; Sarah McCarthy, Erica Manson, Trevor Boardman, Anthony Hodgetts, Jennifer Riddell, Jeffery Riddell, Nadia Abbadi, Paul Oldridge, Heather Harrold; Snowshoeing: Kelly Zachodnik, head coach; Martha McCormack, coach; Peter Arsenault, Jody St. Onge, Charlene Stevenson, Fern Bremault; Speed Skating: Jodi Flanagan, team manager; Kimberly Evanochko, Peter Scott.

I sincerely thank all members of the House for honouring these exceptional Canadians in recognition of their participation in the Special Olympics.

### ORAL QUESTION PERIOD

[Translation]

#### TAXATION

**Hon. Stephen Harper (Leader of the Opposition, CPC):** Mr. Speaker, in a letter to the Speaker of the National Assembly, the Prime Minister does not admit that there is a fiscal imbalance. Instead, he invites the provinces to increase taxes even further so that they can fulfil their responsibilities in areas such as health. This is the same Prime Minister who had enough money for the sponsorship scandal, the HRDC boondoggle and the gun registry fiasco.

Yes or no, does the Prime Minister admit that there is a fiscal imbalance between the federal government and the provinces?

**Right Hon. Paul Martin (Prime Minister, Lib.):** Mr. Speaker, it is a shame when the leader of the opposition reads a letter and does not read the whole thing. Perhaps I should tell the House what I said, which was that the Government of Canada recognizes the financial pressures the provinces are under and is working closely with them in several key areas such as health.

I went on to say that this summer we plan to discuss a long-term action plan for health. This demonstrates the Government of Canada's commitment.

\* \* \*

#### SPONSORSHIP PROGRAM

**Hon. Stephen Harper (Leader of the Opposition, CPC):** Mr. Speaker, the Conservative Party can say, without hesitation, that there is a fiscal imbalance, and we are going to correct it.

[English]

On another subject, the Prime Minister said that no stone would be left unturned in getting to the truth of the sponsorship scandal. Yesterday, he even claimed that he wanted to hear from all the witnesses before the public accounts committee.

*Oral Questions*

Will the Prime Minister guarantee that the committee will hear all 72 of the witnesses that it wants to hear from?

**Right Hon. Paul Martin (Prime Minister, Lib.):** Mr. Speaker, from the very beginning, members of the Liberal Party have asked to have more witnesses, they have asked to go into greater depth in the questioning and they have asked to work longer and work harder. The problem is that unfortunately the Alliance Conservatives seem to work a three day week and do not want to do the job. That is what has happened.

• (1420)

**Hon. Stephen Harper (Leader of the Opposition, CPC):** Mr. Speaker, not only is that untrue, it is so typical. This Prime Minister blames the bureaucrats, he blames former politicians, he blames the heads of crown corporations and he blames the chairman and the opposition members of the public accounts committee.

Will the Prime Minister admit that if he wanted the job, should he not take accountability for it?

**Right Hon. Paul Martin (Prime Minister, Lib.):** Mr. Speaker, the only people I blame for the stalling at the public accounts committee are the opposition members, and that can be seen in everything they have done. However, if the Leader of the Opposition wants to talk about accountability, I certainly hope that he is prepared to be accountable for everything he has said over the course of the last eight years.

**Mr. Peter MacKay (Pictou—Antigonish—Guysborough, CPC):** Mr. Speaker, it is great to see the Prime Minister did show up for work today. Pot to kettle, Mr. Prime Minister. The political manipulation of the committee process is not unlike the political manipulation of the sponsorship scandal.

The member for Hillsborough has admitted he spoke to officials at the PMO just prior to having a press conference attacking the committee chair. Now his instructions are clearly to spin that the committee has to be shut down without hearing from critical witnesses.

Why will the Prime Minister not let the committee get to the bottom of the ad scandal, as he promised, and does he plan to shut it down before calling an election?

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

**The Speaker:** Order, please. Assistance for the President of the Treasury Board with his answer seems to be commonplace in the House but it does waste time, and we do want to hear what the President of the Treasury Board has to say. He was asked the question.

**Hon. Reg Alcock (President of the Treasury Board and Minister responsible for the Canadian Wheat Board, Lib.):** Mr. Speaker, I want to thank the Leader of the Opposition for raising the question of accountability. He complained a little yesterday that some of his remarks were taken out of context. Perhaps he could clarify this remark:

You've got to remember that west of Winnipeg the ridings the Liberals hold are dominated by people who are either recent Asian immigrants or recent migrants from eastern Canada: people who live in ghettos and who are not integrated into western Canadian society.

Perhaps the leader would like to clarify that remark.

**Mr. Peter MacKay (Pictou—Antigonish—Guysborough, CPC):** Mr. Speaker, the big kahuna opposite is going to get a chance to answer questions soon enough when he is on this side of—

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

**The Speaker:** Order, please. The hon. member for Pictou—Antigonish—Guysborough has the floor to ask another question. We will all want to be able to hear him.

**Mr. Peter MacKay:** Mr. Speaker, here is another important quote. This one comes from Quebec lieutenant Jean Lapierre. He says there is something wrong with the Liberal Party of Canada. He said:

It's like we took over a house, all the rooms looked nice and okay, and then we opened the fridge...Inside, we found a big stinking fish. It smells up the house.

We all know the fish rots from the head, and this Prime Minister is stinking up this House with his interference in the ad scandal. Why is the Prime Minister interfering in the ad scandal? Why does he not want the truth to be uncovered?

**Hon. Reg Alcock (President of the Treasury Board and Minister responsible for the Canadian Wheat Board, Lib.):** Mr. Speaker, one more time, I would remind the opposition that this Prime Minister has nothing to fear from the truth. This Prime Minister is the Prime Minister who launched the most comprehensive review of this issue ever done by a government. It is unprecedented openness.

However, on the other side is a group that wishes to lead the country that seems to believe it does not matter whether Canada ends up as one national government or not. Would he like to clarify that remark?

\* \* \*

[*Translation*]

**GASOLINE PRICES**

**Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ):** Mr. Speaker, the price of gasoline is exploding. People cannot take it anymore and the Prime Minister is still doing nothing to rein in the oil companies, which are raking in excessive profits.

Instead of taking the side of the oil companies, as he usually does, will the Prime Minister finally act in the public interest and create the petroleum monitoring agency called for by the Standing Committee on Industry?

• (1425)

**Right Hon. Paul Martin (Prime Minister, Lib.):** Mr. Speaker, the hon. member should be aware that we, on this side of the House, are very concerned about exactly the same subject.

The hon. member must also know that the Competition Bureau will, as it has in the past, look into the situation, and if anything can be done, it will do it.

*Oral Questions*

**Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ):** Mr. Speaker, “as it has in the past”? But it has done exactly nothing in the past. The rise in the price of gasoline is due in large part to the disproportionate profit margins of the oil companies at the refining stage. We are talking about profit margins of 17.5¢ a litre, while the oil companies would be already doing well with 6¢ a litre. Refineries are a federal responsibility, and the Prime Minister refuses to intervene.

When will the Prime Minister stop thinking like a shareholder, concerned with profits, and impose some discipline on the oil companies by creating the petroleum monitoring agency?

[English]

**Hon. R. John Efford (Minister of Natural Resources, Lib.):** Mr. Speaker, let me tell the hon. member, the leader of the Bloc, exactly what has been happening in Newfoundland and Labrador for the last 10 years. We pay 89¢ a litre. That is the cheapest gas one can buy in Newfoundland and Labrador. There has been a pricing commissioner in Newfoundland and Labrador for the last five years. It has made absolutely no difference.

The Prime Minister is exactly right. If there is a problem, the Competition Bureau will deal with it. There is no way an individual can go out there and control the price of gasoline across the country.

[Translation]

**Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ):** Mr. Speaker, according to the Association québécoise des indépendants du pétrole, the market is too concentrated, there are too few players in the industry and these players are maintaining their stocks very low, thus creating an artificial shortage. Consumers cannot take it anymore and the government is not doing anything, when it could launch an inquiry on competition in the oil industry.

Why is the government not doing anything when it could?

[English]

**Hon. R. John Efford (Minister of Natural Resources, Lib.):** Mr. Speaker, maybe the hon. member is not knowledgeable about the free world and business and the free enterprise system. When the price of oil goes up to \$35 U.S. a barrel, as it is today, naturally the price will increase accordingly.

Does the hon. member expect every time the price goes up or goes down that we will tell the oil companies exactly what to do? If there is a problem with the pricing of oil, if there is any unfair pricing going on, the hon. member should write and complain to the Competition Bureau.

[Translation]

**Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ):** Mr. Speaker, I do know what happens to consumers' money. I should point out that the responsibility of conducting one of the government's inquiries on competition was given to the Conference Board, which includes major oil companies.

Why not ask for a bona fide inquiry on the lack of competition in the oil industry? The minister has the authority to do so. He must order such an inquiry.

**Hon. Lucienne Robillard (Minister of Industry and Minister responsible for the Economic Development Agency of Canada for the Regions of Quebec, Lib.):** Mr. Speaker, let us be very clear. I do not think that anyone in Canada likes the current skyrocketing oil prices, and this includes consumers and business people of all kinds.

To be sure, we are very concerned about the situation. Parliamentarians themselves looked into this issue in May 2003. We all concluded that there is no collusion in the market right now.

Having said this, the Competition Bureau is always there to monitor the activities—

**The Speaker:** The hon. member for Winnipeg—Transcona.

\* \* \*

[English]

**IRAQ**

**Hon. Bill Blaikie (Winnipeg—Transcona, NDP):** Mr. Speaker, my question is for the right hon. Prime Minister.

The Prime Minister will know that people all around the world are horrified by the pictures that have been coming out of Iraq in the last few days. President Bush has rightly gone on Arab television today to explain his position and how abhorrent he finds these acts by his fellow Americans.

Has the Prime Minister made any official statement in this regard? Did he convey to President Bush before his statement this morning the concern that obviously Canadians have about these human rights violations and the fact that they do so very little to contribute to the cause of freedom?

• (1430)

**Right Hon. Paul Martin (Prime Minister, Lib.):** Mr. Speaker, the acting leader of the NDP does well to raise this issue. This is an issue which has horrified civilized people around the world. It is absolutely ghastly and is totally unacceptable.

I was delighted to see the statement by the President of the United States and his abhorrence of what happened. There is no doubt that in the fight against terrorism we have to remember that our values are why we are fighting terrorism and that this kind of thing just must not happen and that full investigations must take place.

\* \* \*

**VIA RAIL**

**Hon. Bill Blaikie (Winnipeg—Transcona, NDP):** Mr. Speaker, I did include in my question an inquiry as to whether the Prime Minister had conveyed his concerns to President Bush prior to this morning. Perhaps the Prime Minister would like to respond to that.

Further to other questions that we have raised in the House this week about the inclination of the Liberals toward privatizing things, we notice that the Minister of Transport recently made a speech in which he talked about the commercialization of passenger rail in this country.



I want to ask the Minister of Transport, will he tell the House whether the government has any plans to privatize VIA Rail, or will he do the right thing and get up and say that the government has no intention of privatizing VIA Rail?

**Hon. Tony Valeri (Minister of Transport, Lib.):** Mr. Speaker, we have no intention of privatizing VIA Rail.

\* \* \*

#### GOVERNMENT APPOINTMENTS

**Mr. Rahim Jaffer (Edmonton—Strathcona, CPC):** Mr. Speaker, the former finance minister created over \$9 billion worth of foundations which he deliberately excluded from parliamentary oversight.

One of his largest foundations, the millennium scholarship fund, just gained the reappointment of Arthur May to its board for another five years. His reappointment was made without any referral to Parliament and in direct contradiction to the Prime Minister's promise to eliminate the democratic deficit.

Why is the Prime Minister so afraid to give Parliament its say in these appointments?

**Hon. John McKay (Parliamentary Secretary to the Minister of Finance, Lib.):** Mr. Speaker, as you know, these foundations have been tremendous successes for the Government of Canada, including the millennium scholarship foundation.

The statements are audited. They are supervised by boards of exemplary Canadians. As I have said in the past, Parliament has the supervisory jurisdiction. If Parliament wishes to call into question the concern raised by the hon. member, it may do so.

**Mr. Rahim Jaffer (Edmonton—Strathcona, CPC):** Mr. Speaker, I guess much of the success is for the friends of the Liberals.

In the past five months ambassadors, crown corporation heads, IRB judges, the ethics commissioner and now the heads of these foundations have all escaped scrutiny.

The Prime Minister has thrown out the window his promise to give Parliament a role in these appointments by unilaterally appointing hand-picked people and placing them in charge of billions of dollars.

Why is it so hard for the Prime Minister to keep his promise and subject these appointments to parliamentary oversight?

**Hon. Jacques Saada (Leader of the Government in the House of Commons and Minister responsible for Democratic Reform, Lib.):** Mr. Speaker, it is remarkable that the Tory members would ask us to honour what we have committed to doing when they have refused to endorse the plan we have tabled. On the action plan we are referring specifically to a role for Parliament in the prior review of appointments. They have refused to adhere to this plan. Now they claim they want to have the plan respected.

The process is going on with committees to establish a process by which this review will take place. The lists of positions to be filled are being provided to committees. Committees will have the opportunity to do the job as scheduled in the action plan that they still refuse to adhere to.

#### Oral Questions

#### CANADA HEALTH INFOWAY

**Mr. Monte Solberg (Medicine Hat, CPC):** Mr. Speaker, that is simply not true.

Two years ago we asked a simple Order Paper question about one of the \$9 billion off the books foundations, Canada Health Infoway. We asked, how much money does the president make? The government basically told us that it was none of our business, that it was an internal matter.

Why is the government refusing to let taxpayers see how their tax dollars are being spent at Canada Health Infoway? Why is it hiding this information?

**Hon. Pierre Pettigrew (Minister of Health, Minister of Intergovernmental Affairs and Minister responsible for Official Languages, Lib.):** Mr. Speaker, I can tell you that Canada Health Infoway is an outstanding institution from the Government of Canada. It has been making the right investments across the country in all of the provinces, helping to modernize our health care system and adapt it to the reality of the 21st century using the appropriate information technology that exists. This is the role of Canada Health Infoway.

• (1435)

**Mr. Monte Solberg (Medicine Hat, CPC):** Mr. Speaker, we did not ask about the role. We are asking specific questions about why that foundation is not transparent.

In that same Order Paper question, we asked if Canada Health Infoway was following government contracting policy. We were told no, because it is not part of the Government of Canada. That is also the reason that the Auditor General cannot look at the books.

Why should taxpayers fund foundations when taxpayers must completely surrender control once their cheques are cashed? Why?

**Hon. John McKay (Parliamentary Secretary to the Minister of Finance, Lib.):** Mr. Speaker, I direct the hon. member's attention to the budget of 2003. If he reads the budget, he will notice that foundations will be required to provide plans annually to the minister responsible for administering the funding agreement and that the annual report for each foundation, including relevant performance reporting and audited financial statements, were provided to the minister.

The hon. member has access to all of these reports, all of the appointments. He may pursue those at his leisure.

\* \* \*

[Translation]

#### GASOLINE PRICES

**Mr. Michel Gauthier (Roberval, BQ):** Mr. Speaker, gasoline prices are skyrocketing, and all the government is doing is siding with the oil companies.

My question is this: While gas prices are set by a small group of oil companies, to the detriment of the consumer, how can the government justify the fact that the only thing it did last year was to reduce the tax burden of those oil companies by \$250 million?

*Oral Questions**[English]*

**Hon. R. John Efford (Minister of Natural Resources, Lib.):** Mr. Speaker, allow me to ask the hon. member a question in answering the question.

Some time ago Quebec put a pricing commissioner in place to check the price of gasoline. What difference has it made to the price of gasoline in Quebec? That will answer the question of what difference it would make in Canada.

*[Translation]*

**Mr. Michel Gauthier (Roberval, BQ):** Mr. Speaker, the federal government has a number of tools at its disposal.

First, it could have instituted a real investigation into a potential lack of competition in the oil market. That it did not do, or at least not seriously. Second, it could establish a petroleum monitoring agency, as the committee recommended. That it did not do.

How can it justify to those who are listening and who are being strangled by the oil companies that the only thing it did do is reduce the taxes on companies that are already raking in huge profits?

**Hon. Lucienne Robillard (Minister of Industry and Minister responsible for the Economic Development Agency of Canada for the Regions of Quebec, Lib.):** This is incorrect, Mr. Speaker. The hon. member for Roberval is not presenting all the facts. The Competition Bureau has, on a number of occasions, carried out investigations to determine exactly what was going on in the market. The parliamentary committee has done the same. At the present time, everyone agrees that the price hike is the result of a drop in inventory, coupled with a rapid rise in crude oil prices. That is what everyone is saying right now, with the exception of the member for Roberval. He needs to face up to reality. The Competition Bureau will continue to do its job.

\* \* \*

**TAXATION**

**Mr. Pierre Paquette (Joliette, BQ):** Mr. Speaker, following a unanimous motion by the Quebec National Assembly calling on the federal government to recognize and correct the fiscal imbalance, the Prime Minister's best response was to suggest that Quebec raise its taxes in order to fulfill its responsibilities.

How can the Prime Minister make such a suggestion when he has the money, he has been accumulating a surplus, and he need only transfer this money to solve the health care problems without anyone having to pay one cent more?

**Hon. Denis Paradis (Minister of State (Financial Institutions), Lib.):** Mr. Speaker, in the Speech from the Throne, the words "cooperation" and "partnership with the provinces" occur 14 times. In his letter, the Prime Minister referred to his desire to assure the National Assembly that the Government of Canada is determined to develop a new partnership with the provinces and territories that will emphasize the interests of Canadians.

In this country, there is only one taxpayer, paying at the municipal, provincial and federal levels, and hoping that the elected representatives can agree among themselves.

• (1440)

**Mr. Pierre Paquette (Joliette, BQ):** Mr. Speaker, strangely—

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

**The Speaker:** Order, please. The hon. member for Joliette.

**Mr. Pierre Paquette:** Mr. Speaker, the health care problems are entirely the creation of the current Prime Minister, who reduced transfer payments year after year. Today, instead of correcting his error by restoring transfers, he ingeniously suggests that Quebec and the provinces tax their people more.

How can the Prime Minister be just as irresponsible and arrogant as Jean Chrétien was and propose increased taxes, when the solution—transferring money for health from the federal government to Quebec and the provinces—already exists?

**Hon. Pierre Pettigrew (Minister of Health, Minister of Intergovernmental Affairs and Minister responsible for Official Languages, Lib.):** Mr. Speaker, a new sum of \$34.8 billion will be invested over the next five years, and the latest budget has included an additional \$2 billion.

We have an equalization formula by which 45% of the money goes to Quebec. We are determined to sit down with Quebec and the other provinces to create a health care system that will last into the future.

\* \* \*

*[English]***ROYAL CANADIAN MINT**

**Mr. Leon Benoit (Lakeland, CPC):** Mr. Speaker, the government is printing money at the Mint and spending it like it is its own, but it is not. This crown corporation funded a six-day tour of Italy for Alfonso Gagliano and his cronies, but only one day of official business was conducted.

Given that the Prime Minister has said he will never defend the indefensible, when is he going to call up his good friend Alfonso Gagliano and order him to pay back the taxpayer money that was spent on this trip?

**Hon. Stan Keyes (Minister of National Revenue and Minister of State (Sport), Lib.):** Mr. Speaker, the question provides me with an opportunity to reassure Canadians that there have been changes to the Mint. The activities there are now completely above reproach, completely transparent, fully accountable, and able to withstand full public scrutiny.

It would really be nice if Canadians had the same comfort level about the Leader of the Opposition with his leadership campaign expenses, which he still refuses to disclose.

**Mr. Leon Benoit (Lakeland, CPC):** Mr. Speaker, when these guys get caught, then they are going to change something and make it better.

This trip was clearly nothing more than a personal vacation for an ex-minister and the government should be quick to condemn it. George Radwanski is paying money back to Canadians, and so should Alfonso Gagliano.

Why is it standard Liberal practice to abuse the public trust and defend lavish vacations that the average Canadian simply cannot—

**The Speaker:** The hon. Minister of National Revenue.

*Oral Questions*

**Hon. Stan Keyes (Minister of National Revenue and Minister of State (Sport), Lib.):** Mr. Speaker, no one is defending anything of the sort.

We are trying to explain to the opposition in order for Canadians to fully understand and have full confidence in the Mint. There have been changes under the leadership of the new president.

For example, and allow me to illustrate, the president must now present a summary of his travel expenses to the board at every meeting. There is now an annual review of expenses of the president to the board members and the position of internal auditor was reinstated, with a mandate to review all expenditures. These are the actions that are presently being done at the Mint.

**Mr. Jason Kenney (Calgary Southeast, CPC):** Mr. Speaker, the problem is that the government has been treating the Royal Canadian Mint as though it were the royal Liberal mint.

Liberal kingpin Alfonso Gagliano went on a week-long, luxury trip to Italy, in 2001, courtesy of the taxpayer. He brought along a pack of Liberal hacks, including a convicted fraudster for good measure.

Mr. Gagliano did one day of official business, though, rubbing shoulders with aging Italian sex kitten Gina Lollobrigida at the launch of her coin.

Canadians want to know why do senior Liberal ministers bilk the taxpayer for their luxury vacations?

**An hon. member:** Shame on you.

**An hon. member:** That is an awful thing that he said about Gina Lollobrigida.

**An hon. member:** Absolutely. It is just absolutely disgusting.

**Hon. Stan Keyes (Minister of National Revenue and Minister of State (Sport), Lib.):** I think the hon. member mispronounced Lollobrigida, Mr. Speaker. Show respect for our Italian community.

**An hon. member:** How dare you insult—

**The Speaker:** Order. Order, please. We must have some order so we can hear the minister's response.

There seems to be a lot of conversations going on between various members all at the same time. It makes it very difficult for the Speaker to hear what is happening.

The hon. Minister of National Revenue has the floor.

**Hon. Stan Keyes:** Mr. Speaker, I want to remind Canadians that the Mint is now doing its business in a fashion that is completely above reproach.

The roles and responsibilities of the board, the chair and the president were reviewed, and completely clarified to reflect best practices. Its corporate bylaws and policies, including hospitality, corporate ownership, and charitable donations were reviewed and updated. The Mint is doing its job.

•(1445)

**Mr. Jason Kenney (Calgary Southeast, CPC):** Mr. Speaker, I apologize for offending the aging sex kitten community.

The minister is talking about what has happened at the Mint in terms of policy. Alfonso Gagliano was a Liberal minister, a colleague—

**The Speaker:** Order, please. Perhaps if we stayed away from the subject of sex kittens in question period it might help because it seems to be creating disorder. I suggest we all drop the subject.

The hon. member for Calgary Southeast will proceed with his question.

**Mr. Jason Kenney:** Point taken, Mr. Speaker.

The minister is talking about policy changes at the Mint, a day late and several thousand dollars short.

The problem is Alfonso Gagliano was not president of the Mint. He was a Liberal minister of the Crown who abused tax dollars to finance a personal vacation.

Are those Liberal ethical standards? Will that former minister be required to repay the treasury for his abuse of the public trust?

**Hon. Stan Keyes (Minister of National Revenue and Minister of State (Sport), Lib.):** Mr. Speaker, in a nutshell, I can assure the hon. member that since December 12, when this Prime Minister was put into office, it has been nothing but his goal to ensure complete accountability and complete transparency, and that goes for all crown corporations.

\* \* \*

[*Translation*]

**PUBLIC SAFETY**

**Hon. Claude Drouin (Beauce, Lib.):** Mr. Speaker, we have all seen the images from Kanesatake recently. We have noticed that there are public safety concerns that the Bloc does not seem too worried about.

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

**Hon. Claude Drouin:** Can the Minister of Public Safety and Emergency Preparedness inform the House about the role the federal government will play in maintaining safety, even if the Bloc is not interested?

[*English*]

**Hon. Anne McLellan (Deputy Prime Minister and Minister of Public Safety and Emergency Preparedness, Lib.):** Mr. Speaker, the hon. member raises a very important question. Let me reassure everyone that the Government of Canada, the Government of Quebec, and the band council at Kanesatake are committed to restoring safety and security to the community. To that end, all parties are working together. I want to make it clear to everyone that the RCMP will support the SQ and the Kanesatake Mohawk police.

I call upon everyone in the Kanesatake community to respect the rule of law.

\* \* \*

**PAY EQUITY**

**Ms. Judy Wasylycia-Leis (Winnipeg North Centre, NDP):** Mr. Speaker, enough of macho politics and sex kittens. I want to ask about pay equity.

### Oral Questions

The task force report came down today and it has the support of women across Canada. I want to ask the Prime Minister about this and only the Prime Minister.

After a decade of stagnation under the Liberals there is still a large gender gap in the workplace. The Prime Minister knows about gender gaps and credibility gaps too. He need only look at the list of Liberal candidates in this election.

If the Prime Minister will not run more women, will he at least commit to the recommendations released today? Will he commit to implementing those pay equity recommendations immediately and provide Parliament with a plan of—

**The Speaker:** The hon. President of the Treasury Board.

**Hon. Reg Alcock (President of the Treasury Board and Minister responsible for the Canadian Wheat Board, Lib.):** Mr. Speaker, I wish to thank the member for her question because this is a very important issue.

The report was commissioned by the Minister of Justice and the Minister of Labour. It will be released today. Once we have had a chance to study it and understand the implications, we will report back to the House.

\* \* \*

### CHILD POVERTY

**Ms. Libby Davies (Vancouver East, NDP):** Mr. Speaker, we would never know it was an important issue especially when it is added to the latest reports from Campaign 2000 and the National Council of Welfare who have both come to the same conclusion that it is clearly within federal responsibility.

Why is it that after almost 15 years since Parliament passed a resolution to end child poverty, we still have an average poverty rate of one child in six in this country? Poor families cannot live on Liberal rhetoric and broken promises.

Why has the government failed yet again to deliver on affordable housing, on a decent federal minimum wage, and a long promised national child care program? What is the excuse this time? Why is there no action?

**Hon. Liza Frulla (Minister of Social Development, Lib.):** Mr. Speaker, we are aware that there are still obstacles with regard to child poverty. That is true. Statistics Canada has said that child poverty decreased from 16.7% in 1996 to 11.4% in 2001, the lowest rate since 1980. We still have work to do.

We invested \$8.1 billion in 2002-03 in the Canada child tax benefit, and of that amount \$2.5 million on the national child benefit. We will reach \$10 billion by 2007-08.

\* \* \*

• (1450)

### AIR CANADA

**Mr. James Moore (Port Moody—Coquitlam—Port Coquitlam, CPC):** Mr. Speaker, the Liberal approach to Air Canada has been to wish it well, hope for the best, but in fact do nothing. Over 30,000 jobs are at stake with Air Canada and the Liberals are doing nothing.

On April 11 of last year the transport committee recommended unanimously that the federal government suspend airport rents, eliminate the air security tax, and cut the fuel tax by 50%. The Liberals did nothing.

Will the transport minister do anything at all to help Air Canada or will he just sit there like the Liberals have for the past decade and fail yet again?

**Hon. Tony Valeri (Minister of Transport, Lib.):** Mr. Speaker, with respect to Air Canada, Transport Canada continues to meet with Air Canada on a regular basis as it has done throughout the entire CCAA process. Air Canada provides updates on the restructuring operations and its planning. We have not received any formal request with respect to Air Canada.

I would encourage the company, its unions and creditors to continue to work through this CCAA process that would facilitate a private sector solution for this company so that it can come back and compete effectively.

**Mr. James Moore (Port Moody—Coquitlam—Port Coquitlam, CPC):** Mr. Speaker, Air Canada, its workers, its unions and its management have done a lot, but the fact is that if the transport minister did nearly as much as Air Canada has done, we would be a long way to having this problem solved.

In fact, if the transport minister put half as much effort into the air industry and Air Canada as he did to putting the boots to Sheila Copps, this problem might be a long way to being solved.

There is a lot of things the government can do. It can cut aviation fuel tax, help with rents, and it can raise the foreign capital contributions from 25% to 49%. However, the government has done nothing.

We want to know, why has the government done nothing on the air industry, nothing at all?

**The Speaker:** The hon. member for Port Moody—Coquitlam—Port Coquitlam will know he must not refer to hon. members by name and will want to repent of that activity. The hon. Minister of Transport.

**Hon. Tony Valeri (Minister of Transport, Lib.):** Mr. Speaker, I can tell you that the air sector continues to be top of mind for me as a transport minister.

We continue to build and look to build a competitive air industry. We have seen the entry of WestJet, Jetsgo, and CanJet. We have seen domestic airlines taking hold here in Canada.

We have seen a competitive market. Effectively, we will continue to pursue policies that will provide and ensure a competitive environment.

\* \* \*

### FOREIGN AFFAIRS

**Mr. Stockwell Day (Okanagan—Coquihalla, CPC):** Mr. Speaker, the ongoing documented atrocities in Sudan include the mass execution of civilians, the killing of children, the systematic rape of women, destruction of villages, and the forced displacement of thousands of civilians.

In referring to Sudan's election yesterday to the United Nations Commission on Human Rights, Joanna Weschler, who is the UN Human Rights Watch representative, said:

A government that engages in wholesale abuses of its citizens should not be eligible for a seat at the table—

Does the Prime Minister agree with that statement?

**Hon. Bill Graham (Minister of Foreign Affairs, Lib.):** Mr. Speaker, the hon. member is very knowledgeable about how the UN Commission on Human Rights works. He has spoken about it in the House many times. He knows very well that African delegates are put up by African countries, and that Canada, Europe and other countries do not control those elections.

We have made it very clear when we voted against Libya to be the chair the last time that we take a strong stand. We believe strongly that we are working toward the reform of the UN Commission on Human Rights.

This is a very important institution of the United Nations. It does need improvement. We will be working toward that and at this time I am proud to say that CIDA is making significant contributions to the helping of refugees in the region.

**Mr. Stockwell Day (Okanagan—Coquihalla, CPC):** Mr. Speaker, this issue goes beyond politics. It is time for the Prime Minister to show leadership.

Yesterday, at least one country at that delegation had the good sense to protest by walking out. Our Canadian representatives sat silently on their hands, staring at the floor.

Today, in the human rights committee of this Parliament emergency action will be discussed. We will be asking that a monitoring committee of MPs and others join other countries in going to the Sudan with the hope of having some effect on stemming the tide of this genocide.

Will the Prime Minister simply take leadership and announce that this should go ahead immediately?

**Hon. Bill Graham (Minister of Foreign Affairs, Lib.):** Mr. Speaker, I met today with Senator Jaffer, who is a member of our Parliament, not of this House, and our special envoy to the Sudan peace process. She will be going there next week. She has been actively pursuing the peace process on behalf of the government and Canadian people.

We have been active not only in encouraging the peace process, but we have been active in helping the people of Sudan who are in very difficult circumstances.

The hon. member knows that and he need not try to portray it as if it is a surprise. It may be a surprise to his party; it is not a surprise to the government, which has been working on these issues—

• (1455)

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

### Oral Questions

[Translation]

#### CANADIAN BROADCASTING CORPORATION

**Ms. Christiane Gagnon (Québec, BQ):** Mr. Speaker, after cuts in Québec City, Rimouski, Matane and Sept-Îles, now employees at Radio-Canada radio station CBJ in Chicoutimi are also going through a round of cuts.

Can the Minister of Canadian Heritage tell us whether having public television and radio in the regions is still a priority for this government and for the CBC?

**Hon. Hélène Scherrer (Minister of Canadian Heritage, Lib.):** Mr. Speaker, first, I would like to remind the hon. member—and she probably knows this too—that the Canadian Broadcasting Corporation manages its own daily operations.

I would also like to remind the hon. member that the government is definitely committed to the CBC and provides it with \$1 billion in annual funding.

Furthermore, I also think it is important to recall the Speech from the Throne in which the government stated its intention—in all its activities—to develop communities.

**Ms. Christiane Gagnon (Québec, BQ):** Mr. Speaker, to the people from the Saguenay worried about these cuts, the member for Chicoutimi—Le Fjord confirmed having received every assurance that they just might be cancelled over the coming weeks.

Can the minister promise, before the election is called, to maintain services at the level they were before the cuts, not only in Chicoutimi but in all the regions where there were cuts?

**Hon. Hélène Scherrer (Minister of Canadian Heritage, Lib.):** Mr. Speaker, I thank the hon. member for Québec for allowing me to reiterate the government's promise in the throne speech, and subsequently, to promote and be very present in communities.

This was not just for the past few weeks. This has been going on for the past few months and will continue in the coming weeks.

\* \* \*

[English]

#### PUBLIC WORKS AND GOVERNMENT SERVICES

**Mr. Bill Casey (Cumberland—Colchester, CPC):** Mr. Speaker, the government always claims that it wants to encourage competition in the telecommunications business, but when it outlined the terms required to provide telephone service to its own offices in Atlantic Canada, the conditions made it impossible for new entries to compete with the incumbent.

Will the Minister of Public Works just open up the bidding system and give all contenders a level playing field?

**Hon. Stephen Owen (Minister of Public Works and Government Services, Lib.):** Mr. Speaker, I am grateful to the member for Cumberland—Colchester for raising this important question and for providing me with a letter last week outlining his concerns, to which I have been able to respond.

### Oral Questions

For all members of the House, let me say that members of my department put out a draft request for proposals in January so that it could have discussions on that draft with members of the industry with respect to the best possible service for these two provinces. The barriers that the hon. member refers to are being worked out. The final request for proposals has not been issued, but certainly the concerns of the industry will be fully considered.

**Mr. Bill Casey (Cumberland—Colchester, CPC):** Mr. Speaker, I appreciate the letter but it does confirm that the barriers are there. In fact, the rules state that a company can only tender on an entire province at once. The rules also state that all services must be in place within 120 days, which is just impossible for any company other than the current supplier, so it is not a level playing field.

Will the minister change these specifics to open up the bidding or explain why the government does not want the best deal for Canadian taxpayers' dollars?

**Hon. Stephen Owen (Minister of Public Works and Government Services, Lib.):** Mr. Speaker, we will be issuing a request for proposals by the end of this month which will give a full explanation of a very competitive process.

Let me say to the hon. member that with respect to one provider of government telephone services per province, it is necessary for operational requirements and to provide value for money for the people of Canada. Also, in terms of barriers to entry, any new entrant into the provision of telephone services is allowed by the CRTC regulations to be sold services at the regular cost by an existing incumbent supplier so that there can be no barrier to new entrants—

**The Speaker:** The hon. member for Oak Ridges.

\* \* \*

### TRADE

**Mr. Bryon Wilfert (Oak Ridges, Lib.):** Mr. Speaker, Japan and Mexico have recently concluded a free trade agreement. Companies such as Nissan and Sony are able to compete on a level playing field in Mexico against rivals such as the U.S. and Europe.

Japan has realized that FTAs are important for its national security interests. Given that Japan is Canada's second largest trading partner, with an economy greater than that of all of Asia combined, and given that the United States is also aggressively seeking FTAs in Asia, can the Minister of International Trade tell us what steps he is taking to secure Canada's economic and trade interests with Japan, since members of the Japanese Diet are interested in an FTA with Canada?

• (1500)

**Hon. Jim Peterson (Minister of International Trade, Lib.):** Mr. Speaker, the area of northeast Asia is truly a driving force in global trade, and yes, Japan is indeed Canada's second largest trading partner. We will continue to explore with Japan ways in which we can enhance our investment and our trading relationship, but as a start we would ask that Japan open its markets to Canadian beef. That is our priority.

\* \* \*

### HEALTH

**Mr. Rob Merrifield (Yellowhead, CPC):** Mr. Speaker, the Prime Minister has been dragging his heels on public health. He talked

about a national public health agency and a chief public health official. He did that in the throne speech, and he did it again in promising that in the budget, but where is it? Talk is cheap, but he does not even have the forms for filling out the applications.

My question is simple. Will the chief public health officer's position be filled before the election?

**Hon. Carolyn Bennett (Minister of State (Public Health), Lib.):** Mr. Speaker, I am pleased to announce that we will begin the search for the chief public health officer hopefully next week, and we will take the time it takes to get the right person for the job. We think it will be a short process.

**Mr. Rob Merrifield (Yellowhead, CPC):** Mr. Speaker, beginning a process is not a lot of assurance.

Does the government realize that SARS came to Canada over a year ago? This government was not prepared then and it is not prepared now. SARS could be only a plane trip away.

Does the government realize that West Nile virus is here to stay? The avian flu is also here within our borders. The agency has not even started to think about getting on its way, so will the agency be in place before this election is called?

**Hon. Pierre Pettigrew (Minister of Health, Minister of Intergovernmental Affairs and Minister responsible for Official Languages, Lib.):** Mr. Speaker, I can tell you that this country is absolutely ready to meet the challenges that could face us. We have learned from the experience of last year, with \$665 million invested in last year's budget in the public health agency. We are ready to meet these challenges.

We are working very closely with the World Health Organization as well, which has acknowledged Canada's great contribution not only in this country but worldwide. We are on top of it.

\* \* \*

[Translation]

### PUBLIC SERVICE

**Mr. Mario Laframboise (Argenteuil—Papineau—Mirabel, BQ):** Mr. Speaker, Edith Gendron, a public servant with Canadian Heritage, was dismissed because of a personal commitment as president of the movement "Le Québec, un pays", despite the fact that her work is irreproachable.

How can the government claim that this was a purely administrative decision when Guylain Thorne, the person who dismissed Ms. Gendron, is a committed Liberal, a former chief of staff of the current President of the Privy Council, a member of the same team that claimed to be at war against the sovereignists in the sponsorship scandal? Is this not evidence that the decision was indeed a political one?

*Routine Proceedings***ROUTINE PROCEEDINGS**

**Hon. Hélène Scherrer (Minister of Canadian Heritage, Lib.):** Mr. Speaker, I do not have much to add to what I already said last week and on several occasions this week. This is a labour relations matter. The public service standards were complied with. I must say that I find it rather strange that Bloc Quebecois members would call for political interference in the area of hiring and labour relations.

\* \* \*

*[English]***GRAIN TRANSPORTATION**

**Ms. Anita Neville (Winnipeg South Centre, Lib.):** Mr. Speaker, the Government of Canada has a 1996 commitment to dispose of hopper cars. My question is for the Minister of Transport. Could he give us an update on the status of the Farmer Rail Car Coalition's proposal to own and operate the hopper car fleet in the interests of farmers and producers?

**Hon. Tony Valeri (Minister of Transport, Lib.):** Mr. Speaker, the government is committed to working with the FRCC on its innovative proposal to manage the fleet of railway cars. We will continue with the necessary due diligence on the proposal to ensure that the roles and responsibilities are clear and that value for taxpayers is optimized.

The government and the FRCC have shared interests in ensuring that there is sufficient commercial and competitive grain transportation in this country, grain transportation that in fact meets the needs of producers and other stakeholders.

\* \* \*

● (1505)

**BUSINESS OF THE HOUSE**

**The Acting Speaker (Mrs. Hinton):** It is my duty, pursuant to Standing Order 81(14), to inform the House that the motion to be considered tomorrow during consideration of the business of supply is as follows:

That, in the opinion of this House, the government should propose, before the dissolution of the House, an employment insurance reform along the lines of the 17 recommendations contained in the unanimous report of the Standing Committee on Human Resources Development and the Status of Persons with Disabilities, entitled "Beyond Bill C-2: A Review of Other Proposals to Reform Employment Insurance".

This motion, standing in the name of the hon. member for Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, is not votable. Copies of the motion are available at the table.

I have received notice from the hon. member for Saskatoon—Wanuskewin that he is unable to move his motion during private members' hour on Thursday, May 6, 2004. It has not been possible to arrange an exchange of positions in the order of precedence. Accordingly, I am directing the table officers to drop that item of business to the bottom of the order of precedence. Private members' hour will thus be cancelled and the House will continue with the business before it prior to private members' hour.

*[English]***GOVERNMENT RESPONSE TO PETITIONS**

**Hon. Roger Gallaway (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.):** Madam Speaker, pursuant to Standing Order 36(8) I am pleased to table, in both official languages, the government's response to 21 petitions.

\* \* \*

*[Translation]***MATHIEU DA COSTA DAY ACT**

**Mrs. Marlene Jennings (Notre-Dame-de-Grâce—Lachine, Lib.)** moved for leave to introduce Bill C-524, an act to establish Mathieu Da Costa Day.

She said: Madam Speaker, I take great pleasure in introducing this bill, which formally designates the first day of February as Mathieu Da Costa Day.

● (1510)

*[English]*

Mathieu Da Costa was a black navigator and interpreter, who in the late 1500s and early 1600s was instrumental in bridging the cultural and linguistic gap between our early French explorers and the Mi'kmaq people.

In a Canada that endeavours to celebrate its history and diversity with great fervour, I cannot think of a more fitting way to kick off Black History Month than with this commemorative day.

I would like to thank my colleague from Parkdale—High Park for seconding this motion. I hope all members of the House will support this bill when it comes forward for debate at second reading.

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

**Mr. Peter Adams:** Madam Speaker, I rise on a point of order. May I ask for unanimous consent to return to tabling of reports from committees?

**The Acting Speaker (Mrs. Hinton):** Is that agreed?**Some hon. members:** Agreed.

\* \* \*

**COMMITTEES OF THE HOUSE**

## PROCEDURE AND HOUSE AFFAIRS

**Mr. Peter Adams (Peterborough, Lib.):** Madam Speaker, I have the honour to present the 27th report of the Standing Committee on Procedure and House Affairs, which recommends that the French language version of the Standing Orders be amended to reflect current usage by replacing "Orateur" with "Président". I intend to move concurrence on this motion, but on another day.

*Routine Proceedings*

## STATEMENTS BY MEMBERS

**Mrs. Diane Ablonczy (Calgary—Nose Hill, CPC):** Madam Speaker, today, in my S.O. 31 in the House, I referred to the names of 24 Special Olympic athletes and their coaches. I believe there is unanimous consent for having the names of these individuals added to my statement so that they may appear in the record of the House of Commons.

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

**Some hon. members:** Agreed.

\* \* \*

## PETITIONS

## CONSUL GENERAL TO CHANDIGARH

**Ms. Alexa McDonough (Halifax, NDP):** Madam Speaker, it is my privilege to table a petition this afternoon calling for a public inquiry into the violation of the rights of Canadian citizen, Bhupinder Liddar, who, when his October 2003 appointment as consul general to Chandigarh was frozen, damaging his reputation and leaving his livelihood and his life in limbo, without benefit of due process, transparency or accountability.

Mr. Liddar deserves to know and Canadians want to know what role government officials, agencies and departments have played in freezing Mr. Liddar's appointment so that his name may be cleared, so that his life may resume and so that similar occurrences can be prevented in future.

## TAXATION

**Mr. Peter MacKay (Pictou—Antigonish—Guysborough, CPC):** Madam Speaker, pursuant to the Standing Orders it is my pleasure to table, on behalf of citizens of Pictou—Antigonish—Guysborough, a petition calling on the government to modify Canadian tax law, specifically with respect to the clawback or carry back taxation of lump sum pay equity payments, and to eliminate the taxation of interest payments retroactive to January 1, 1999.

The petition carries the names of citizens of my constituency who have brought this to the attention of Parliament through their member.

[*Translation*]

## HIV-AIDS

**Mr. Richard Marceau (Charlesbourg—Jacques-Cartier, BQ):** Madam Speaker, I am pleased to table this important petition, which is part of the Beads of Hope Campaign of the United Church of Canada.

The petitioners call upon the government to: (1) cancel the burden of debt owed by developing countries that undermines their capacity to respond to the HIV-AIDS pandemic; (2) increase foreign aid and support for the United Nations' Global Fund to Fight AIDS, Tuberculosis, and Malaria; (3) ensure that patents or trade-related intellectual property rights do not block access to life-saving medicines; and (4) double funding to the Canadian Strategy on HIV-AIDS.

[*English*]

## MARRIAGE

**Mr. Murray Calder (Dufferin—Peel—Wellington—Grey, Lib.):** Madam Speaker, pursuant to Standing Order 31, I have three petitions to present.

In the first petition the petitioners ask the federal government to pass legislation to recognize the institution of marriage in federal law as being a lifelong union of one man and one woman to the exclusion of all others.

• (1515)

## TAXATION

**Mr. Murray Calder (Dufferin—Peel—Wellington—Grey, Lib.):** Madam Speaker, my second petition is that natural health products be zero rated for GST and HST in the same manner that prescription drugs are.

## ROCKLIFFE STATION

**Mr. Murray Calder (Dufferin—Peel—Wellington—Grey, Lib.):** Madam Speaker, my third petition is to enact legislation that would keep the Rockcliffe Station in the public domain.

## CHILD PORNOGRAPHY

**Mr. Philip Mayfield (Cariboo—Chilcotin, CPC):** Madam Speaker, I have two petitions from citizens of Cariboo—Chilcotin in the city of Williams Lake and surrounding communities.

The first petition draws attention to the House that the creation and use of child pornography is condemned by a clear majority of Canadians and that the courts have not applied the current child pornography law in a way which makes it clear that such exploitation of children will met with swift punishment.

Therefore the petitioners call upon Parliament to protect our children by taking all necessary steps to ensure that all materials which promote or glorify pedophilia or sado-masochistic activities involving children are outlawed.

## MARRIAGE

**Mr. Philip Mayfield (Cariboo—Chilcotin, CPC):** Madam Speaker, the second petition draws to the attention of Parliament that Parliament voted to preserve the traditional definition of marriage, and that a recent court decision has redefined marriage contrary to the wishes of Parliament. The petitioners are concerned that this is not a way for democracy to be reflected in Canada.

They call upon Parliament to immediately hold a renewed debate on the definition of marriage to reaffirm, as it did in 1999, its commitment to all necessary steps to preserve marriage as the union of one man and one woman to the exclusion of all others.

## RIGHTS OF THE UNBORN

**Mr. Gary Schellenberger (Perth—Middlesex, CPC):** Madam Speaker, I would like to present this petition today on behalf of some of my constituents.



Whereas, human life at the pre-born stage is not protected in Canadian society, therefore, the petitioners pray that Parliament act immediate to extend protection to the unborn child by amending the Criminal Code to extend the same protection enjoyed by born human beings to unborn human beings.

\* \* \*

### COMMITTEES OF THE HOUSE

#### PROCEDURE AND HOUSE AFFAIRS

**Mr. Peter Adams (Peterborough, Lib.):** Madam Speaker, I apologize to you and to my colleagues for doing this in such a delayed way, but I presented a report with unanimous consent before and was grateful for that unanimous consent.

I have now confirmed it with all the parties and I move that the 27th report of the Standing Committee on Procedure and House Affairs, presented to the House earlier this day, be concurred in.

**The Acting Speaker (Mrs. Hinton):** Is there unanimous consent?

**Some hon. members:** Agreed.

(Motion agreed to)

\* \* \*

### QUESTIONS ON THE ORDER PAPER

**Hon. Roger Gallaway (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.):** Madam Speaker, Question No. 76 will be answered today.

[Text]

Question No. 76—**Mr. Garry Breitkreuz:**

For each year since 1995: (a) what is the total number of firearm prohibition orders issued under sections 109, 110 and 111 of the Criminal Code; (b) what is the total number of charges and disposition of charges laid under section 117.01(1) of the Criminal Code; and (c) what is the total number of persons who have been charged with any other firearms offence or criminal offence while in possession of a firearm since the firearms prohibition order took effect?

**Hon. Anne McLellan (Deputy Prime Minister and Minister of Public Safety and Emergency Preparedness, Lib.):** The total number of firearm prohibition orders issued under sections 109, 110, and 111 of the Criminal Code for each year since 1995 to present show a total of 6615, as investigated by the Royal Canadian Mounted Police. The yearly breakdown is as follows:

1995	245	
1996	309	
1997	455	
1998	394	
1999	559	
2000	1018	
2001	1546	
2002	1337	
2003	719	
2004	33	(as of March 30)
Total	6615	

In response to questions (b) and (c), the Royal Canadian Mounted Police does not track such statistics, thus an accounting of the number of charges and associated disposition of charges laid under Section 117.01(1) of the Criminal Code, as well as the total number

### Routine Proceedings

of persons who have been charged with any other firearms offence or criminal offence while in possession of a firearm since the firearms prohibition order took effect cannot be provided. The agencies responsible for the administration of justice in provincial jurisdictions may retain statistics or other information pertaining to charges laid and their associated dispositions under Section 117.01(1) of the Criminal Code of Canada.

[English]

**Hon. Roger Gallaway:** Madam Speaker, I ask that the remaining questions be allowed to stand.

**The Acting Speaker (Mrs. Hinton):** Is that agreed?

**Some hon. members:** Agreed.

**Mr. Greg Thompson (New Brunswick Southwest, CPC):** Madam Speaker, in regard to Questions on the Order Paper, I want to make the point that I put a number of questions on the Order Paper a number of weeks ago regarding the aboriginal fisheries in regard to the impact on our non-aboriginals and our aboriginal fishers.

Those are important questions for the fishermen in my area, all of Atlantic Canada and on both coasts, and I do not believe the government can stand in this place and ignore those questions day in and day out. Why do we not have the answers?

I hope the parliamentary secretary will confer with the minister so that we get some of this cleared up. A lot of Canadians are very interested in that issue. We want to know what the government policy is.

Madam Speaker, if you examine the Standing Orders, I confirmed exactly with the Standing Orders and have done everything that would be expected of me as a member of Parliament. Now it is incumbent upon the government to answer those questions. When can we expect some answers for our fishermen on that particular policy?

● (1520)

**Hon. Roger Gallaway:** Madam Speaker, the member opposite refers to a number of weeks ago. He well knows, if he has looked at the Standing Orders, that the government has 45 days in which to reply.

\* \* \*

### MOTIONS FOR PAPERS

**Hon. Roger Gallaway (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.):** Madam Speaker, I ask that all Notices of Motions for the Production of Papers be allowed to stand.

**The Acting Speaker (Mrs. Hinton):** Is that agreed?

**Some hon. members:** Agreed.

**Mr. Greg Thompson (New Brunswick Southwest, CPC):** Madam Speaker, because we are possibly on the eve of an election or at least an election within a year and a half, depending on what the Prime Minister does, I think the government has a responsibility to provide those answers to the questions laid on the Order Paper. As I said, we conformed to Standing Order 39 completely. I think it is important to lay those facts on the table before we go into a federal election.

*Government Orders*

We are allowed to have a maximum of four questions on the Order Paper. I only have one on the Order Paper. I want the answers to those very important questions sooner than 45 days. That is simply not acceptable on the eve of an election. Assuming the government is going to sit on that and other contentious issues for 45 days is completely and utterly unacceptable.

**Hon. Roger Gallaway:** Madam Speaker, it is easy to get up and debate this and, apparently, it is allowable, but the Standing Orders are clear. It is 45 days.

The member has not identified the question. It is impossible to respond. However he has acknowledged that it is less than 45 days. He may not like it but those are the Standing Orders and he must live with them.

---

## GOVERNMENT ORDERS

[English]

### BUDGET IMPLEMENTATION ACT, 2004

The House resumed from May 4 consideration of the motion that Bill C-30, an act to implement certain provisions of the budget tabled in Parliament on March 23, 2004, be read the third time and passed, and of the motion that the question be now put.

**Mr. Brian Fitzpatrick (Prince Albert, CPC):** Madam Speaker, it is a pleasure to speak to the budget implementation act.

I would like to focus on a couple of major deficiencies in the budget and I will use this as an occasion to do that in speaking to the bill.

The equalization formula that we have has totally shafted the province of Saskatchewan from every standpoint. Incidentally, for provinces such as Nova Scotia and Newfoundland, it is not a very good formula either.

What I would like to do today is point out some of the problems with the equalization formula as it pertains to Saskatchewan. I am shocked that the Minister of Finance, being a person born and raised in Saskatchewan and who had an opportunity to deal with this issue, did not address the issue in the budget.

The object of equalization is to ensure that all provinces can provide roughly equivalent public services. This is simply not happening in my province of Saskatchewan. We are facing a fiscal crisis that I have never seen in my lifetime in that province. Taxes are extremely high. Young people are leaving the province in droves. Opportunities are evaporating before our eyes. The health care system is in crisis.

What is the average wait time for an MRI in the province of Saskatchewan? The average wait time is 22 months. Thousands upon thousands of Saskatchewan residents leave the province every year to go to MRI clinics in Alberta and North Dakota.

A doctor in my riding, who was the former president of the Canadian Medical Association, indicated to me that he had just sent 22 people to Calgary to receive MRI scans. They cannot wait 22 months. I do not know of any disease that can wait 22 months. It is totally unacceptable.

The surgical waiting list in Saskatchewan is 30 weeks. Imagine, Madam Speaker, if your car broke down and when you took it to the shop the mechanic told you that he would fix it in 30 weeks. It is twice as long as the wait time in the province of Manitoba which is right next to Saskatchewan.

I would like to blame all the problems in Saskatchewan on the New Democratic government that we have in Saskatchewan, but it is only partially responsible for the accumulation of these problems that we have in Saskatchewan. A good deal of the problem I have identified is the gross unfairness in the equalization formula.

I want to point out a couple of those discrepancies. I also want to point out that the Conservative Party has clearcut policies on this matter as opposed to the government across the way.

Over an extended period of time, let us say the last 10 years, there have been high inequities in the equalization payments. Saskatchewan over the past 10 years has received a little over \$300 million per year on average in equalization. Manitoba, with a population of one million people, basically a similar type province, has received on average something in the order of \$1.1 billion per year in equalization payments. That is a huge disparity. It is a \$750 million per year difference.

The obvious question for anyone who would be listening to my speech would be this. Is Saskatchewan a lot wealthier and better off than the province of Manitoba? That would be the obvious conclusion that someone might come to with that kind of disparity.

However that is not the case. Over the past 10 years the average earned income in Manitoba has been over \$1,000 per person higher than in Saskatchewan on a per annum basis. The earned income in the past year has been approximately \$1,500 higher than the average Saskatchewan resident. Therefore, if we look at statistical indicators, Manitoba has a higher standard of living and a higher fiscal capacity than the province of Saskatchewan but it receives \$750 million more on an annual basis under the equalization formula.

● (1525)

How did this injustice come about? Quite frankly, it is the federal Liberal government's equalization formula. I guess it believes in equality, but some people are a lot more equal than others in this country.

There are 33 tax bases in this formula. It is a very complicated formula. Twelve of those tax bases are non-renewable resources, things like potash, oil and gas, and uranium.

I want to make it clear that this formula is grossly unfair to a province that has non-renewable natural resources. Today, for every dollar the province of Saskatchewan earns out of oil and gas, it loses \$1.25 in equalization payments. It is not even a dollar for dollar loss; it is \$1.25 for every dollar that the province makes. This is bad policy. It is terrible policy. It punishes provinces for attempting to do the things they are supposed to be doing: developing their own economies, developing their non-renewable resources.

*Government Orders*

If a province develops its non-renewable resources and grows its economy, all of the other tax bases improve. Eventually, the need for equalization would disappear. It would disappear if there were correct policies in place.

It is interesting to note that the formula also ignores, from what I can read and what I have studied, other important sources of revenue. In the nation of Canada, the most important tax base in the country is geographic location. Southern Ontario is blessed to be right near the heartland of the United States, surrounded by the industrial heartland of the country. There is no accounting for that fact in the formula.

Manitoba Hydro and Quebec Hydro, if I understand the formula correctly, make a lot of money out of hydro power in this country, but it is not included in the equalization formula. That is a renewable resource, not a non-renewable resource. Some day the non-renewable resources will run out. These are renewable resources.

Those are some of the other inequities that exist in that formula.

Last but not least, the other problem is that this is supposed to be a national formula for all of Canada, but it is calculated on five provinces. That is very distorting and very unfair. The formula should be based on 10 provinces.

I am really surprised by the Minister of Finance. He should have known about these problems. He has been in this town for more than 10 years. He knows the problems we have in Saskatchewan. Here was an opportunity to tackle something like that. If any questions were raised about equalization, he would come up with the Kim Campbell comment, "This thing is just too complicated to discuss and to deal with," and would just shrug it off.

There are two reforms to the formula that would make it much fairer for all concerned. The first one would be to eliminate, or at least reduce the emphasis on non-renewable resources in a major way. This could be done over four or five years and implemented on that basis. The other would be to change it to a 10 province national formula, not a five province formula.

These two moves alone would at least put Saskatchewan on the same footing as her sister province, Manitoba. Maybe we could buy a few more MRIs and a few other things in our province. If Saskatchewan was receiving the \$750 million extra per year that Manitoba has been receiving, what would that mean for Saskatchewan?

• (1530)

Saskatchewan has three MRI machines, which is not very many. I think Turkey and Syria have a higher ratio than Saskatchewan. We could buy about 250 MRIs for \$750 million. Somebody told me that with \$750 million we could train something like 20,000 nurses and we could hire something like 3,000 doctors. I am just using these as examples of what could be done with that amount of money.

We could probably drastically and permanently reduce property taxes in Saskatchewan. They are killing the farm economy. Our property taxes are at an unbelievable level.

Those are some of the things we could do if that formula were fair in any way at all. The Minister of Finance seems to be oblivious to

these problems and does not seem to be prepared to even look at them.

When the budget was presented, this was certainly an issue I was looking at. I was very disappointed to see very little done with this formula, except for some minor tinkering. What does the minor tinkering mean this year for Saskatchewan? There were some measures put into the budget that deal with what the Minister of Finance called some inequities, some transitional matters.

This year the province of Manitoba, with one million people, is receiving \$1.1 billion in equalization payments. Saskatchewan, without the changes that the Minister of Finance brought in, would have received \$7 million. In what I think is probably the worst year I can remember in the province of Saskatchewan with the problems we have in that province, we get \$7 million. After the tinkering, it goes up to \$130 million. It is about an \$850 million shortfall compared to our sister province of Manitoba.

When the Minister of Finance has been asked this question, he has said that it is too complicated to discuss with anybody. I guess it is Saskatchewan's responsibility to carry on its shoulders this flawed equalization plan for the benefit of other provinces. Is it any wonder when a poll is conducted about people's attachment to Canada and the degree of alienation they have toward the country, that Saskatchewan has the highest number of people who feel alienated about this country.

Nobody on that side of the House, quite honestly, including the Minister of Finance, seems to give two hoots about a very, very serious problem. This formula is unfair. It is shocking. I do not know what terminology I could use to describe the matter.

The Auditor General in her reports on government policy said that what she found was shocking. She found the way the government handled other things was that all of the rules were broken.

As a resident of Saskatchewan, I am looking at a formula that does not serve our province very well at all. As I stated at the onset, in many respects it shafts the people of Saskatchewan to the umpteenth degree. What is the government's response to this very serious problem? The finance minister says that it is too complicated to discuss.

I want to close my objection to equalization with a few comments. Many people have said that the new Conservative Party does not have any policies. Well, on this issue it does. It proposes to change the formula to a national 10 province formula. It also proposes to phase out non-renewable resources as a component of that formula over a five year period. That would be very welcome news in the province of Saskatchewan.

It is what people in Saskatchewan want. They want a federal government that knows how to effectively and efficiently manage and spend taxpayers' dollars. This would be one way of doing it. They do not want their dollars spent on boondoggles, on firearms registries, on sponsorship programs, on unity funds, and goodness knows what else the government can find to spend money on here.

*Government Orders*

●(1535)

We are just asking for the things that count to people in Saskatchewan. We want the financial capacity and tools so that tax dollars can be spent in an effective and efficient way for all people in that province. It is just not happening under the present structure.

I would also like to point out that over the course of the federal election, when it does come, the Conservative Party will be announcing ways in which government can restructure and redirect government spending in this town that are far more efficient and effective for Canadian people. I know there will be Liberal friends and Liberal narrow interest groups and supporters who will not like this because they have been receiving a disproportionate share of the public purse. The Liberal government has been very good at taking care of its friends, pals, buddies and special interest groups while it neglects whole regions of the country, such as Saskatchewan.

My party will be addressing that. We are going to design fiscal policies which are good for Canadians at large, not special interest groups or Liberal pals and friends, but policies that are good for every single Canadian from one end of the country to the other. If we have the good fortune of forming government, we are going to try to dismantle this entire culture of incompetence and corruption that has built up in this town.

I want to quickly address another omission in the budget speech. The Prime Minister, in his run-up to becoming the Prime Minister and leader of the party, had much to say about the urban agenda. His government was going to get on to the urban agenda and address those issues and the municipal problems in the country. He met with mayors and all sorts of people and raised their expectations really high. There is not a whole lot in the budget on the urban agenda that the Prime Minister huffed and puffed about.

I want to raise a few questions about his proposed solutions to the urban problems. Number one, this country is both urban and rural. There is something inherently wrong with a federal government taking a slice of our society and creating a special department and bureaucracy to deal with it while the rest of the country, the rural area, has all sorts of problems as well. That is one objection I have. The last thing the people in Saskatchewan want in the city of Ottawa is another government department. The last thing we need in Ottawa is a department of urban affairs. That is more bureaucracy, more government and more taxpayer dollars.

Another thing we do not want is another three ring circus involving the federal government, the provinces and the municipalities. To me, three is a crowd. We do not need the federal government in there. They have always been difficult people to deal with at the local level so why in the world would we want to be introducing more of the federal government into our local decision making?

I just want to point out that the Conservative Party proposes a solution to this problem. We would take between 3¢ and 5¢ of the federal fuel tax, per litre of fuel, and rebate or transfer that to the provinces on the condition that the provinces would use it for two items: transportation needs and municipal infrastructure concerns. This would get the federal government entirely out of the picture. It would give the provinces the fiscal capacity to deal with their

infrastructure and transportation problems in the cities and in the rural areas.

That would be a very simple way to deal with the problem. It would be an efficient and effective way to deal with it. I think most Canadians would accept this approach. We would be bypassing the creation of some federal government department in Ottawa and the creation of a three ring circus.

With that, Madam Speaker, I thank you for being a very attentive listener. I thought you would be taking notes during my speech, but I guess you will read *Hansard* tomorrow.

●(1540)

I think these are the sorts of issues that Canadian voters should be concerned about when we do get plunged into a federal election: really addressing the imbalances and problems we have in the country and getting the nation on the right track.

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

**Some hon. members:** Question.

**The Acting Speaker (Mrs. Hinton):** The question is on the motion. Is it the pleasure of the House to adopt the motion?

**Some hon. members:** Agreed.

**Some hon. members:** No.

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

**Some hon. members:** Yea.

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

**Some hon. members:** Nay.

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

*And more than five members having risen:*

**The Acting Speaker (Mrs. Hinton):** Call in the members.

At the request of the chief government whip, the vote is deferred until 5:29 p.m. today.

\* \* \*

●(1545)

#### FIRST NATIONS FISCAL AND STATISTICAL MANAGEMENT ACT

**Hon. Jim Peterson (for the Minister of Indian Affairs and Northern Development)** moved that Bill C-23, an act to provide for real property taxation powers of first nations, to create a First Nations Tax Commission, First Nations Financial Management Board, First Nations Finance Authority and First Nations Statistical Institute and to make consequential amendments to other Acts, be read the third time and passed.

*Government Orders*

**Hon. Larry Bagnell (Parliamentary Secretary to the Minister of Indian Affairs and Northern Development, Lib.):** Madam Speaker, *drin queesy shilakat*.

I am delighted to speak to Bill C-23 today. There are different views on different aspects of this legislation and there is some lack of clarity in regard to some areas. I hope to quickly get through my speech and then try to add some light to some of the issues that have been brought up, and make sure that people totally understand them and understand why we see, putting all of those issues together, that this bill would be of benefit to first nations people.

I will begin by saying that the bill was started by a group of first nations people. After working with the financial system's institutions, they approached us years ago because they felt they needed these new institutions. We have been working for a long time to bring this issue forward.

My only interest in any of the initiatives that I support here as parliamentary secretary is that of trying to help in conditions for first nations people. If I can be convinced that an initiative will do that, then I will support it. I look forward to listening to the various views on this issue.

I rise to support Bill C-23, the first nations fiscal and statistical management act. The legislation would provide first nations with access to the financing tools they need to promote investment in their communities. This investment will no doubt lead to improvements in the quality of life for residents of these communities.

I believe my hon. colleagues all agree on the clear and pressing need to bridge the economic and social gaps that exist between Canada's aboriginal and non-aboriginal communities. Nowhere are these gaps more apparent than in the lack of capital infrastructure. Many first nation communities lack adequate water and sewage treatment facilities. Other components of basic capital infrastructure, such as roads and power lines, are crumbling or non-existent.

Capital infrastructure is expensive to build and maintain. That is why most municipal and provincial governments finance their infrastructure projects with special measures such as long term bonds and securities. While these bonds may pay low rates of interest, they offer a level of certainty that investors find attractive and, as a result, they will invest in these projects.

First nation communities, however, do not have ready access to the bond markets. As a result, first nations are forced to raise money locally, usually through short term loans that can be relatively expensive. This results in each dollar generated by first nations buying less.

Due to the higher interest rates and transaction and negotiating fees, these communities pay up to 50% more than municipalities or provinces to finance their capital works projects. Consequently, infrastructure projects are either delayed or dropped. Plans for economic and social development stall, and first nations struggle to move ahead.

Bill C-23 aims to breathe new life into these communities. Simply put, this legislation would enable first nations to access capital needed to finance major infrastructure projects by allowing them to issue investment-grade securities, financial instruments similar to

government bonds. The first nations that approached us of course found out after years of trying that they just could not do this under the existing financial systems in place in Canada.

The first nations finance authority will play a central role in this venture by pooling the capital requirements of participating first nation communities. By combining the assets and liabilities of all participants, the authority will be able to issue bonds with a credit rating that will attract investors. Discussions with representatives of bond raters and underwriters have indicated that there is every reason to expect that the authority will earn a single A credit rating, which would yield an attractive return for investors, with minimal risk. That is the advantage of combining first nations together in the system: investors will see that their risk is more secure. This is a commonplace activity in financial markets.

● (1550)

Advice on the structure and operations of the authority has been provided by the Royal Bank, the Dominion Bond Rating Services and Moody's Investors Service of New York, key players in both Canadian and international financial institutions. The Municipal Finance Authority of British Columbia has operated effectively for nearly a decade, enabling numerous smaller communities in British Columbia to access debt capital at affordable rates. The Municipal Finance Authority of B.C. has offered to help the finance authority build on this success and minimize investor risk.

As an independent institution, the authority would pool the capital requirements of member first nations and then issue bonds on their behalf so that the persons holding the bond would have less risk because there would be a number of projects involved. Moneys raised would go back to the participating first nations in the form of loans. This process would be strictly controlled through a series of checks and balances.

To become a member of the finance authority, the first nation must have a property tax regime established under this bill and approved by the first nations tax commission. It must also have in place a sound and effective management system certified by the financial management board. Participating first nations must have unutilized borrowing capacity and have a capital infrastructure project approved by the band council and reviewed by the tax commission.

Of course, there is a purpose for all these checks. If we are to convince these Canadian and international investors to invest in these projects, they need to be assured that these checks have taken place, and of course it is great that they would be done by a first nation institution.

*Government Orders*

I would like to be clear. Bonds issued by the finance authority are based on property tax revenues. There are no provisions in Bill C-23 that would require first nations to use reserve lands as collateral. This is an exciting part of the bill, because anywhere else, including the banks and the financial institutions, they usually would be required to place their land forward. This system is set up very wisely by the first nations, so that it is based only on their future property taxes. They do not have to, under any circumstances, give up their land.

Further, to ensure even greater protection for investors, a minimum of 5% of the value of each bond issue will be kept in a debt reserve fund established by the finance authority. That is just another way of securing things for the investors and it would have a minimum impact on any one first nation that decided to use this mechanism to borrow funds.

In addition, the Government of Canada is committed to contribute up to \$10 million to a separate credit enhancement fund, the same fund that was the subject of one of the report stage motions previously before Parliament. The combination of these funds will further support the achievement of the desired single A rating. So once again the federal government will help backstop it, the deposit will help backstop it and, in the long run, the tax regime will help backstop it so that there is no other draw on any first nations assets or land.

All of these measures address only one aspect of the problems facing first nations: that of limited access to capital. To improve the quality of life in first nation communities, aboriginal leaders must also have access to the tools they need to be able to plan effectively. This brings me to the importance of the first nations statistical institute.

Sound planning decisions are always informed by accurate, current statistics. Information on population growth, income levels and property values helps establish government plans and priorities. At present, the quality of first nations social and economic statistics is inadequate. Even such basic statistics as population counts for communities are not reliable. Currently first nations do not have access to the kinds of statistical information available to the majority of Canadians: information on housing, justice, natural resource management, culture, education, employment rates, and health.

The lack of reliable and comprehensive data on first nation communities hinders planning and access to essential economic and social tools. Without reliable comparative material, making accurate assessments of the relative health of any first nation community becomes extremely difficult. Of course these statistics will help first nations when they are applying for program funding. They will have a much better case to make with the availability of these statistics, and we would not be able to say, "no, that is not true", because the statistics would then be available.

● (1555)

To address this issue, Bill C-23 would establish the first nations statistical institute. The institute would provide first nations with the statistical information needed to plan successfully. It would work directly with aboriginal organizations and government agencies to help first nations identify and meet their information needs. The institute would also play a vital role in assisting first nations to build their capacity to understand and utilize statistics. Thus, first nations

would be able to improve their accountability and decision making capacity.

It is important to note the valuable contributions that the statistical institute would make to the property tax and borrowing regimes established by this bill. First nations would benefit from statistics on residents and commercial enterprises on reserve in determining whether to proceed with the implementation of a property tax regime, which of course is totally optional. No one has to get into property taxes if they do not want to. I think there are about 98 first nations to date that have chosen to have a property tax regime and another 14 or so are waiting for this bill. No one has to if they are not interested in doing so. The statistical institute will certainly help those who choose to do it.

First nations would benefit from stats on residents and commercial enterprises on reserve in determining how to proceed with this property tax system. Further statistical information is a required element in the development of the capital projects which underlie the issuing of first nations bonds by the finance authority.

By encouraging first nations to use and thus understand the value of stats, the institute will also encourage first nations to participate more fully in national statistics programs. This will help ensure that the Government of Canada has the statistical information needed to develop and implement efficient policies. In this way the statistical institute will complement the role of Statistics Canada. For me it will be very helpful in lobbying for first nations programs and the resources required if I have these more detailed statistics.

I am convinced that Bill C-23 contains the checks and balances needed to protect the investors, to convince them to invest in first nations and to ensure that first nations can develop their economies. By establishing effective statistical and fiscal institutions, Bill C-23 will lead to significant improvements in the quality of life of residents of first nations communities. I am speaking of the ones that have asked for this bill. Of course other first nations communities are working on other initiatives in other areas and lots of other work is being done by the department in those areas. By providing the community leaders with the tools they need, the legislation will draw more first nation communities into the economic mainstream and clearly all Canadians stand to benefit.

As I said at the beginning, I have tried to dialogue with people to understand some of the concerns they might have had about this and I want to speak informally to try to address some of those concerns.

*Government Orders*

First, as we know, the Prime Minister held a summit a couple of weeks ago to talk about a new way of doing business. In particular he emphasized the fact that first nations ideas were not just coming from the various parties in Ottawa, but from first nations people. That is what is very exciting about this bill.

We were approached by certain first nations people. Lots of others do not have an interest in this and it is of course totally optional. This idea has come from first nations people. When the first nations people presented the major concerns, as per the Prime Minister's relationship with them, he has taken those concerns and put them in the amendments.

There are two major concerns. First, some people suggested that they are collecting property taxes now and they do not want to change that. They want to keep the Indian Act the way it is. They do not want to be forced into the new regime and some of the elements about which I have talked today. Those provisions were left in the Indian Act. People who want to continue collecting property taxes under the Indian Act may continue to do so. It is staying the same. The new first nations that decide they want to collect property taxes can do so under the Indian Act, if they so choose. As I have said, it is totally voluntary.

● (1600)

The other thing we did in response to the feedback from some first nations was made it totally optional. First nations do not have to participate in this under any circumstances if they do not want. It is not a requirement. Some first nations came to a spot where certain financial institutions in the modern world economy of financing would help them. They asked us to put institutions in place that they could use and anyone who wanted to could use.

Under a new relationship, when first nations people bring something forward, and many first nations have supported this, it is hard to tell them no, we cannot give them this tool, if it is totally optional.

I want to clarify that the \$10 million, which I spoke of earlier, from the Government of Canada is not a guarantee. It is a one time contribution. The government does not backstop this institution. I explained in my speech the number of items it would backstop.

This is just one of many bills we have brought forward since the summit. As the House knows, from my perspective land claims and self-government are ultimate goals. They are very successful in my area. We have tremendous efforts going on in that area to complete those as quickly as possible. There is \$226 million of extra money in this year's estimates so we can keep moving ahead as quickly as we can on land claims and self-government and the ultimate goal for those first nations that want to move ahead in that manner.

The estimate is that this could take many decades to cover everyone. Some first nations have chosen to have these institutes so they can move ahead in this area. That is why the bill goes along with all the others. We have just passed the Westbank self-government and we are in the process of debating the Tlicho self-government and land claim, which of course is a high priority.

For other first nations, property taxes may be the last of their problems at the moment. They want clean water, sewers and food.

They need economic development. They want to get the governing and basic needs in their community taken care of.

There are many programs in the department for those first nations. In the estimates there is an increase of \$400 million for other programs to provide for those basic services. That is obviously not forgotten. It is a very big need for which I will continue to push.

There is some suggestion that there are no other options. People have to get their lands assessed if they want to get loans. Nothing could be farther from the truth. This is totally voluntary. First nations have different ways to get loans. They can go to the bank. First nations can set up their own institutions. They can do what everyone else does to get loans. They would not have to do anything under the bill because it is totally optional.

However, the first nations that have come forward have financial institutions, have property tax bases and want to move ahead in managing them themselves. They want institutions governed by first nations people. Those first nations found that they could not get the type of bonding they wanted at a certain level. Therefore, they asked the government to put this process in place. That is why we are proceeding this way today.

● (1605)

The last thing is this is not only for a select few. It is not just for big cities. There are many first nations in rural areas with very little assets. They would like to or are participating in tax collection. If there is any way we could improve it, we would, but we have had improvements since the 1990s in development with advisory boards. These institutions are not in place now, but there are advisory boards of first nations people to help advise on each institution.

That is why there has been so many years of work on this. In my opinion this is why it would be great if we could proceed at this time.

*Massi cho;Gunalchese*

**Mrs. Bev Desjarlais (Churchill, NDP):** Madam Speaker, I listened to the comments of my colleague from Yukon. I will ask a couple of questions and hopefully he can give me the answers.

*Government Orders*

The first question is whether my colleague is aware that the Assembly of First Nations passed a resolution last year not to support this and other bills that the government had put forward. To my knowledge, it has not changed that position. The Assembly of First Nations, which the government does give resources to, is the representing body of first nations throughout Canada, not just 30 or 40 or 50 that might want this. It represents over 600 first nations in Canada. How does he get around suggesting that first nations want this when there is an Assembly of First Nations resolution, which is still in place, indicating that they do not support the legislation?

I am also quite curious as to where he would expect a good number of those first nation members to get the taxes to pay on their property? I never cease to be amazed. I listened to the former minister Nault talk about how first nations people wanted mortgages. My God, I went into communities and they wanted enough food to eat. They wanted enough money to pay for the heat in their homes. They sure did not need a mortgage on top of it. That is where the government is. It has no idea how first nations live in the country.

I want my colleague to tell me where the members of Bloodvein, Paungassi, Little Grand Rapids, Shamattawa, Poplar River, Pukatawagan, Brochet, Lac Brochet, Tadoule Lake, and I could go on and on, are supposed to get those wonderful property tax dollars to get an investment down so they can get a loan?

**The Acting Speaker (Mrs. Hinton):** The hon. parliamentary secretary in response. Before he responds, just a caution to the member not to use the real names of members. Be aware of that. The hon. parliamentary secretary.

• (1610)

**Hon. Larry Bagnell:** Madam Speaker, it is too bad that the members from the NDP and the Bloc know so little about this bill. First, in relation to the Assembly of First Nations, if the member were listening, she would have heard that we took those concerns and placed them in the amendments. Now the bill is totally optional, and the eligible items are still in the Indian Act. I will read a passage from the website of the Assembly of First Nations. It states:

We also raised with the Minister our concerns about Bill C-23 (formerly Bill C-19), the First Nations Fiscal and Statistical Institutions Act, which was re-introduced on March 10, 2004. Our preference was that the Bill not be re-introduced until the concerns of First Nations were addressed.

The indications I received were to the effect that the government will introduce amendments to the Bill—

We have done that.

—to clarify that the legislation will be optional. Once the information is received it will be shared with First Nations as soon as it is available. We will keep First Nations informed on this and any and all developments related to Bill C-23. We also recognize that some First Nation communities are interested in participating in one or more of the institutions created under the Act.

If the proposed amendments achieve optionality, in accordance with the principles of the AFN Charter, the AFN should not stand in the way.

In relation to the number of first nations, she suggested 50 or 60. First, even if we were only helping one first nation of people, I would be pushing for this bill, just like I did for Westbank, just like I did for Tlichio. If I talk—

**The Acting Speaker (Mrs. Hinton):** I do hate to interrupt, but I do have to make it very clear that the audience in the House of Commons are all Canadians and are all very much welcome here, but there cannot be any response. That includes clapping. So if it

continues, I am afraid we will have to remove people from here and I do not want to do that.

The hon. parliamentary secretary.

**Hon. Larry Bagnell:** Madam Speaker, the House of Commons is dealing with two different bills that will help one single first nation. If I could help one first nation, in fact one first nation person, and if it were optional and it did not hurt the others, then I would be happy to do that.

Even though I do it for only one, the member suggested 50 or 60. There were resolutions from the British Columbia summit of 138 first nations, the Union of Ontario Indians of 43, and the Atlantic Policy Congress of 35 to 216.

With respect to her last question, once again showing a total lack of understanding of the bill, she asked where are we going to get the taxes to pay? First of all, this bill is not designed for those people who do not have money to pay taxes. In fact, most of the people paying taxes on first nations taxable authorities right now are non-first nations people living on first nations land.

Members know that we just had the Westbank bill where there are 7,500 people and only 400 or so are from the first nation. This provides authorities with the ability to attract commerce if people want to do taxes, and to tax people that have the ability to pay taxes. I do not know why she would want to hold back successful first nations when it is totally optional.

The first nations that she mentioned, as I said earlier, if they do not want to collect property taxes, if they do not have a rationale that will help their first nation to do that, and if they do not have the capacity to pay, then they do not have to get involved in this bill. The bill is to help those who have asked for it.

[*Translation*]

**Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ):** Madam Speaker, I have a question for the parliamentary secretary. He talks about this being optional and says that the legislation will not apply to first nations who are not interested.

Can he tell me precisely where in the bill it says that first nations not wanting to comply with the provisions of this legislation will be protected? Also, how can we protect first nations from officials at the Department of Indian Affairs and Northern Development who might say to them, "If you want this money, you have to comply with the requirements of this legislation?"



*Government Orders*

We saw cases during our tours and meetings with first nations representatives where officials from the Department of Indian Affairs and Northern Development—like the former minister of that department—were incredibly arrogant. They pointed the finger at the first nations and made them comply with their requirements.

How can we protect the first nations from such behaviour that I am sure will take place? Tell me exactly where I can find the optional aspect of this bill. Where exactly?

[English]

**Hon. Larry Bagnell:** Madam Speaker, the member knows quite well that the bill is totally optional. The amendments made them optional. The first nations sign up on a schedule.

The point the member has raised, which is definitely a good point even if it has nothing to do with the bill, about the workings of bureaucrats, of course, unacceptable behaviour should be dealt with.

We as a government have great confidence in civil servants in general, the civil servants who work for the Province of Quebec, and the civil servants who work for the Government of Canada. If the member has examples, as he described, of civil servants dealing arrogantly with any of our Canadian citizens then he should take that through the proper channels to have it corrected. I agree with the member that it is totally unacceptable for people to act that way.

We should not hold back any particular legislation in this country because it will be abused by some bureaucrat. We should deal with individuals and, as I said, I think they are very few and far between. When they are identified, then such their actions should be held to task and be accountable. I am hoping that everyone in the Department of Indian Affairs and Northern Development is there to help advance the cause of first nations in this country that have such a great disparity with the rest of Canadians.

Different first nations are in different stages and so they need different solutions. Some require the basic services. Some first nations are ready for land claims and we are in negotiations with them in bills. Some of them have asked for this. We should be flexible.

If our employees are not being flexible and open, then please let us know and I agree that we should fix the problem.

•(1615)

[Translation]

**Mr. Yvan Loubier:** Madam Speaker, I think the parliamentary secretary misunderstood my question. I am not saying that there are isolated cases involving public servants. What I am saying is that the government wants so much for this law to apply that it might give directives to its officials to make it totally mandatory to meet the requirements of the law.

The federal government has found a backdoor method of setting aside its fiduciary duties, by passing this bill and making the first nations responsible—against their wishes—for applying the provisions of the law.

These are not isolated cases. They might be directives from the government, which has an incredible desire to apply the provisions

of this law. My fear is that the federal government will throw its fiduciary responsibilities out the back door.

[English]

**Hon. Larry Bagnell:** Madam Speaker, we cannot speak about hypothetical situations. The bill makes it totally optional at this time. If, as the member says, in the future some government were to be in place that were to set policy directives, regulations, policy, and give directions that this should be mandatory, then I would expect that member and those members to stand up and fight against that policy to ensure it does not apply.

We brought this in good faith to the first nations people of this country saying that it is totally optional. They brought this to us. We are putting this tool in place for those who want it. If they do not want it, they do not have to use it. We are not going to force it upon them.

**The Acting Speaker (Mrs. Hinton):** It is my duty pursuant to Standing Order 38 to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Davenport, Agriculture; the hon. member for Cumberland—Colchester, Sponsorship Program.

**Mr. John Duncan (Vancouver Island North, CPC):** Madam Speaker, it gives me great pleasure to speak once again to Bill C-23, the first nations fiscal and statistical management act, which has been before Parliament for a long time under other monikers. It was previously Bill C-19. This was a bill that was tied very closely to Bill C-7, the first nations governance act. The government tied those two together so tightly that when Bill C-7 was finally buried by the minister, Bill C-19, now C-23, wore a lot of that.

There was a great attempt by the government to try to address concerns that were brought forward in terms of making C-19, now C-23, more palatable. There were a series of amendments tabled and discussed with the opposition critics. The opposition critics, including myself, agreed that tabling could occur.

One of the difficulties that all of the opposition parties are having is that those amendments were amendments that improved the bill. However, for all of us, those amendments did not improve the bill to the point where we are willing to support the bill.

My single biggest complaint with the bill, which I discussed with the previous minister, was the fact that the statistical institute was not decoupled from the fiscal institutes. Everyone agrees that the statistical institute is not essential to the workings of the other three institutes or boards that are enabled by this legislation.

I was expecting those amendments that would decouple the statistical side to be tabled. It did not happen. What we now have is a contradiction in the legislation. I do not see how a statistical institute for first nations can operate on an optional basis. I do not really want it to either because all of this is basically duplicating what Statistics Canada already does.

*Government Orders*

We already have a report from the Auditor General from December 2002 which clearly states that the amount of paperwork that the federal government demands of first nations at the administrative level far exceeds what is realistic or reasonable. Most of that information is never used by the federal government in any case. Therefore, it seems to me we are piling a problem on top of a problem for no rational purpose.

Even the president of the first nations finance authority agreed with the statement that the statistical institute is not essential to the workings of the other three institutions.

●(1620)

There has never been any attempt on the part of the non-government proponents to say that this is essential or necessary, yet the government, for whatever reason, has made a conscious decision that it is going to keep this in an omnibus fashion within the bill rather than let that other institution stand or fail on its own merits. I fail to understand that. I empathize very much with the criticisms that here is an institution to collect first nations statistics, but if it is not being done on anything more than an optional basis, the statistics are going to be meaningless in any case. This seems like some kind of swamp country that we just as well might avoid. That is my single biggest criticism of the bill.

This has brought a great deal of polarization to the first nations community, and a lot of it is unnecessary. A great deal of it relates to the fact that it was tied so closely to the first nations governance act. We do have about 25% subscription within the province of British Columbia to taxation by the bands in British Columbia and they have endorsed this. However, many of the other groups certainly have not, in a very strong sense of the word.

The parliamentary secretary talked at great length about the endeavours within the House of Commons since the aboriginal summit that was held in Ottawa not too long ago. That hastily prepared \$350,000 summit excluded some native leadership. It certainly excluded the Union of B.C. Indian Chiefs and I am sure it excluded others.

The parliamentary secretary was putting great focus on the amount of aboriginal legislation that has been in the House since that moment. I have quite a different point of view in that really there has been almost no agenda from the government in this place on any subject.

The aboriginal agenda included Westbank, which the government side ended up filibustering, and there is Bill C-23, and not much else has happened in this place. I think one of the reasons even these two bills have progressed along the path to the extent that they have is that the government does not have any other legislation on the agenda that it wishes to pursue.

We can look at this many ways, but the way the government is choosing to look at it is certainly very constructed. It is certainly not the way those of us who have been in this place for many years are viewing the current goings on in the House of Commons.

Unfortunately, some of the difficulties that are inherent in this legislation, and I have given the background, ended up being worn by the proponents of, for example, the Westbank legislation. The Westbank legislation creates the strongest individual property rights

on reserve anywhere in Canada, yet it took a lot of heavy criticism. I think a lot of that criticism would have been avoidable had it not been for the baggage that was brought forward as a consequence of the first nations governance act, this bill, and other goings on with the government.

●(1625)

Westbank is a band with significant taxation revenues, revenues that it has been collecting since the early 1990s. It has a strong record on taxation and it has a legitimate ability to use this suite of legislation in a very constructive and productive way.

We know that the bands that are in a good financial situation or have the ability to be there quite readily are very supportive of this legislation. I think it is unfortunate that the government delivered a package that was not much more straightforward and clear right from the beginning. The major criticisms it hastily tried to address after the fact could have been addressed months earlier, but they were not. To this date, all of the criticisms have not been addressed.

I think that covers most of my points. The parliamentary secretary is busy looking through his notes. I will give him the opportunity to ask me questions or to make comments.

●(1630)

**Hon. Larry Bagnell (Parliamentary Secretary to the Minister of Indian Affairs and Northern Development, Lib.):** Madam Speaker, the member will be happy that I did not find what I was looking for in my notes so I will have to wing it.

I agree with the member that there are different views on different aspects of the bill from a number of first nations people. I applaud the different views. They have approached me and I have tried to answer many of the concerns.

Of the first nations people who approached me, there was not one who had a concern about having the statistical institute in this bill. From what I understood from the member's speech, the only major concern he had related to leaving the fourth institution, the statistical institute, in the bill.

This institution does not duplicate Statistics Canada. It does not do what Statistics Canada does. It is to collect statistics that are not collected and to take statistics if Statistics Canada is collecting them. Statistics is a fairly detailed mathematical science involving a lot of procedures. We have a first nations institute that can do this when first nations people are looking to extract statistics from Statistics Canada, to embellish them with more statistics.

Having worked on the census once, I can say that collecting stats is a very sensitive activity. All people, including first nations people, can be quite sensitive to being asked different types of questions. I think they would be more open if they were being asked questions to help their first nation by a first nations statistical institute.

On that basis, I do not understand the member's only objection to the bill, which is basically the statistical institute being in the same piece of legislation.

**Mr. John Duncan:** Madam Speaker, I have a big problem with the statistical institute and I am not the only one. This came up in committee and it has come up in complaints from several first nations groups.

*Government Orders*

When it comes to the collection of personal and vital statistics, there is a huge gulf between where the parliamentary secretary is coming from and where I come from. For example, I can remember how irate the member for Edmonton North was, and rightly so, when the census was taken. We were not allowed to answer on our census form that we were Canadian when asked what our ethnic origin was. People wanted to put "Canadian" and were told no. There was a revolt in the land, a cry that this was most inappropriate.

As Canadians it takes us a long time before we get upset at some things. It takes a while for us to get riled up, but when it comes to the collection of private information and statistical information that is an exception.

In the United States, after people cast their ballots they will probably be asked how they voted. People are tasked to do that for the media and pollsters. Almost everybody tells them. If that were done in Canada, the people would probably get punched in the nose because we treat that kind of information differently.

I completely understand why we do not want a plethora or even more than one statistical institute in this country running amok collecting data. We certainly do not need a parallel organization based on some racial division doing exactly that.

I object to it and other people object to it for different reasons. The main thing is that this information is not going to be optional for the individuals if their band opts in. I do not see how it can be optional for bands because a partial collection of statistics on a band will be meaningless.

The persuasions of the parliamentary secretary are most unconvincing. I do not see the rationale for the necessity for this institution, other than to further sow divisions, which unfortunately sometimes is a political strategy in order to exploit political advantage. I do not subscribe to that reason either. That is the track record of the Liberal Party and Liberal governments. They would rather exaggerate our differences than treat us the same. By doing that the Liberals can then be the great ones to somehow take care of all that.

•(1635)

Contrary to the arguments we have heard on fiduciary obligation, this is a bigger threat to the government abusing its fiduciary obligation than anything to do with taxation. I think the collection of these statistics would allow the government to exploit how it is going to deal with first nations in a manipulative fashion more than anything that might happen with any other part of the legislation. I have very strong feelings about this and I think I have explained them fairly well.

**Mrs. Bev Desjarlais (Churchill, NDP):** Madam Speaker, I listened closely to my colleague's comments and I will agree on one position. I do not think it should be the government's legislation that puts in place these institutions. I firmly believe that first nations should have the opportunity to do that on their own without the okay of the federal government. That is where we differ.

I do not think they have to ask for the federal government's permission as to whether or not they want to get statistics within their first nations. I do not think they have to ask for the federal government's permission if they want to have a fiscal institution.

They should be able to do that without the federal government's permission.

Quite frankly, I want to make this comment because I think it is crucially important that we have accurate statistics for first nations. For years the federal government did not collect any of those statistics and, as a result, I think first nations have been shortchanged in a good number of instances.

When I was first elected I would look at statistics on unemployment rates in my riding and they would provide average incomes. The average income would be \$45,000. I can tell everyone that the average income in first nations communities is not \$45,000. There are very different dynamics and it is crucially important that first nations are able to address those dynamics, but they should not have to ask permission of the federal government to do so.

**Mr. John Duncan:** Madam Speaker, in a perfect world I would agree with what the member said. However the difficulty is that they in a sense do have to ask permission. The reason is that the default of not asking permission is the Indian Act. We all know how imperfect the Indian Act is and what an albatross it is in so many ways.

What is really happening here is that fiduciary obligation and the Indian Act are being joined at the hip, which is a terrible fit. It is an alloy that does not work. We have to try to separate that without a perfect model as to how to get there. This is the conundrum. This exemplifies everything that is so difficult in terms of moving forward from a first nations or aboriginal perspective, and so much of it relates to the imperfect and outdated Indian Act.

•(1640)

[*Translation*]

**Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ):** Madam Speaker, I am pleased to speak on Bill C-23. Earlier, I listened carefully to the reply by the parliamentary secretary to my questions on where exactly in the bill it was clearly set out that all these parameters, all these institutions, and the framework of this legislation, were truly optional, in the following context.

If the federal government wants to slough off its fiduciary responsibilities, can it do so by the back door, using this bill? The answer is yes. Why so? I will demonstrate, if I may, and then will get back to some other essential information.

When I met the Minister of Indian Affairs and Northern Development a few weeks ago, he assured me beyond any doubt that, with the government's amendments, the new provisions in the bill would protect those first nations that did not wish to take advantage of the new framework imposed by Bill C-23.

He told me, "It will be beyond any doubt, and departmental staff will not have the right to use the means at their disposal, even intimidation, as has sometimes been the case in past files. That will be made clear".

*Government Orders*

Looking at the amendments introduced by the government, however, we see there is no assurance that, once Bill C-23 is passed, there will be no government directives to the effect that, for example, any first nation's application for funding, or its ability to benefit from established programs, will not be subject to a directive indicating to the recalcitrant nations, "If you want to benefit from the program, or if you want to continue to get the funding to which you were entitled in the past, you absolutely must implement the provisions of Bill C-23". There is no assurance whatsoever.

My references just now were not to isolated cases. This is, in my opinion, the best tool to relieve the federal government of any fiduciary responsibilities. That will be easy for the federal government, once the bill is passed. I am not saying that it will not benefit certain first nations, but they are the richest ones, the ones with the possibility of levying property taxes and borrowing from financial institutions.

As for the others, I believe we must have confidence in the aboriginal leaders. These are intelligent and thoughtful people. My colleague from Churchill mentioned that 61% of the chiefs of Canada's first nations have come out against this bill. The parliamentary secretary has just told us that, even if there were only one first nation that would benefit, he would fight for it.

That is the best way to divide and conquer, to arrange it so that, among the first nations, where there is usually great agreement on the defence of the basic rights of the aboriginal peoples, in comes a bill of this sort. The first nations are divided; two classes of members of the first nations are created; and they say, "Even if it is only of benefit to a few, we will pass it, despite fierce opposition by the 61% that do not want it".

It would have been interesting, especially yesterday during the vote at report stage, to see the Prime Minister take a different approach. He brags about wanting to establish a new relationship and harmony between the first nations and the federal government, which has been sorely lacking over the past few years with the Minister of Indian Affairs and Northern Development, whose mind was made up, who wanted nothing to do with aboriginal claims, who took a hard line and disregarded the unanimous opposition to Bill C-7, for example. Relations between us and the aboriginal people have suffered incredibly as a result of the former minister's attitude to the governance bill, or Bill C-7.

The Prime Minister tells us he wants to establish a new relationship. He even held a first nations summit—quite recently, just a few days ago—where he talked about new directions and self-government and so forth. He stood up yesterday, all smiles and fervour, and gave his unconditional support to Bill C-23, completely disregarding the fact that the majority of these first nations oppose this bill.

• (1645)

Before leaving, he actually greeted first nations members who were sitting in the gallery and who were extremely upset about what was happening. Yesterday, they found out that the new framework for harmonious relations between Ottawa and the first nations was just a smokescreen. The current Prime Minister will do exactly as his predecessor did; he will try to impose his views on the majority of first nations.

This is no way to act. When Bill C-7 was introduced in the House, we argued strenuously against it. Even on an initial cursory examination—we looked into it more closely later on—we realized that what the government wanted to propose was as shameful as the Indian Act that has been in effect for 130 years.

We spoke out against this legislation and we fought it, because the first nations have unanimously asked us to do so on their behalf. Unfortunately, the first nations were not at the table of the Standing Committee on Aboriginal Affairs, Northern Development and Natural Resources.

When we are discussing the future of the first nations and redefining relations, it seems to me that first nations officials should be at the table to be part of these discussions. In this regard, the treaties that were signed decades if not centuries ago, were not agreements reached by Europeans, by pioneers who subordinated first nations and looked condescendingly on them. These agreements were reached through a negotiation process.

The first nations never gave up any authority over their lands. They never gave away any part of their lands either. Over time, over the past 130 years, with the Indian Act, we have violated the rights of first nations, we have parked them in reserves and told them "Do not worry, we will give you something to drink and eat". We deprived them of their resources, of their traditional activities and of their hunting and fishing grounds. We also trampled on their institutions.

What are we doing today? We are proceeding more slowly, in a more polished manner, but we are doing the same thing. The large majority of first nations keep telling us that they are not satisfied with this bill, just as they unanimously told us that they disagreed with Bill C-7. We fought on their behalf against that legislation. We won because Bill C-7 was set aside.

However, have we actually won? This government has more or less the same attitude as the previous government. In fact, this government is the continuation of its predecessor.

It might be interesting to stop imposing things on first nations. It might be interesting to negotiate as equal partners. Such was the spirit of the initial treaties. There was a wampum belt, which was a kind of symbolic but no less real contract in terms of provisions. These treaties talked about two peoples making their way in parallel, each looking after its own affairs, in harmony, sharing the land, not transferring it from the first nations to the first Europeans.

Has our attitude changed? Yes it has. As a Parliament, we feel it is our mission to keep first nations in line. We do not care about harmony. We could have kept on working on this bill until things were perfectly clear and truly optional. For example, it is out of the question for ancestral lands to be used as collateral, or one day become the property of large financial institutions instead of belonging to first nations.

We could have agreed on a way to ensure the development of all first nations in order to do something about their desperate lack of wealth.

*Government Orders*

•(1650)

We could have agreed to fast track self-government negotiations while at the same time moving to adopt institutions which would have been optional and used only by those first nations ready and willing to do so. First nations that were forced by the government through the back door, against their will, to accept certain parameters of Bill C-23 should have been provided avenues of redress. This could have been done. Why was it not?

How can we allow ourselves to say that, if 40% of first nations agree, we can disregard the other 60%? Those who see this as the path to harmony should realize that they do not have the right attitude.

At a recent meeting of the Standing Committee on Aboriginal Affairs, Northern Development and Natural Resources, I put a question to the deputy minister in charge of negotiations regarding the expression “inherent right of first nations to self-government”, which is to say outright self-government. I asked him what was the status of these negotiations at present and what timeframe he envisaged to reach a settlement, to make agreements. These agreements would allow first nations to benefit from development tools such as government, community-based decision-making related to their identity, their culture, and even to aboriginal institutions which were scoffed at in the past.

I asked him when he thought the negotiations on self-government would end. He could not say. He only said that a lot of resources were needed to finalize the talks. That should be a government priority. We should not put the cart before the horse. We should not create institutions that are not suited to the vast majority of first nations.

My colleague from Churchill was quite clear on that when she asked what wealth the majority of first nations will be able to apply the provisions of the bill to or to benefit from. There is a high level of poverty in the majority of first nations communities. Basic needs are not even being met.

With respect to housing, for example, this year, 450 units will be built in Quebec, when it is 8,700 that are needed. Most of the existing housing stock has problems. There are chronic mould problems.

Where in this bill is there a possibility for these first nations to escape the poverty cycle? There are also socio-economic problems. What have we to offer for the young except a dead end? Does the bill deal with that? No.

The only possible answer is to speed up the implementation of self-government and give back to the first nations the ability to pursue their inherent right to self-government, which is entrenched in our Constitution. First nations need the tools to bring about their own development. Only after that should we consider the use of institutions that will gradually become major tools for the pursuit of that development.

What is our response to the problem of multiple substance abuse among first nations youth? What does a bill like this do about the lack of safe drinking water in many areas? Something is wrong. We

are setting up ultra-modern institutions that can meet the needs of the rich, but not the real needs and circumstances of native peoples.

When we consider the situation now, two things should be done, as I said several times. First, we should provide adequate resources. And by adequate, I mean resources that are urgently needed to speed up the conclusion of self-government agreements so that we can eventually leave the first nations alone. They should become equal partners. Let us stop patronizing them and trying to impose things the overwhelming majority does not want. That is the first thing we should do.

Then, we should adopt a contingency plan. As I was saying earlier, there are urgent problems on first nations lands, serious socio-economic problems. Members of the first nations are left to their own devices.

What is happening in Lac Barrière with the unsanitary homes, is nothing new. I have seen the same thing in many aboriginal communities across the country. These people are being left to their own devices. Sometimes there is not enough money to hire a teacher, for example, to keep the school open in September.

We have to fight here, as we did in Winneway for example, for Chief Mathias. We asked for supplementary funds to prevent the school from closing in his community for lack of a teacher. There was a two month delay.

•(1655)

Now, chief Mathias has to deal with forestry companies that want to cut trees on his land. This Algonquin community does not get any royalties. What kind of world do we live in? We are in 2004, and we still have the old colonizing attitudes that existed a few hundred years ago.

We must accelerate self-government and introduce emergency plans to force the communities with the most problems to solve their dramatic social and economic situation.

I wish that the new Minister of Indian Affairs and Northern Development and the new Prime Minister had more consideration for first nations. I know that, with my speech, I will disappoint some of the first nations that would like to see this bill passed quickly.

However, we would have liked a renewal. As I mentioned earlier, the government could have reached out to all first nations in Quebec and in Canada and said, “Listen, we will take a few more weeks, but the outcome will be approved unanimously, or with a very wide consensus”. If this project had been proposed at the Assembly of First Nations' convention, the attitude would have been totally different.

I sensed some openness on the part of the new Minister of Indian Affairs and Northern Development. I also sensed some openness on the part of the new Prime Minister. However, in view of the facts so far, as of yesterday at least, when we voted on the report stage of this bill, my opinion has changed. The Prime Minister and all the members of the government, including the Minister of Indian Affairs and Northern Development, have missed a unique opportunity to demonstrate that perhaps now was not the right time to pass this bill, and that they should review the whole bill so as to reach a consensus.

*Government Orders*

In addition, the Minister of Indian Affairs and Northern Development could have announced—before continuing debate on this bill—that he intended to put more resources into negotiations about self-government. He did not do so. There is nothing there but words and speeches; the attitude and actions are not there; it is just not enough.

A few weeks ago, as I mentioned earlier, the deputy minister responsible for the negotiations admitted it, but not in so many words, by not providing a target date for the conclusion of the negotiations for the 80 self-government and claims tables. He sounded the alarm. Since the Report of the Royal Commission on Aboriginal Peoples, the Erasmus-Dussault report, was published there has not been any real acceleration in these negotiations.

The Erasmus-Dussault commission, as hon. members will recall, talked about 20 years for a wide range of things to be put in place so all negotiations on self-government could be concluded and the first nations would finally be able to take charge of their own destiny and develop their communities in terms of what they are and what they want to become.

At this rate, in 50 years, nothing will have changed. In 50 years, our successors will say, “Listen, many negotiations still have to be concluded. There are still first nations living below the poverty line with unemployment rates as high as 75% in some communities; there are substance abuse problems”.

The Erasmus-Dussault commission provided a golden opportunity to change things. Ever since the report was tabled, it is as though it never existed. The attitude seems to be, “Since we have given ourselves 20 years, we can take our time”.

We cannot take our time anymore. It has now become a national emergency. We absolutely have to redefine a number of things. We have even been criticized by organizations like the United Nations. That is incredible. And we are turning a deaf ear.

With the support of my colleague, the hon. member for Sherbrooke, I would like to move the following motion in amendment:

That the motion be amended by deleting all the words after the word “That” and substituting the following:

“Bill C-23, an act to provide for real property taxation powers of first nations, to create a First Nations Tax Commission, First Nations Financial Management Board, First Nations Finance Authority and First Nations Statistical Institute and to make consequential amendments to other acts, be not now read a third time because it fails to meet the needs of most first nations.”

• (1700)

**The Acting Speaker (Mrs. Hinton):** I will take this amendment under advisement.

[*English*]

**Mr. Pat Martin (Winnipeg Centre, NDP):** Madam Speaker, I am particularly interested in the intervention by my colleague from Saint-Hyacinthe—Bagot. I know he has demonstrated an exceptional interest in this issue for not just this incarnation of the bill but, in fact, when the bill was called Bill C-19.

For those of us who have been involved in this bill since the very beginning, we see Bill C-23 as a fraud, an illusion, that there is no

appreciable difference in tone or in content from the basic flaws that we pointed out in Bill C-19.

My hon. colleague cited a number of problems that he had with this bill and, I think in great detail, tried to share with the House what his reservations were as to what might be really motivating the government in introducing this bill.

One of the key things he pointed out, and what I would ask him to expand on, is the whole issue of optionality.

The federal government seems to mitigate the downside of the bill by saying that people should not worry, that it is only optional and that they do not have to use it if they do not want to. However we have had first nations come to our caucus and tell us that the bill is optional in the same way that a driver's licence is optional. A driver's licence is optional unless we want to drive a car and then we must have one.

Would the member agree that the same logic applies to the bill? People do not have to avail themselves of the details of the bill unless they want to institute some financial bylaws in their community, or build a sewage treatment plant and go outside for financing, or they want to actually implement their right to self-government. If they want to do any of those things, then they have to join. Would he agree with me?

[*Translation*]

**Mr. Yvan Loubier:** Mr. Speaker, I thank my colleague for Winnipeg Centre for his question. He is always very enlightened. I was happy to fight alongside him for 55 days, on behalf of the first nations and against Bill C-7, in the Standing Committee on Aboriginal Affairs, Northern Development and Natural Resources. That was a record in Canadian parliamentary history.

The worst thing is that the government is talking out of both sides of its mouth. If the government is so enthusiastic about this bill, if it thinks this bill represents the future with all the parameters it contains, then it is possible and completely plausible to think that the government—through the back door—has given directives to the officials in the Department of Indian Affairs and Northern Development, who are responsible for implementing all these programs for the first nations, to have the first nations conform to the provisions of the bill, a bill they do not want, in order to receive grants or continue to benefit from government programs.

The government is still deciding on behalf of the first nations what is suitable for them and what is not. That is paternalism, pure and simple. What is the difference in attitude between the Indian Act that was imposed on the first nations and a bill like this one? They are the same. There is always this desire to keep the first nations down, to keep the pressure on them, even if they disagree with a bill, to apply the provisions of that bill, which might become law. That is unacceptable.

It is understandable that the first nations who are opposed to this may have their doubts about the government's good will. For decades, they have been promised all sorts of things, and their rights have been trampled on. For decades, they have been told they will be able to live, to develop and to benefit from the growth in the collective wealth, but they are kept on the sidelines.

*Government Orders*

I was talking earlier about Winneway and Chief Mathias. This same chief is engaged in a dispute with the lumber companies that want to cut wood on his land. His community would not collect any royalties on this harvest—on their own land. That is unacceptable.

Most first nations chiefs saw right through the government's intentions. The federal government is trying to get in through the back door in order to shirk its fiduciary responsibilities toward first nations.

There is also the whole matter of dispossessing traditional lands. Not much was said about this earlier. This is also a risk. At some point, traditional lands could be used as collateral by financial institutions. Is that right? Generation after generation of first nations members and chiefs have fought, throughout Canada's history, for the right to get their land back. Suddenly, this land could be seized by financial institutions. This is also a risk.

Not all first nations communities are prepared for this development, property tax, loans, and so forth. Can we allow this risk? Can we just ignore these risks when the provisions are not clear on this?

So many mistakes have been made in the past. The federal government's management of aboriginal affairs for the past 130 years is nothing to be proud of, not that it has been easy. As I mentioned at the end of my speech, even the United Nations finds that Canada is acting like the Rhodesians in South Africa before apartheid was abolished. Our treatment of the aboriginals is a little nicer, but not any less cruel.

That is why negotiations on self-government should be accelerated and concluded. Since the Erasmus-Dussault commission, since 1997—five years ago—not much progress has been made. Some first nations have achieved self-government. Some have concluded sectoral agreements. Some have reached a true self-government agreement on governance and jurisdiction, but not many.

• (1705)

In Quebec, we set ourselves the objective of speeding up the negotiations. Hon. members have seen what happened with the James Bay Cree, with the peace of the Braves. That grew out of the 1978 agreement concluded by René Lévesque with the James Bay Cree. We modernized it, providing additional tools. Everyone knows how the James Bay Cree are developing now.

The same thing goes with the proposed agreement with the Innu. We want to speed things up in order to be able to live in harmony, to share the land and live as two nations on the territory of Quebec. The federal government ought to share that enthusiasm and that concern.

Imagine what an about-face would ensue. After 130 years of the infamous Indian Act, of subjugation, suddenly the federal government steps things up. Firm negotiations. The Erasmus-Dussault report. The first nations took great hope from the Penner report and the report by the Royal Commission on Aboriginal Peoples. Young aboriginal people could glimpse the possibility of identification with their nation, of pride in their nation, of a future with opportunity instead of a dead end.

What has happened since? Some things have been done, but are they things to be proud of? Can we say that we put every effort, every enthusiasm into it? When the government across the way is

convinced of something, then it puts in the appropriate resources. When there is a bill it wants to see passed, it makes sure it moves through. Why not the same approach to the first nations? It would not be hard to devote more resources to this. The Prime Minister has surplus funds coming out of his ears, and he is well aware of this, having been the finance minister. Why, then, not put more resources into it, speed up the process, achieve self-government, be proud of this coexistence with the aboriginal peoples?

Aboriginal culture is a treasure. Its history, its languages are rich. Why not take advantage of that wealth instead of blocking the first nations' rights to be themselves, to govern themselves, to enact their own laws on their own territory, to benefit from its resources, and thus to survive? Quebec knows something about preserving culture. It is the most fundamental aspect of any people.

But instead, we are still stubbornly engaged in the divide and conquer approach. That is not the way to improve things.

• (1710)

**The Acting Speaker (Mr. Bélair):** Before proceeding further, I declare the amendment brought forward by the hon. member of the Bloc Québécois in order. Therefore, the debate is on the amendment.

[English]

**Mr. Pat Martin (Winnipeg Centre, NDP):** Mr. Speaker, I am pleased to rise to speak to Bill C-23 and even more pleased to speak to the amendment put forward by my hon. colleague from the Bloc, the member for Saint-Hyacinthe—Bagot. To be clear, I understand the debate is on the amendment at this time.

I agree with my colleague. I have long admired his particular sensitivity to this issue. I think perhaps part of that comes from his own background as a sovereignist. He can identify with the right to self-government of aboriginal people perhaps with a sensitivity that others only aspire to.

Bill C-23 is vehemently opposed by the overwhelming majority of more than 600 first nations across Canada. There are over 633 first nations who are affiliated with the Assembly of First Nations. The overwhelming majority are opposed to Bill C-23, just as they were opposed to Bill C-19.

Frankly, that is where the debate should properly stop. That should put an end to this debate because that is all we really need to know. This bill has not been developed with the cooperation and input from the 633 first nations of the Assembly of First Nations, the parliament of the first nations community. It was resoundingly rejected.

Let me begin with a bit of history. In Halifax in the summer of 2001, I was at the Assembly of First Nations gathering where the first draft resolution in support of this concept was voted down. The people were upset. A great deal of work took place at that assembly. With a fair amount of generosity, the chiefs at that assembly, even though they voted down the original resolution, agreed to allow it to carry on under the explicit condition that any draft bill had to come back to the Assembly of First Nations to be reviewed, accepted or rejected. That never happened.

*Government Orders*

In classic, unilateral, arrogant, and colonial fashion, the government, even after having heard from the legitimately elected leadership of first nations across the country, went ahead in complete opposition to the directives given, that the Assembly of First Nations would cooperate in the development of this bill if the draft was brought back to them for their review, input and cooperation. That never happened. We have to begin from that basic premise.

Let me also state another fact which is somewhat at odds with the presentation by the parliamentary secretary. The hard core support for this bill is probably in the range of 30 first nations, mostly from British Columbia. These first nations seem closely aligned both philosophically and otherwise to INAC.

Let me raise another point. It seems that those who are in favour of this bill, those who are promoting these four fiscal institutions, have unlimited money and funding to fly around the country and promote this bill, and the formation of these four institutions. I raise that as a concern right from the beginning because it seems to me, first of all, those four institutions are up and running.

We are debating here the enabling legislation to create those institutions and they exist. They have offices, staff, CEOs, high priced help and seem to have an unlimited amount of money to fly around the country and lobby me to support this bill. Many of us in the House have had personal visits from people who identify themselves through their business cards as the salaried officers of these institutions. I know the money to create them comes from the aid-based budget of INAC, money that could have and should be more properly directed toward meeting the basic needs of aboriginal people, I would think, rather than fly around the country as high priced lobbyists to convince me that I should vote for this bill. I raise that as a concern, but let us be honest about this.

• (1715)

The parliamentary secretary said that about 100 first nations support the bill. There are about 30 first nations that actively support the bill and another 70 first nations that have expressed some interest in availing themselves of the services that the institutions would provide at some later date, for a total of 100 first nations.

It is an exaggeration and, in fact, it is misleading and disingenuous to say that a full 100 first nations support the bill.

Bill C-23 as it stands is national legislation that negatively affects the rights and interests of all first nations across the country. Even though there are only 30-some first nations that vehemently support the bill, it adversely affects all first nations. Let me elaborate and explain somewhat because I think it warrants an explanation.

The bill is being promoted as a first nations driven piece of legislation, which is utterly misleading. If first nations driven is meant to imply that the bill is supported by most first nations across Canada, let me say again that it is vehemently opposed by most first nations across Canada.

The national fiscal and statistical institutions created by Bill C-23 affect the rights of all 600-plus first nations, even though it is supported by only a few. The institutions would be funded on an indefinite basis from the federal envelope that is allowed for all first nations. In other words, even those first nations that do not support these institutions would be inadvertently paying for them by money

that would have otherwise been spent in their communities, possibly meeting basic needs. Yet these institutions are actively opposed by the majority.

At this very early point in my remarks let me say that this is not only bad public policy but it is bad law if it is overwhelmingly opposed and those who oppose it are forced to pay for it. How unfair can that be? It offends doubly, in a sense.

It is true that there are a handful of first nations, mostly in B.C., that are driving the legislation forward. However it is also true that the overwhelming majority that are opposed to the bill are opposed in both principle and text.

Quite apart from the disrespect to Parliament that this misinformation serves, the misstatement of the level of first nations support raises a constitutional issue as to the very validity of the bill. Bill C-23 affects the rights and interests of all first nations, not just those that sign on to the optional schedule.

The Supreme Court of Canada, in leading cases such as *Sparrow* and *Delgamuukw*, has been clear that first nations are entitled to full and reasonable consultation when there is proposed legislation that is likely to affect their rights. In some special cases the consent of first nations may be mandated.

Therefore, if the consultation record is insufficient, as I argue it has been given the level of opposition and the failure of the government to bring back a draft to the Assembly of First Nations for ratification or approval prior to coming to Parliament, I argue that the consultation obligation has not been met. The most basic, fundamental test put to us by the Supreme Court in terms of legislation that may affect inherent aboriginal and treaty rights has not been met in this case again. This is a pattern that we have seen since I have been here as a member of Parliament, a disturbing pattern, a deliberate pattern, a colonial imperialist pattern.

It is not overstating it to say that because of the government's unwillingness to give meaning and definition to section 35 of the Constitution, it has allowed the courts to interpret time and time again what inherent and treaty rights mean. Time and time again the government loses at the Supreme Court.



*Government Orders*

The Supreme Court is now telling us that if we are going to introduce any future legislation that may affect inherent and treaty rights, consultation is required. Again, the government has chosen not to consult because consultation means more than just informing people what will be done to them. Consultation requires a meaningful exchange and accommodation of the points put forward by the other party. True consultation means bringing the issue forward, putting it on the table, getting the other person's point of view and accommodating some of the points raised, not imposing one's will on someone else. That is a basic, fundamental principle and the government has ignored it.

If passed into law, Bill C-23 will surely be challenged in the courts. There is a strong likelihood that the statute will be held unconstitutional because of the failure once again of INAC to follow the consultation standard laid down by the Supreme Court of Canada in numerous landmark decisions, numerous court rulings that actually took place during this 37th Parliament and during the 36th Parliament.

• (1720)

The duty to properly consult first nations is a key aspect of federal fiduciary obligation. It is protected by section 35 of the Constitution but we would never know that from the government's attitude and approach to it.

I want to raise the issue of optionality again. All the government can think of to try to allay the concerns brought forward by the majority of first nations is to say that it will make it optional; that it will only apply to those people who choose to avail themselves of it. That is a lie, or to put it another way, that is misleading. This new schedule mechanism is a parlour trick.

I made the point earlier and I will say it again. For the government to say that the bill is optional is like saying a driver's licence is optional. It is optional unless one wants to drive a car. As soon as one wants to drive a car, a licence becomes mandatory. Smaller first nations will find themselves in that trap because if they do not sign on and become one of the member nations on the schedule, they will not be allowed to set up any other type of financial bylaws within their own first nations unless they meet the approval of this new institution.

If they are not on the schedule and they want to seek outside financing for some project in their community, instead of the government meeting its fiduciary obligation to that first nation, it will simply say that if the first nation needs the development in its community it should go join the new fiscal institutions and join the pooled effort of financial activity.

Those are some of the fears put in a very simplistic way. This new schedule mechanism is a carnival trick. It is meant to deceive. It conveys the impression that three of the institutions in the bill, all but the statistical institute, are optional and therefore not prejudicial to first nations that choose not to join.

I note in passing that once on the schedule it seems that a first nation becomes subject to those institutions and getting out is in fact more difficult than getting in because once on the schedule the first nation cannot get off the schedule without the approval of all those other first nations that are on the schedule.

That may seem like a fine point but any time we have rules and conditions under which we can join something, at the same time we have to factor in rules and conditions by which we can leave. In other words, it is more difficult to leave than it is to join and we get pulled in.

The pretence of optionality fostered by the schedule amendment is not maintained in the case of the statistical institute. This part is imposed on all first nations and bands in Canada, whether or not they add their names to the schedule. There is nothing optional at all about the statistical institute. In fact, it can gather sensitive, private information on all first nations in the country, no matter whether they want that information gathered or not. There is a serious privacy issue associated with this question. This should be alarming to the overwhelming majority of first nations that are voting against the bill.

I ask all members to take note that under clause 105 the federally appointed institute can indefinitely collect and use the most sensitive data about all bands in Canada without their consent. Where is the optionality there?

The alleged optionality of these three institutions is completely misleading. In fact, they are statutory national bodies that will affect the rights and interests of all first nations in Canada, whether or not they are added to the schedule.

If anything, the schedule model, I would argue, actually makes things worse. This is because the schedule model perversely guarantees that these important national institutions will be perpetually controlled by the small number of first nations that are strongly in support and which have aligned themselves with INAC. If anything, this schedule would have a perversely negative effect on people. I do not think the minister and his INAC officials have thought this through.

• (1725)

The tax commission, which is really the Indian tax advisory board on steroids, is one of the institutions said to be optional. Again, nothing could be further from the truth. The tax commission is a federally appointed body and it will become the czar of all future on reserve property taxation bylaws or laws. This is what I was getting at, and I hope people will listen to this carefully.

If this law is passed, in the future all first nations in Canada that want to develop on reserve property taxation laws and systems will have to seek the approval of this federally appointed commission, whether they signed on to it or not. All such first nations will have to submit their annual property tax budgets to the commission for approval. That is in clause 9. People can check that if they do not believe me. I do not make up this stuff. There is no optionality here. This affects the rights and interests of all first nations therefore, whether they are on the schedule or not.

*Government Orders*

The unilateral nature of the tax commission is made even more problematic by the many upfront restrictions on first nations property taxations contained in Bill C-23. First nations will not be free to spend their tax revenue as they please. Instead, they will be forced to spend their money on local infrastructure and the like, and therefore lightening the burden on INAC. I get back to one of my basic problems here, which is that the bill is more about the desire of the federal government to offload its fiduciary obligations, its financial obligations.

First nations cannot just use their tax revenue for any purpose they see fit. No matter what the need and demand is in their community, they have to use it for things that the federal government approves.

Unfortunately, I cannot make all the points I would like to make because my time is running out. However, again, the impression of optionality, stoked by the tricky schedule amendment, is misleading. People saw through that right from day one. The first nations that read the bill saw that. Many of us are only just beginning to see that.

The most disturbing, strong armed component to Bill C-23 is directly linked to the management board, clause 8 of the bill. I urge people to refer to that. Communities that do not voluntarily join the bill are not permitted to pass bylaws or laws dealing with the critical area of financial administration. Even if they are not on the schedule, the management board, they are not allowed to pass comparable bylaws and financial bylaws. This is contrary to the inherent right of self-government, plain and simple.

**The Acting Speaker (Mr. Bélair):** The hon. member for Winnipeg Centre has four minutes left in his speech, and he is entitled to a 10 minute question and comment period when the bill comes before the House again.

\* \* \*

[*Translation*]

**BUDGET IMPLEMENTATION ACT, 2004**

The House resumed from May 4 consideration of the motion that Bill C-30, an act to implement certain provisions of the budget tabled in Parliament on March 23, 2004, be read the third time and passed; and of the previous question.

**The Acting Speaker (Mr. Bélair):** It being 5:29 p.m., the House will now proceed to the taking of the deferred recorded division on the previous question at third reading stage of Bill C-30.

Call in the members.

● (1755)

[*English*]

(The House divided on the motion, which was agreed to on the following division:)

(*Division No. 69*)

**YEAS**

Members

Adams  
Allard  
Augustine  
Bakopanos  
Barrette  
Bellemare

Alcock  
Assadourian  
Bagnell  
Barnes (London West)  
Bélanger  
Bennett

Bertrand  
Binet  
Bonin  
Boudria  
Brown  
Caccia  
Castonguay  
Charbonneau  
Comuzzi  
Cullen  
DeVillers  
Discepolo  
Drouin  
Efford  
Farrah  
Fry  
Godfrey  
Guarnieri  
Hubbard  
Jobin  
Karetak-Lindell  
Keyes  
Knutson  
Laliberte  
Lee  
Lincoln  
MacAulay  
Malhi  
Manley  
McCallum  
McKay (Scarborough East)  
McTeague  
Mitchell  
Myers  
O'Brien (London—Fanshawe)  
Owen  
Paradis  
Patry  
Pettigrew  
Pickard (Chatham—Kent Essex)  
Pratt  
Proulx  
Reed (Halton)  
Saada  
Scherrer  
Sgro  
Simard  
St-Julien  
Steckle  
Szabo  
Thibault (West Nova)  
Tonks  
Ur  
Vanclief  
Wappel  
Wilfert— 123

Bevilacqua  
Blondin-Andrew  
Bonwick  
Brison  
Bulte  
Calder  
Chamberlain  
Coderre  
Cotler  
Cuzner  
Dion  
Dromisky  
Duplain  
Eyking  
Frulla  
Galloway  
Graham  
Harvey  
Jennings  
Jordan  
Karygiannis  
Kilgour (Edmonton Southeast)  
Kraft Sloan  
Lastewka  
Leung  
Longfield  
Macklin  
Maloney  
Marleau  
McGuire  
McLellan  
Minna  
Murphy  
Neville  
O'Reilly  
Pagtakhan  
Parrish  
Peterson  
Phinney  
Pillitteri  
Price  
Redman  
Robillard  
Savoy  
Scott  
Shepherd  
St-Jacques  
St. Denis  
Stewart  
Telegdi  
Thibeault (Saint-Lambert)  
Torsney  
Valeri  
Volpe  
Whelan

**NAYS**

Members

Ablonczy  
Anderson (Cypress Hills—Grasslands)  
Barnes (Gander—Grand Falls)  
Bergeron  
Borotsik  
Burton  
Casey  
Chatters  
Crête  
Dalphond-Guiral  
Day  
Doyle  
Duncan  
Epp  
Gagnon (Québec)  
Gagnon (Champlain)  
Gauthier  
Gouk  
Guay  
Hearn  
Johnston  
Laframboise  
Lill

Loubier	Lunn (Saanich—Gulf Islands)
MacKay (Pictou—Antigonish—Guysborough)	Marceau
Mark	Martin (Winnipeg Centre)
Masse	McDonough
Ménard	Merrifield
Moore	Nystrom
Obhrai	Penson
Perron	Plamondon
Proctor	Rajotte
Reid (Lanark—Carleton)	Reynolds
Ritz	Rocheleau
Roy	Sauvageau
Schellenberger	Schmidt
Skelton	Solberg
Sorenson	St-Hilaire
Strahl	Thompson (New Brunswick Southwest)
Toews	Tremblay
Wasylycia-Leis	Wayne
Williams	Yelich— 84

### PAIRED

#### Members

Bradshaw	Caplan
Catterall	Desrochers
Fournier	LeBlanc
Paquette	Picard (Drummond)— 8

**The Acting Speaker (Mr. Bélair):** I declare the motion carried.

The next question is on the main motion. Is it the pleasure of the House to adopt the motion?

[*Translation*]

The chief government whip on a point of order.

**Hon. Mauril Bélanger:** Mr. Speaker, if you were to seek it, I think you would find unanimous consent of the House that the members who voted on the previous motion be recorded as voting on the motion now before the House, with the Liberal members, including the hon. member for Beauharnois—Salaberry, voting yes.

[*English*]

**The Acting Speaker (Mr. Bélair):** Is there unanimous consent to proceed in this fashion?

**Some hon. members:** Agreed.

**Mr. Dale Johnston:** Mr. Speaker, Conservative members will be opposing this motion.

[*Translation*]

**Mr. Michel Guimond:** Mr. Speaker, the members of the Bloc Québécois will vote against the motion.

**Mr. Yvon Godin:** Mr. Speaker, the NDP members will vote against the motion.

[*English*]

**Right Hon. Joe Clark:** Mr. Speaker, I vote no.

(The House divided on the motion, which was agreed to on the following division:)

(*Division No. 70*)

### YEAS

#### Members

Adams	Alecock
Allard	Assadourian
Augustine	Bagnell
Bakopanos	Barnes (London West)
Barrette	Bélanger
Bellemare	Bennett

Bertrand	Bevilacqua
Binet	Blondin-Andrew
Bonin	Bonwick
Boudria	Brisson
Brown	Bulte
Caccia	Calder
Castonguay	Chamberlain
Charbonneau	Coderre
Comuzzi	Cotler
Cullen	Cuzner
DeVillers	Dion
Discepolo	Dromisky
Drouin	Duplain
Efford	Eyking
Farrah	Frulla
Fry	Galloway
Godfrey	Graham
Guarnieri	Harvey
Hubbard	Jennings
Jobin	Jordan
Karetak-Lindell	Karygiannis
Keyes	Kilgour (Edmonton Southeast)
Knutson	Kraft Sloan
Laliberte	Lastewka
Lee	Leung
Lincoln	Longfield
MacAulay	Macklin
Malhi	Maloney
Manley	Marcil
Marleau	McCallum
McGuire	McKay (Scarborough East)
McLellan	McTeague
Minna	Mitchell
Murphy	Myers
Neville	O'Brien (London—Fanshawe)
O'Reilly	Owen
Pagtakhan	Paradis
Parrish	Patry
Peterson	Pettigrew
Phinney	Pickard (Chatham—Kent Essex)
Pillitteri	Pratt
Price	Proulx
Redman	Reed (Halton)
Robillard	Saada
Savoy	Scherrer
Scott	Sgro
Shepherd	Simard
St-Jacques	St-Julien
St. Denis	Steckle
Stewart	Szabo
Telegdi	Thibault (West Nova)
Thibeault (Saint-Lambert)	Tonks
Torsney	Ur
Valeri	Vanclief
Volpe	Wappel
Whelan	Wilfert— 124

### Government Orders

### NAYS

#### Members

Ablonczy
Anderson (Cypress Hills—Grasslands)
Barnes (Gander—Grand Falls)
Bergeron
Borotsik
Burton
Casey
Chatters
Crête
Dalphond-Guiral
Day
Doyle
Duncan
Epp
Gagnon (Québec)
Gagnon (Lac-Saint-Jean—Saguenay)
Gauthier
Gouk
Guay
Hearn
Hillston
Laframboise
Lill

*Private Members' Business*

Loubier	Lunn (Saanich—Gulf Islands)
MacKay (Pictou—Antigonish—Guysborough)	Marceau
Mark	Martin (Winnipeg Centre)
Masse	McDonough
Ménard	Merrifield
Moore	Nystrom
Obhrai	Penson
Perron	Plamondon
Proctor	Rajotte
Reid (Lanark—Carleton)	Reynolds
Ritz	Rocheleau
Roy	Sauvageau
Schellenberger	Schmidt
Skelton	Solberg
Sorenson	St-Hilaire
Strahl	Thompson (New Brunswick Southwest)
Toews	Tremblay
Wasylycia-Leis	Wayne
Williams	Yelich— 84

## PAIRED

## Members

Bradshaw	Caplan
Catterall	Desrochers
Fournier	LeBlanc
Paquette	Picard (Drummond)— 8

**The Acting Speaker (Mr. Bélair):** I declare the motion carried.  
(Bill read the third time and passed)

## PRIVATE MEMBERS' BUSINESS

[Translation]

WORKPLACE PSYCHOLOGICAL HARASSMENT  
PREVENTION ACT

The House resumed from April 28 consideration of the motion that Bill C-451, an act to prevent psychological harassment in the workplace and to amend the Canada Labour Code, be now read the second time and referred to a committee.

**The Acting Speaker (Mr. Bélair):** The House will now proceed to the taking of the deferred recorded division on the motion at second reading stage of Bill C-451 under private members' business.

● (1805)

(The House divided on the motion, which was negatived on the following division:)

(Division No. 71)

## YEAS

## Members

Assadourian	Bachand (Saint-Jean)
Bagnell	Barnes (Gander—Grand Falls)
Bergeron	Bigras
Bourgeois	Cardin
Castonguay	Charbonneau
Clark	Crête
Dalphond-Guiral	Davies
Desjarlais	Dion
Doyle	Drouin
Duceppe	Gagnon (Québec)
Gagnon (Champlain)	Gagnon (Lac-Saint-Jean—Saguenay)
Gaudet	Gauthier
Godin	Guay
Guimond	Hearn
Jennings	Laframboise
Lalonde	Lill
Loubier	Maloney
Marceau	Martin (Winnipeg Centre)

Masse	McDonough
Ménard	Minna
Nystrom	O'Brien (London—Fanshawe)
O'Reilly	Parrish
Perron	Plamondon
Proctor	Proulx
Rocheleau	Roy
Sauvageau	St-Hilaire
St-Jacques	St-Julien
Telegdi	Tremblay
Wasylycia-Leis	Wayne
Whelan— 59	

## NAYS

## Members

Ablonczy	Adams
Alcock	Allard
Anders	Anderson (Cypress Hills—Grasslands)
Augustine	Bakopanos
Barnes (London West)	Barrette
Bélanger	Bellemare
Bennett	Benoit
Bertrand	Binet
Blondin-Andrew	Bonin
Bonwick	Borotsik
Brown	Bulte
Burton	Caccia
Calder	Casey
Casson	Chamberlain
Chatters	Coderre
Comuzzi	Cotler
Cullen	Cummins
Cuzner	Day
DeVillers	Discepolo
Dromisky	Duncan
Duplain	Efford
Elley	Epp
Eyking	Farrah
Fitzpatrick	Frulla
Fry	Galloway
Godfrey	Gouk
Graham	Grey
Harvey	Hill (MacLeod)
Hubbard	Jobin
Johnston	Jordan
Karetak-Lindell	Karygiannis
Kenney (Calgary Southeast)	Keyes
Kilgour (Edmonton Southeast)	Knutson
Kraft Sloan	Lastewka
Lee	Leung
Longfield	Lunn (Saanich—Gulf Islands)
MacKay (Pictou—Antigonish—Guysborough)	Macklin
Malhi	Marcil
Mark	Marleau
McCallum	McGuire
McLellan	McTeague
Merrifield	Mitchell
Moore	Myers
Neville	Obhrai
Pagtakhan	Paradis
Patry	Penson
Peterson	Pettigrew
Pickard (Chatham—Kent Essex)	Pratt
Price	Rajotte
Redman	Reed (Halton)
Reid (Lanark—Carleton)	Ritz
Robillard	Saada
Savoy	Schellenberger
Scherrer	Schmidt
Scott	Sgro
Shepherd	Simard
Skelton	Solberg
Sorenson	St. Denis
Steckle	Strahl
Szabo	Thibault (West Nova)
Thompson (New Brunswick Southwest)	Toews
Tonks	Torsney
Ur	Valeri
Vanclief	Volpe
Wilfert	Williams
Yelich— 131	

*Private Members' Business*

**PAIRED**

Members

Bradshaw	Caplan
Catterall	Desrochers
Fournier	LeBlanc
Paquette	Picard (Drummond)— 8

**The Acting Speaker (Mr. Bélair):** I declare the motion lost.

\* \* \*

**CRIMINAL CODE**

The House resumed from April 30 consideration of the motion that Bill C-393, an act to amend the Criminal Code (breaking and entering), be now read the second time and referred to a committee.

**The Acting Speaker (Mr. Bélair):** The House will now proceed to the taking of the deferred recorded division on the motion at second reading stage of Bill C-393 under private members' business.

● (1810)

[English]

(The House divided on the motion, which was negated on the following division:)

(Division No. 72)

**YEAS**

Members

Ablonczy	Anders
Anderson (Cypress Hills—Grasslands)	Barnes (Gander—Grand Falls)
Benoit	Borotsik
Burton	Casey
Casson	Chatters
Cummins	Day
Doyle	Duncan
Elley	Epp
Fitzpatrick	Gouk
Grey	Hearn
Hill (Macleod)	Johnston
Kenney (Calgary Southeast)	Lunn (Saanich—Gulf Islands)
MacKay (Pictou—Antigonish—Guysborough)	Mark
Marleau	Merrifield
Moore	Obhrai
Penson	Rajotte
Reid (Lanark—Carleton)	Ritz
Schellenberger	Schmidt
Skelton	Solberg
Sorenson	Strahl
Thompson (New Brunswick Southwest)	Toews
Wayne	Williams
Yelich — 45	

**NAYS**

Members

Adams	Alcock
Allard	Assadourian
Augustine	Bachand (Saint-Jean)
Bagnell	Bakopanos
Barnes (London West)	Barrette
Bélanger	Bellemare
Bennett	Bergeron
Bertrand	Bigras
Binet	Blondin-Andrew
Bonin	Bonwick
Bourgeois	Brisson
Brown	Bulte
Caccia	Calder
Cardin	Castonguay
Chamberlain	Charbonneau
Clark	Comuzzi
Cotler	Crête

Cullen	Cuzner
Dalphond-Guiral	Davies
Desjarlais	DeVillers
Dion	Discepolo
Dromisky	Drouin
Duceppe	Duplain
Efford	Eyking
Farrah	Frulla
Fry	Gagnon (Québec)
Gagnon (Champlain)	Gagnon (Lac-Saint-Jean—Saguenay)
Galloway	Gaudet
Gauthier	Godfrey
Godin	Graham
Guay	Guimond
Harvey	Hubbard
Jennings	Jobin
Jordan	Karetak-Lindell
Karygiannis	Keyes
Knutson	Kraft Sloan
Laframboise	Laliberte
Lalonde	Lastewka
Lee	Leung
Lill	Lincoln
Longfield	Loubier
Macklin	Malhi
Maloney	Marceau
Marcil	Martin (Winnipeg Centre)
Masse	McCallum
McDonough	McGuire
McKay (Scarborough East)	McLellan
McTeague	Ménard
Minna	Mitchell
Murphy	Myers
Neville	Nystrom
O'Brien (London—Fanshawe)	O'Reilly
Pagtakhan	Paradis
Parrish	Patry
Perron	Peterson
Pettigrew	Pickard (Chatham—Kent Essex)
Plamondon	Pratt
Price	Proctor
Proulx	Redman
Reed (Halton)	Robillard
Rocheleau	Roy
Saada	Sauvageau
Savoy	Scherrer
Scott	Sgro
Shepherd	Simard
St-Hilaire	St-Jacques
St-Julien	St. Denis
Steckle	Szabo
Telegdi	Thibault (West Nova)
Thibault (Saint-Lambert)	Tonks
Torsney	Tremblay
Ur	Valeri
Volpe	Whelan
Wilfert — 147	

**PAIRED**

Members

Bradshaw	Caplan
Catterall	Desrochers
Fournier	LeBlanc
Paquette	Picard (Drummond)— 8

**The Acting Speaker (Mr. Bélair):** I declare the motion lost.

\* \* \*

● (1815)

[Translation]

**THE INCOME TAX ACT**

The House resumed from May 4 consideration of the motion that Bill C-303, an act to amend the Income Tax Act (travel expenses for a motor vehicle used by a forestry worker), be now read the second time and referred to a committee.

*Adjournment Debate*

**The Acting Speaker (Mr. Bélair):** The House will now proceed to the taking of the deferred recorded division on the motion at second reading of Bill C-303, under private members' business.

• (1820)

(The House divided on the motion, which was negated on the following division:)

*(Division No. 73)***YEAS**

## Members

Bachand (Saint-Jean)	Barnes (Gander—Grand Falls)
Barrette	Bergeron
Bigras	Binet
Bourgeois	Cardin
Castonguay	Charbonneau
Clark	Crête
Dalphond-Guiral	Davies
Day	Desjarlais
Drouin	Duceppe
Duncan	Duplain
Elley	Farrah
Gagnon (Lac-Saint-Jean—Saguenay)	Gagnon (Champlain)
Gagnon (Québec)	Gaudet
Gauthier	Godin
Guay	Guimond
Jennings	Laframboise
Laliberte	Lalonde
Lill	Loubier
Marceau	Martin (Winnipeg Centre)
Masse	McDonough
Ménard	Nystrom
Perron	Plamondon
Proctor	Rocheleau
Roy	Sauvageau
St-Hilaire	St-Julien
Telegdi	Toews
Tremblay — 53	

**NAYS**

## Members

Ablonczy	Adams
Alcock	Allard
Anderson (Cypress Hills—Grasslands)	Augustine
Bagnell	Bakopanos
Barnes (London West)	Bélanger
Bellemare	Bennett
Blondin-Andrew	Bonin
Bonwick	Borotsik
Brison	Brown
Bulte	Burton
Caccia	Calder
Casey	Casson
Chamberlain	Chatters
Comuzzi	Cotler
Cullen	Cummins
Cuzner	DeVillers
Dion	Discepola
Doyle	Dromisky
Efford	Epp
Eyking	Fitzpatrick
Frulla	Fry
Gallaway	Godfrey
Graham	Grey
Harvey	Hearn
Hill (Macleod)	Hubbard
Jobin	Johnston
Jordan	Karetak-Lindell
Karygiannis	Kenney (Calgary Southeast)
Keys	Knutson
Kraft Sloan	Lastewka
Lee	Leung
Lincoln	Longfield
Lunn (Saanich—Gulf Islands)	Mackay (Pictou—Antigonish—Guysborough)
Macklin	Malhi
Maloney	Marcil
Mark	Marleau

McCallum	McGuire
McKay (Scarborough East)	McLellan
McTeague	Merrifield
Minna	Mitchell
Moore	Murphy
Myers	Neville
O'Brien (London—Fanshawe)	Obhrai
Pagtakhan	Paradis
Parrish	Patry
Penson	Peterson
Pettigrew	Pratt
Price	Proulx
Rajotte	Redman
Reed (Halton)	Reid (Lanark—Carleton)
Ritz	Robillard
Saada	Savoy
Schellenberger	Scherer
Schmidt	Scott
Sgro	Shepherd
Simard	Skelton
Solberg	Sorenson
St-Jacques	St. Denis
Steckle	Strahl
Szabo	Thibault (West Nova)
Thibeault (Saint-Lambert)	Thompson (New Brunswick Southwest)
Tonks	Torsney
Ur	Valeri
Volpe	Wayne
Whelan	Wilfert
Williams	Yelich — 132

**PAIRED**

## Members

Bradshaw	Caplan
Catterall	Desrochers
Fournier	LeBlanc
Paquette	Picard (Drummond) — 8

**The Acting Speaker (Mr. Bélair):** I declare the motion lost.

**Hon. Mauril Bélanger:** Mr. Speaker, I rise on a point of order.

Discussions have taken place between all the parties, and if you were to seek it, I think you would find consent to proceed immediately to the adjournment proceedings, pursuant to Standing Order 38(1).

**The Acting Speaker (Mr. Bélair):** Is there unanimous consent to proceed?

**Some hon. members:** Agreed.

**ADJOURNMENT PROCEEDINGS**

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

[*English*]

## AGRICULTURE

**Hon. Charles Caccia (Davenport, Lib.):** Mr. Speaker, on March 26 I asked the Minister of Agriculture and Agri-Food, when would Canada ratify the biosafety protocol, given that we signed it, but not ratified it, in the year 2001?

In his reply the minister indicated that 45 countries had ratified the agreement. Actually, at the time, 89 nations had ratified the agreement and today, as we speak, the current number stands at 96.

*Adjournment Debate*

Furthermore, the minister did not indicate when Canada would ratify. As his predecessor had, he mentioned an action plan leading to ratification after stakeholder consultations. This would be good news were it not for the fact that consultations have been dragging on for years.

Consultations surrounding Canada's involvement with the protocol have been discussed as late as February in international meetings. By now, Canada should be on the verge of ratification.

Let me add at this point the following observation. First, 96 countries, including Mexico, Japan and the European Union have already ratified the biosafety protocol. They have adopted the precautionary principle dealing with the risks posed by importing genetically engineered organisms.

Canada currently exports approximately 22 million metric tonnes of grain annually, 80% of which may have trace levels of genetically modified organisms. Our exports will be greatly affected by the standards set by countries which have ratified the biosafety protocol.

Second, on March 31 of this year Mr. Stemshorn, the assistant deputy minister of the Environmental Protection Service at Environment Canada, informed the Standing Committee on Environment and Sustainable Development that Canada will be subject to the regulations imposed by importing countries.

By not ratifying the protocol we have very little influence in the decision making process on import regulations. In addition, further delays would damage Canada's access to foreign markets because genetically modified grain continues to be sold unlabelled.

As the purity of genetic stock of grain is affected, Canadian farmers will have an increasing uphill battle maintaining access and penetrating international markets.

For all these reasons, delaying ratification of the biosafety protocol is not in Canada's best interests. The next round of international meetings will take place next spring. Canada needs to participate fully in these discussions. Therefore, it stands to reason that the Government of Canada should take into full account Canada's long term interests in growing global markets, and also ensure Canada's voice is in the international fora.

This evening, could the Parliamentary Secretary to the Minister of Agriculture and Agri-Food tell us when Canada will ratify the biosafety protocol?

• (1825)

**Hon. Mark Eyking (Parliamentary Secretary to the Minister of Agriculture and Agri-Food, Lib.):** Mr. Speaker, I would like to thank the hon. member for his question regarding when Canada will ratify the Cartagena protocol on biosafety.

The biosafety protocol is a multilateral environmental agreement designed to address the potential adverse effects on biological diversity of transboundary movements of living modified organisms.

Living modified organisms are genetically modified organisms, what we call GMOs, that can replicate in the environment. Living modified organisms currently in commercial production in Canada are corn, canola and soybeans.

Canada supports the environmental objectives of the biosafety protocol and this is one of the reasons that we signed the protocol in April 2001. However, at the time of the signing, Canada indicated that we had a number of concerns that would need to be addressed, including documentation requirements for shipments of food, feed for processing, and obligations and responsibilities in a number of specific areas.

Central to Canada's position is the need to finalize the implementation details of the biosafety protocol in a practical way that does not impede trade. Consultations with industry in this respect are ongoing.

As the hon. member knows, Canada currently has one of the most stringent regulatory frameworks for plants with novel traits, which include living modified organisms. All plants with novel traits undergo a stringent environmental, human and animal health and safety risk assessment prior to being approved. As such, Canada ensures that no living modified organism poses a risk to biological diversity.

With respect to some of the concerns that Canada had at the signing, documentation provisions were discussed at the first meeting of the parties in February 2004. Some decisions taken at that meeting, however, warrant careful consideration by all interested stakeholders.

A final decision on the documentation provisions will be taken at the second meeting of parties, which is scheduled for next year. The fact that Canada has not ratified the protocol has no effect on the continuing obligation of Canadian exporters to meet the import requirements of other countries.

Let me clarify that the biosafety protocol is an environmental agreement and was never intended to regulate the labelling of genetically modified products.

Consultations regarding the outcome of the first meeting of parties have been initiated, with a view to assess the decisions taken by the first meeting of parties. Our government is committed to work closely with all stakeholders on this very important issue.

• (1830)

**The Acting Speaker (Mr. Réginald Bélair):** The hon. member for Davenport has one minute to respond.

**Hon. Charles Caccia:** Mr. Speaker, I would like to express my thanks to the hon. parliamentary secretary for his comprehensive reply. Unfortunately, he has not answered my question, namely, when will Canada ratify the biosafety convention?

He also indicated that consultations with industry are ongoing. These consultations started after the signing of the biosafety convention in 2001 and have gone on for three years. One begins to wonder how long the consultations will last.

Finally, I do not agree with the statement just made that the non-ratification does not affect our effectiveness in round table discussions on the matter. Therefore, I must ask again, could the parliamentary secretary at least indicate when the biosafety convention will be ratified?

*Adjournment Debate*

**Hon. Mark Eyking:** Mr. Speaker, I thank the member for bringing this issue before us tonight. The issue of GMOs is a concern for many consumers all over the world.

I do not have a definite answer for the member on when exactly we will fulfill all the obligations in that protocol. As I stated before, it is a very complicated process and it has a lot of impact on our food producers, especially our exporters.

Some key provisions in that protocol are documentation requirements, compliance, liability and redress, transit, trade with non-parties, and relationships with the WTO rules.

We must also recognize, and it is also important to note, that no major exporter has yet ratified the protocol. The United States is Canada's most important trading partner and it is not a party to the

protocol. As we have found out over the last year, we are very intertwined with the United States, whether we buy or sell products to the Americans, so we have to work with them also in going through this process.

**The Acting Speaker (Mr. Bélair):** The hon. member for Cumberland—Colchester not being present to raise the matter for which adjournment notice had been given, the notice is deemed withdrawn.

Therefore, the motion to adjourn the House is now deemed to have been adopted. Accordingly, the House stands adjourned until tomorrow at 10 a.m. pursuant to Standing Order 24(1).

(The House adjourned at 6:34 p.m.)

---







## CONTENTS

Wednesday, May 5, 2004

### STATEMENTS BY MEMBERS

#### **The Environment**

Mr. Caccia ..... 2791

#### **Sudan**

Mr. Day ..... 2791

#### **Asian Heritage Month**

Ms. Leung ..... 2791

#### **Projet Jeunesse Saint-Michel**

Mr. Barrette ..... 2791

#### **Canadian Rangers**

Ms. Karetak-Lindell ..... 2792

#### **The Love Boat**

Miss Grey ..... 2792

#### **Permanent Joint Board on Defence**

Ms. Bulte ..... 2792

#### **Université de Sherbrooke**

Mr. Cardin ..... 2792

#### **Canadian Apparel and Textile Industries**

Ms. Bakopanos ..... 2793

#### **Senior Citizens**

Mrs. Skelton ..... 2793

#### **Emergency Preparedness Week in Canada**

Mr. Charbonneau ..... 2793

#### **Status of Women**

Ms. Wasylycia-Leis ..... 2793

#### **Public Service**

Ms. Bourgeois ..... 2793

#### **Centre for International Governance Innovation**

Mr. Telegdi ..... 2794

#### **Special Olympics Winter Sports**

Mrs. Ablonczy ..... 2794

### ORAL QUESTION PERIOD

#### **Taxation**

Mr. Harper ..... 2794

Mr. Martin (LaSalle—Émard) ..... 2794

#### **Sponsorship Program**

Mr. Harper ..... 2794

Mr. Martin (LaSalle—Émard) ..... 2795

Mr. Harper ..... 2795

Mr. Martin (LaSalle—Émard) ..... 2795

Mr. MacKay ..... 2795

Mr. Alcock ..... 2795

Mr. MacKay ..... 2795

Mr. Alcock ..... 2795

#### **Gasoline Prices**

Mr. Duceppe ..... 2795

Mr. Martin (LaSalle—Émard) ..... 2795

Mr. Duceppe ..... 2796

Mr. Efford (Bonavista—Trinity—Conception) ..... 2796

Mr. Crête ..... 2796

Mr. Efford (Bonavista—Trinity—Conception) ..... 2796

Mr. Crête ..... 2796

Ms. Robillard ..... 2796

#### **Iraq**

Mr. Blaikie ..... 2796

Mr. Martin (LaSalle—Émard) ..... 2796

#### **VIA Rail**

Mr. Blaikie ..... 2796

Mr. Valeri ..... 2797

#### **Government Appointments**

Mr. Jaffer ..... 2797

Mr. McKay ..... 2797

Mr. Jaffer ..... 2797

Mr. Saada ..... 2797

#### **Canada Health Infoway**

Mr. Solberg ..... 2797

Mr. Pettigrew ..... 2797

Mr. Solberg ..... 2797

Mr. McKay ..... 2797

#### **Gasoline Prices**

Mr. Gauthier ..... 2797

Mr. Efford (Bonavista—Trinity—Conception) ..... 2798

Mr. Gauthier ..... 2798

Ms. Robillard ..... 2798

#### **Taxation**

Mr. Paquette ..... 2798

Mr. Paradis (Brome—Missisquoi) ..... 2798

Mr. Paquette ..... 2798

Mr. Pettigrew ..... 2798

#### **Royal Canadian Mint**

Mr. Benoit ..... 2798

Mr. Keyes ..... 2798

Mr. Benoit ..... 2798

Mr. Keyes ..... 2799

Mr. Kenney ..... 2799

Mr. Keyes ..... 2799

Mr. Kenney ..... 2799

Mr. Keyes ..... 2799

#### **Public Safety**

Mr. Drouin (Beauce) ..... 2799

Ms. McLellan ..... 2799

#### **Pay Equity**

Ms. Wasylycia-Leis ..... 2799

Mr. Alcock ..... 2800

<b>Child Poverty</b>	
Ms. Davies .....	2800
Ms. Frulla .....	2800
<b>Air Canada</b>	
Mr. Moore .....	2800
Mr. Valeri .....	2800
Mr. Moore .....	2800
Mr. Valeri .....	2800
<b>Foreign Affairs</b>	
Mr. Day .....	2800
Mr. Graham (Toronto Centre—Rosedale) .....	2801
Mr. Day .....	2801
Mr. Graham (Toronto Centre—Rosedale) .....	2801
<b>Canadian Broadcasting Corporation</b>	
Ms. Gagnon (Québec) .....	2801
Ms. Scherrer .....	2801
Ms. Gagnon (Québec) .....	2801
Ms. Scherrer .....	2801
<b>Public Works and Government Services</b>	
Mr. Casey .....	2801
Mr. Owen (Vancouver Quadra) .....	2801
Mr. Casey .....	2802
Mr. Owen (Vancouver Quadra) .....	2802
<b>Trade</b>	
Mr. Wilfert .....	2802
Mr. Peterson .....	2802
<b>Health</b>	
Mr. Merrifield .....	2802
Ms. Bennett .....	2802
Mr. Merrifield .....	2802
Mr. Pettigrew .....	2802
<b>Public Service</b>	
Mr. Laframboise .....	2802
Ms. Scherrer .....	2803
<b>Grain Transportation</b>	
Ms. Neville .....	2803
Mr. Valeri .....	2803
<b>Business of the House</b>	
The Acting Speaker (Mrs. Hinton) .....	2803
<b>ROUTINE PROCEEDINGS</b>	
<b>Government Response to Petitions</b>	
Mr. Gallaway .....	2803
<b>Mathieu Da Costa Day Act</b>	
Mrs. Jennings .....	2803
Bill C-524. Introduction and first reading .....	2803
(Motions deemed adopted, bill read the first time and printed) .....	2803
<b>Committees of the House</b>	
<b>Procedure and House Affairs</b>	
Mr. Adams .....	2803
<b>Statements by Members</b>	
Mrs. Ablonczy .....	2804

<b>Petitions</b>	
<b>Consul General to Chandigarh</b>	
Ms. McDonough .....	2804
<b>Taxation</b>	
Mr. MacKay .....	2804
<b>HIV-AIDS</b>	
Mr. Marceau .....	2804
<b>Marriage</b>	
Mr. Calder .....	2804
<b>Taxation</b>	
Mr. Calder .....	2804
<b>Rockliffe Station</b>	
Mr. Calder .....	2804
<b>Child Pornography</b>	
Mr. Mayfield .....	2804
<b>Marriage</b>	
Mr. Mayfield .....	2804
<b>Rights of the Unborn</b>	
Mr. Schellenberger .....	2804
<b>Committees of the House</b>	
<b>Procedure and House Affairs</b>	
Mr. Adams .....	2805
Motion for concurrence .....	2805
(Motion agreed to) .....	2805
<b>Questions on the Order Paper</b>	
Mr. Gallaway .....	2805
Mr. Thompson (New Brunswick Southwest) .....	2805
<b>Motions for Papers</b>	
Mr. Gallaway .....	2805
Mr. Thompson (New Brunswick Southwest) .....	2805
<b>GOVERNMENT ORDERS</b>	
<b>Budget Implementation Act, 2004</b>	
Bill C-30. Third reading .....	2806
Mr. Fitzpatrick .....	2806
Division on motion deferred .....	2808
<b>First Nations Fiscal and Statistical Management Act</b>	
Mr. Peterson (for the Minister of Indian Affairs and Northern Development) .....	2808
Bill C-23. Third reading .....	2808
Mr. Bagnell .....	2809
Mrs. Desjarlais .....	2811
Mr. Loubier .....	2812
Mr. Duncan .....	2813
Mr. Bagnell .....	2814
Mrs. Desjarlais .....	2815
Mr. Loubier .....	2815
Motion .....	2818
Mr. Martin (Winnipeg Centre) .....	2818
Mr. Martin (Winnipeg Centre) .....	2819
<b>Budget Implementation Act, 2004</b>	
Bill C-30. Third reading .....	2822
Motion agreed to .....	2823
Motion agreed to .....	2824
(Bill read the third time and passed) .....	2824

**PRIVATE MEMBERS' BUSINESS**

<b>Workplace Psychological Harassment Prevention Act</b>	
Bill C-451. Second reading .....	2824
Motion negatived.....	2825
<b>Criminal Code</b>	
Bill C-393. Second reading .....	2825
Motion negatived.....	2825

**The Income Tax Act**

Bill C-303. Second reading .....	2826
Motion negatived on division.....	2826

**ADJOURNMENT PROCEEDINGS**

<b>Agriculture</b>	
Mr. Caccia.....	2826
Mr. Eyking .....	2827

**MAIL  POSTE**

Canada Post Corporation / Société canadienne des postes

Postage paid

Port payé

**Lettermail**

**Poste-lettre**

**1782711  
Ottawa**

*If undelivered, return COVER ONLY to:*

Publishing and Depository Services

PWGSC, Ottawa, ON K1A 0S5

Internet: <http://publications.gc.ca>

1-800-635-7943 or Local 613-941-5995

*En cas de non-livraison,*

*retourner cette COUVERTURE SEULEMENT à :*

Les Éditions et Services de dépôt

TPSGC, Ottawa (Ontario) K1A 0S5

Internet: <http://publications.gc.ca>

1-800-635-7943 ou appel local (613) 941-5995

**Published under the authority of the Speaker of the House of Commons**

**Publié en conformité de l'autorité du Président de la Chambre des communes**

**Also available on the Parliamentary Internet Parlementaire at the following address:**

**Aussi disponible sur le réseau électronique « Parliamentary Internet Parlementaire » à l'adresse suivante :**

**<http://www.parl.gc.ca>**

---

**The Speaker of the House hereby grants permission to reproduce this document, in whole or in part, for use in schools and for other purposes such as private study, research, criticism, review or newspaper summary. Any commercial or other use or reproduction of this publication requires the express prior written authorization of the Speaker of the House of Commons.**

**Additional copies may be obtained from Publishing and Depository Services, PWGSC, Ottawa, ON K1A 0S5**

**Le Président de la Chambre des communes accorde, par la présente, l'autorisation de reproduire la totalité ou une partie de ce document à des fins éducatives et à des fins d'étude privée, de recherche, de critique, de compte rendu ou en vue d'en préparer un résumé de journal. Toute reproduction de ce document à des fins commerciales ou autres nécessite l'obtention au préalable d'une autorisation écrite du Président.**

**On peut obtenir des copies supplémentaires en écrivant à : Les Éditions et Services de dépôt, TPSGC, Ottawa (Ontario) K1A 0S5**

**On peut obtenir la version française de cette publication en écrivant à : Les Éditions et Services de dépôt  
TPSGC, Ottawa (Ontario) K1A 0S5**