



CANADA

House of Commons Debates

VOLUME 139 • NUMBER 054 • 3rd SESSION • 37th PARLIAMENT

OFFICIAL REPORT
(HANSARD)

Thursday, May 13, 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

Thursday, May 13, 2004

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

• (1000)

[*English*]

GOVERNMENT RESPONSE TO PETITIONS

Hon. Roger Gallaway (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.): Mr. Speaker, pursuant to Standing Order 36(8) I am pleased to table, in both official languages, the government's response to 45 petitions.

* * *

FEDERAL LAW-CIVIL LAW HARMONIZATION ACT

Hon. Jean Augustine (for the Minister of Justice and Attorney General) moved for leave to introduce Bill C-37, a second act to harmonize federal law with the civil law of the Province of Quebec and to amend certain acts in order to ensure that each language version takes into account the common law and the civil law.

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

* * *

• (1005)

[*Translation*]

INTERPARLIAMENTARY DELEGATIONS

Hon. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, I am honoured to present in both official languages, under Standing Order 34(1), the report of the Canadian delegation to the Interparliamentary Forum of the Americas to the third plenary meeting held in Valparaíso, Chile, from April 1 to 3, 2004.

Hon. Charles Caccia (Davenport, Lib.): Mr. Speaker, I am honoured to present in both official languages, under Standing Order 34(1), the report of the Canada-Europe Parliamentary Association delegation to the Interparliamentary Forum on Transatlantic Dialogues at the Parliamentary Assembly of the Council of Europe, held in London, in the United Kingdom, on April 18 and 19, 2004.

Mr. Roy Cullen (Etobicoke North, Lib.): Mr. Speaker, I am honoured to present in both official languages, under Standing Order 34(1), the report of the Canada-Europe Parliamentary Association delegation to the second part of the 2004 ordinary session of the

Parliamentary Assembly of the Council of Europe, held in Strasbourg, France, from April 26 to 30, 2004.

[*English*]

Mr. Tom Wappel (Scarborough Southwest, Lib.): Mr. Speaker, pursuant to Standing Order 34(1) I have the honour to present to the House, in both official languages, the report of the Canada-China Legislative Association regarding the sixth bilateral meeting held in Canada in the fall of 2003.

Mr. Bryon Wilfert (Oak Ridges, Lib.): Mr. Speaker, pursuant to Standing Order 34(1) I have the honour to present to the House, in both official languages, the report of the 10th General Assembly of the Asia-Pacific Parliamentarians' Conference on the Environment and Development held in Cozumel, Mexico in the fall of 2003.

* * *

COMMITTEES OF THE HOUSE

AGRICULTURE AND AGRI-FOOD

Mr. Paul Steckle (Huron—Bruce, Lib.): Mr. Speaker, I have the honour this morning to present, in both official languages, the fourth report of the Standing Committee on Agriculture and Agri-Food on Canadian beef packers' financial information as a result of the third report of the committee.

I should also note that I will be rising and seeking the unanimous consent of the House to adopt this report later today.

* * *

STANDING ORDERS

Mr. Peter Adams (Peterborough, Lib.): Mr. Speaker, I think you would find there is unanimous consent for me to move a motion to correct a discrepancy in the Standing Orders regarding the scrutiny of regulations.

The amendment would delete the words “after the notice is transferred” and substitute the words “after the report is presented pursuant to Standing Order 123(1)”.

Therefore, I move:

That Standing Order 124 be amended to read as follows:

Routine Proceedings

"124. Except as otherwise provided in any Standing or Special Order of the House, when a notice of a resolution given pursuant to Standing Order 123(5) is transferred to the Order Paper under "Motions", it shall be deemed to have been moved and adopted by the House at the ordinary hour of daily adjournment on the fifteenth sitting day after the report is presented pursuant to Standing Order 123(1), unless a motion for which notice has been given pursuant to Standing Order 54, standing in the name of a Minister, to the effect that the resolution not be adopted, has been placed on the Order Paper".

The Acting Speaker (Mr. Bélair): The House has heard the terms of the motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.
(Motion agreed to)

* * *

COMMITTEES OF THE HOUSE

PROCEDURE AND HOUSE AFFAIRS

Mr. Peter Adams (Peterborough, Lib.): Mr. Speaker, I move that the 19th report of the Standing Committee on Procedure and House Affairs dealing with security on Parliament Hill, presented on Thursday, April 22, be concurred in.

(Motion agreed to)

• (1010)

Mr. Peter Adams: Mr. Speaker, I also would ask for unanimous consent to move that the 26th report of the Standing Committee on Procedure and House Affairs dealing with security on Parliament Hill, presented on Wednesday, April 28, be concurred in.

[*Translation*]

The Acting Speaker (Mr. Bélair): Is there unanimous consent of the House to move this motion?

Some hon. members: Agreed.

Some hon. members: No.

[*English*]

AGRICULTURE AND AGRI-FOOD

Mr. Paul Steckle (Huron—Bruce, Lib.): Mr. Speaker, I wish to seek the unanimous consent of the House to concur in the fourth report of the Standing Committee on Agriculture and Agri-Food tabled earlier this day.

The Acting Speaker (Mr. Bélair): Is there unanimous consent for the member to move the motion?

Some hon. members: Agreed.

Some hon. members: No.

Mr. Paul Steckle: Mr. Speaker, I rise on a point of order. On behalf of Agriculture Canada and the farmers in Canada I regret to have been rejected on the motion for concurrence. I would wish that we could have—

The Acting Speaker (Mr. Bélair): This is not a point of order; it is a point of debate.

[*Translation*]

Mr. Michel Guimond: Mr. Speaker, I too rise on a point of order. I simply want the hon. member to know that there is a tacit

agreement whereby the other parties are consulted when unanimous consent is sought, something the hon. member did not do this time.

The Acting Speaker (Mr. Bélair): That is not a point of order, but the message is clear.

[*English*]

Mr. Massimo Pacetti: Mr. Speaker, I rise on a point of order. Since the House is adjourning in the near future, I am asking for unanimous consent for the House to adopt my Motion No. 588 calling on the CRTC to include the RAI International channel in their basic cable or satellite service.

[*Translation*]

The Acting Speaker (Mr. Bélair): Does the hon. member have unanimous consent to move the motion?

Some hon. members: Agreed.

Some hon. members: No.

[*English*]

Mr. Dick Proctor: Mr. Speaker, I wish to return to the point of order from the member for Huron—Bruce. Just for the record, there was deliberation at committee last night among all parties. The member requested that all members go to their House leaders in order to give unanimous consent today. The member for the Bloc Québécois is not fully informed and—

The Acting Speaker (Mr. Bélair): The Chair thinks it is kind of late to come out with such a point of order.

Mr. Massimo Pacetti: Mr. Speaker, I rise on a point of order. I would like to address my request for unanimous consent for Motion No. 588. Could we state the members who were opposed to giving unanimous consent?

The Acting Speaker (Mr. Bélair): No. This is not in the rule book at all.

* * *

PETITIONS

MARRIAGE

Mr. Tom Wappel (Scarborough Southwest, Lib.): Mr. Speaker, I have three petitions containing hundreds of signatures from around Canada. All three petitions are on the same subject matter. They call upon Canada to protect the definition of marriage.

RIGHTS OF THE UNBORN

Mr. Tom Wappel (Scarborough Southwest, Lib.): Mr. Speaker, I have another petition that asks the Parliament of Canada to bring in legislation defining a human fetus or embryo from the moment of conception, whether in the womb of the mother or not, and whether conceived naturally or otherwise, as a human being, and making any and all consequential amendments to all Canadian laws as required

NATURAL HEALTH PRODUCTS

Mr. James Lunney (Nanaimo—Alberni, CPC): Mr. Speaker, I have about 1,000 signatures on a petition from people right across the country from Cape Breton Island to Vancouver Island. They call upon Parliament to implement my private member's Bill C-420.

Routine Proceedings

HEALTH CARE

The petitioners are protesting subsections 3(1) and 3(2) of the Food and Drugs Act that say: "No person shall advertise any food, drug, cosmetic or device to the general public as a treatment, preventative or cure for any of the diseases, disorders or abnormal physical states referred to in Schedule A".

The petitioners say that is unscientific, antiquated, and it is from 1934. They ask Parliament to update that so that Canadians can have access to safe natural health products.

•(1015)

MARRIAGE

Mr. James Lunney (Nanaimo—Alberni, CPC): Mr. Speaker, furthermore, I have another series of petitions on the subject of marriage. The petitioners call on Parliament to affirm the definition of marriage as the union of one man and one woman, and to do all that is necessary to ensure that marriage is defended and protected.

[*Translation*]

EMPLOYMENT INSURANCE

Mr. Michel Guimond (Beauport—Montmorency—Côte-de-Beaupré—Île-d'Orléans, BQ): Mr. Speaker, as the member for Beauport—Montmorency—Côte-de-Beaupré—Île-d'Orléans, I am pleased to present a petition signed by 2,704 people residing mostly in the new part of the constituency, namely the Upper North Shore RCM.

The petitioners are asking Parliament to exert pressure on the federal government to put an end to EI transitional measures, to increase workers' benefits and to adopt a universal employment insurance program.

These people are involved mainly in seasonal industries and they find the rules that exclude them from the employment insurance program unacceptable.

I can tell the House that, despite the announcement made by the minister this week, because this petition was signed before—

The Acting Speaker (Mr. Bélair): I am sorry to interrupt the hon. member, but the presentation of his petition is taking the form of a debate.

I am therefore giving the floor to the hon. member for Winnipeg North Centre.

[*English*]

IMMIGRATION

Ms. Judy Wasylycia-Leis (Winnipeg North Centre, NDP): Mr. Speaker, I have two petitions that I am very pleased to present to the House.

The first is from constituents who are very concerned about the present restrictions in the Immigration and Refugee Protection Act pertaining to family sponsorship. The petitioners would definitively like to see an expansion of the definition of family to include other relatives.

They call upon this government to amend the legislation to address the concerns to ensure that family reunification is a cornerstone of our immigration policy.

Ms. Judy Wasylycia-Leis (Winnipeg North Centre, NDP): Mr. Speaker, second and very important, I have a petition pertaining to health care.

The petitioners believe that Canada's health care system is a good one, that medicare is a strong model, and any changes should be done in accordance with the principles of the Canada Health Act.

They want the government to implement the recommendations of the Romanow Commission on the Future of Health Care. They indicate that this is the best prescription for Canada's ailing health care system.

TAXATION

Hon. Lorne Nystrom (Regina—Qu'Appelle, NDP): Mr. Speaker, I have a petition signed by hundreds of people across the country concerned that the Canada Customs and Revenue Agency should be held to the same standards as any instrument of justice by applying the principles of natural justice, the charter and common law, and that the citizens and taxpayers should enjoy all the protections provided by the law.

Specifically, it says: "That, in the opinion of the House, the government should introduce legislation to ensure that all Canadians have the same rights with respect to tax obligations as people accused of crimes; that is, to be presumed innocent until proven guilty, and that relevant legislation should be amended to this end".

I am sure that all members would support this sentiment.

NATIONAL DEFENCE

Ms. Alexa McDonough (Halifax, NDP): Mr. Speaker, I am very pleased today to table a bundle of petitions from close to 2,000 Canadians committed to building a peaceful world based on human security.

These Canadians are pleading with the government to, first, withdraw from any participation in a national missile defence; second, to condemn the destabilization that star wars will inevitably create in our world; and, third, to work with our partners in peace for more effective arms control, and to put an end to production and sale of weapons of mass destruction.

* * *

QUESTIONS PASSED AS ORDERS FOR RETURNS

Hon. Roger Gallaway (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.): Mr. Speaker, if Question No. 79 and Starred Question No. 85 could be made orders for return, these returns would be tabled immediately.

The Acting Speaker (Mr. Bélair): Is that agreed?

Some hon. members: Agreed.

Supply

[Text]

Question No. 79—**Mr. Brian Masse:**

With regard to the Federal sponsorship Program, and according to Communications Canada records from the years 2000 through 2003, inclusive: (a) what events, companies, groups, individuals or projects located in Windsor West received funds; (b) on what dates were the funds allocated/contracts awarded; (c) what was the stated purpose of the funds/contracts, and (d) what is the detailed breakdown of the total value of each allocation of funds/contracts?

Return tabled.

Question No. 85—**Mr. Guy St-Julien:**

With respect to the Communication Canada Sponsorship Program administered by the Department of Public Works and Government Services, can the government provide: (a) the name of each project that received funding in the ridings of Abitibi—Baie-James—Nunavik, Roberval and Témiscamingue; (b) the net amount received by each organization; (c) the commission received by the agency of record; (d) the commission received by the advertising agency; (e) the name of the agency of record that received funds; and (f) the name of the advertising agency that received funds?

Return tabled.

[English]

Mr. Greg Thompson: Mr. Speaker, I rise on a point of order. I have been up on this point of order a few times.

It relates to questions on the aboriginal fisheries and the buyout of non-traditional fishing licences. The point that I make is that the parliamentary secretary gets up on his hind legs and suggests that because it was not started, over 45 days is acceptable.

We know we are on the eve of an election. He knows full well that question will not be answered until after we go to the polls. I think the government, with its thousands of employees, could answer that question this afternoon. It is not complicated. We want those answers before we go to the polls. There is no statistical data to either support that program or reject it, and it has a huge impact on both traditional and non-traditional fishers.

I believe that—

● (1020)

The Acting Speaker (Mr. Bélair): Order, please. You are getting into debate. When you put your question, you did not request that it be dealt with within 45 days. This is the reason why it has not been answered.

Mr. Greg Thompson: Mr. Speaker, in all fairness, that 45 days means nothing. We are at least a week, maybe seven days from an election call, maybe less. That is irrelevant. We want those questions answered. Will the government do it between now and the election, yes or no? That is all we want to know.

Hon. Roger Gallaway: Mr. Speaker, while the member opposite stands on his hind legs, perhaps he would like to read Standing Order 32.

Additionally, Mr. Speaker, I ask that all remaining questions be allowed to stand.

The Acting Speaker (Mr. Bélair): Is that agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[English]

SUPPLY

ALLOTTED DAY—STANDING COMMITTEE ON PUBLIC ACCOUNTS

Mr. Peter MacKay (Pictou—Antigonish—Guysborough, CPC) moved:

That, in the interest of transparency, the government should ensure that the work that has been done by the Standing Committee on Public Accounts into the sponsorship scandal be continued after the Prime Minister calls a general election and until the Standing Committee on Public Accounts is reconstituted in a new parliament by establishing a commission under the Inquiries Act.

He said: Mr. Speaker, clearly there is a lot of frustration in the air as we embark on this debate. As the old saying goes, spring has sprung. The tulips are up and people's hopes and dreams are up. Yet the public accounts committee, looking into the scandalous behaviour of the government, the ongoing attempts to cover up what took place with respect to hundreds of millions of dollars of taxpayer money, is about to be shut down. It is for all intents and purposes now stopping the truth seeking exercise of finding out where that money went, how it was misspent and who was responsible.

We are no longer hearing from witnesses, unfortunately, because of a motion brought forward by the Liberal majority on that committee. We have to take a step back and examine what the purpose of the committee and the entire process is about. It is about accountability. It is clearly about trying to get to the very essence of what went wrong in a single program in a single department that resulted in massive amounts of public money being misspent and misappropriated, potentially in a criminal way.

As we saw this very week, individuals who were key players in all of this, mainly Chuck Guité who was administering the program in an unprecedented way and Mr. Brault, head of Groupaction which was one of many recipients of this money, were charged criminally. That is not to prejudge the outcome of that criminal process. They are to be presumed innocent. However, clearly there was something sadly amiss.

As we have seen in recent days and weeks, there have been attempts to find the truth, to do what the Prime Minister himself referred to as getting to the bottom of this entire scandal by looking under every rock, calling every necessary witness, going where we had to go and shining the light, all of those wonderful euphemisms. Yet there has been a deliberate, behind the scenes attempt to thwart the efforts of the public accounts committee, at least those on the opposition side, to do that very exercise, to go through this truth seeking exercise to find out how this happened and how it was permitted to take place.

Having sat on that committee now for 10 weeks and having heard from over 40 witnesses, I am left with no other conclusion than there were deliberate attempts to do this in the dark and to do this, as the Auditor General herself has stated so emphatically, by breaking every rule in the book. I think there is no better place to start than with the comments of the Auditor General that came from her 2003 November report, which the government has been in possession of since October of last year. About the sponsorship program, mentioned in the main points, she states:

Parliament was not informed of the program's objectives or the results it achieved and was misinformed as to how the program was being managed.

She goes on to say:

Those responsible for managing the program broke the government's own rules in the way they selected communications agencies and awarded contracts to them.

Those are damning condemnations from the Auditor General, an impartial officer of Parliament, I am quick to add. She further states:

Partnership arrangements between government entities are not unusual in programs of mutual benefit. However, some sponsorship funds were transferred to Crown corporations using unusual methods that appear designed to provide significant commissions to communications agencies, while hiding the source of funds and the true nature of the transactions.

She is talking about evidence that communications firms with strong ties to the Liberal Party were receiving commissions for literally picking up a cheque from the government and delivering it to a crown corporation like VIA Rail, the RCMP and the Business Development Bank. In one example it cost \$330,000 to take a cheque and deliver it, when a 34¢ stamp would have been sufficient.

I cannot for the life of me understand how those in the public could accept that this could take place on the government's watch. As to who was responsible during the time in which the sponsorship scandal really began in earnest in 1997, the current Prime Minister was the minister of finance and he sat as the vice-president of the Treasury Board. It happened on his watch. Whether he knew about it or whether he was involved in it is yet to be determined.

•(1025)

I would say without reservation that there was no one in government, no one in Canada, who was in a better position to stop this scandal as it unfolded. Now the same individual, the Prime Minister, is telling Canadians that he will get to the bottom of this, that there will be accountability and those who responsible will be held to account. When? Will it be before an election? I think not.

Clearly, we are rushing headlong in to an election. The democratic deficit, which has so widened under this Prime Minister's watch, dictates that he and only he will decide when the election will come. That is something I say, unreservedly, that would change with a Conservative government. There would be accountability. There would be a fixed election date. However, that debate is for another time. I am sure it will be discussed throughout the election period. The democratic deficit has certainly widened under this Prime Minister's watch.

The sponsorship scandal to which Canadians have been treated to over the past number of weeks is grinding to a halt in terms of the work of the public accounts committee. We have been told that there will be a full judicial inquiry which will take place some time in the

Supply

fall and the results will be rendered in 18 months. An individual will be specifically tasked with recovering the money.

I can only scoff at the suggestion that the \$250 million will be recovered in any amount. I have been around enough courtrooms. I have prosecuted and defended enough cases to know that money is seldom recovered in fraud cases. I have never seen a fraud case of such an enormous nature involving public money.

While it is springtime, it is also tax season. Having spoken to a lot of people in my own constituency of Pictou—Antigonish—Guysborough and to people in the Maritimes and around country, I strongly suspect that having just sent in their hard earned tax dollars to Ottawa, as required by Revenue Canada and the Income Tax Act, they are feeling a chilling unease. I would go further and say they are feeling quite a bit of residual anger at the thought of sending their tax dollars to Ottawa, knowing what has taken place under this government's governance over the past number of years. In particular, I think they are feeling a bit of anger having been exposed to the way in which the government spent their money in one program alone, the sponsorship scandal.

We know there are other examples. It was revealed that National Defence was bilked of \$161 million in a computer scam, which is still being examined. We know of other blatant examples of the terrible abuse of taxpayer dollars, including the HRDC scandal and the still unravelling in the gun registry, which is the subject of the criminal charges that were laid this week. That had very little to do with the Auditor General's report most recently tabled. It did have something to do with her previous report.

This has become a malaise and a real swamp and quagmire of a scandal which Canadians are seeing unfold before their very eyes. Yet in the very near future they will be asked to put their trust and their faith in this government again, re-elect it and give it a ringing endorsement for the way it has governed the country and treated taxpayer dollars.

The priorities of the government are sadly out of sync on where Canadians would prefer to see their money spent, whether it be in the health care system, or improving the safety of their communities, or helping with student debt or protecting and observing the environment.

Coming back to how this institution operates and how money makes it into these programs, all of us in this place have to be answerable for that. This includes the opposition when it comes to scrutinizing the main estimates or examining how these programs are administered and put in place. That is a more fundamental question of how Parliament itself operates, how we govern ourselves in this place.

•(1030)

The Prime Minister has made hay over the past number of years, while he was undermining and plotting to replace his predecessor, by talking about the democratic deficit. He coined the phrase, "who do you know in the PMO?" I guess Canadians are left to wonder now not only who do they know, but how much money was blown through the PMO and their auspices.

Supply

The democratic deficit that the Prime Minister spoke of with such relish has become even wider under his watch. We see the appointment of candidates around the country. We see interference in the actual democratic process of the Liberal Party itself. We see incredible efforts made to manipulate and control this place. This is an issue that is not going to go away.

When I look at the bright, hopeful and optimistic young faces of the pages and students around the country, I fear for the cynicism that many of the younger generation are feeling because of the way the government has operated and the way in which this country has become mired in scandals such as this.

It comes back again to a very basic premise and tenets of democracy. That is accountability, responsibility and consequences for our actions. When those in Parliament and in the upper echelons of government are not held accountable themselves, when there is no cost brought to bear for their actions and misdeeds, that drives cynicism to new levels in the country. Voter turnout is at an all time low. That is something with which we all have to concern ourselves.

In the broader sense, in examining what was going on at the public accounts committee and the way in which this committee was tasked with getting to the bottom of the sponsorship scandal, I truly fear we are failing miserably in addressing these broader issues of accountability.

I do not want anyone left with the impression that I or anyone is attacking the public service. It is not about that. This comes back again to a very serious issue of ministerial accountability. While the impression may be left that there are some fall guys, maybe Mr. Guité, maybe a rogue bureaucrat or an incompetent bureaucrat who was not doing his job, and there certainly may be elements of that, at the root of this sponsorship scandal is who gave the order. Who directed this program through these willing instruments, Mr. Guité? Who allowed this to happen, knowing that money was going into the pockets of individuals for work that was not being done or work that was certainly not of value but for which they were being billed?

The Auditor General gave perhaps what was the most succinct and practical example that demonstrated what was taking place. Imagine if people received a bill in the mail for which they had no knowledge. Imagine if they received their Visa statement and rather than setting out what was paid for, it was just an amount owing? Would a person pay that? Would a person send out a cheque without knowing for what they were paying?

In many cases that is what went on in the sponsorship scandal. Those bills came in to public works and they were paid, without any proof or evidence that the work was actually done. To put this in even simpler terms, if we pay someone to mow our lawn, would we not at least look out the window to see if the lawn has been mowed before paying? There is a real lack of common sense that appears to have taken place.

However, I go back to my earlier point. Was this deliberate? Was there full knowledge that the work was not done when these bills were paid? From where were the bills paid? The bills were paid from the public coffers. The taxpayers of Canada are on the hook for \$250 million, among these other bills for other programs such as the gun registry, or the money that was misspent or unaccounted for in the

HRDC scandal. Let us not forget the \$100 million jets that were not necessary. At the same time the government was cutting deep into social programs like health care, slashing our military.

● (1035)

I visited CFB Ottawa recently and saw the state of the housing. It is absolutely pathetic. While men and women are serving overseas, their families are forced to live in that kind of accommodation. I was ashamed to see the state of our armed forces bases.

Yet there seems to be money to throw around and sprinkle around for things like the sponsorship program. Let us go back to what that was all about. Post-referendum they were posting signs and flags with the Canada word mark around the country, at centre ice in the Molson Centre and putting up banners at outdoor recreation shows.

My goodness, what a profound impact that must have had on the hearts and minds of Quebecers in wanting to take part in Confederation and be full players in the federation. How simplistic, how absolutely profoundly insulting to Quebecers. All the time it was being paid for through the sponsorship program and done in an offensive and potentially illegal way.

Things are finally being laid bare. Finally there is an opportunity to have a detailed look as to what was taking place. A litany of witnesses have come before the committee and lied about their involvement. They feigned righteous indignation that they would even be asked. Witness after witness, with some notable exceptions, have come before the committee, shrugged their shoulders and passed the buck, "It wasn't me. How on earth would I know? I was only the head of the department. I was only the deputy minister. I was only the person writing the cheques". That does not wash. That does not hold up to common sense scrutiny.

I am deeply troubled, as I think many should be, that we will not find out, certainly before any election, as to what took place, where the money went and who was ultimately responsible. Who is ultimately responsible is clearly the government. The government, headed by the Prime Minister, owes it to Canadians to provide them with answers prior to going to the polls and asking them to once again renew the mandate. It is a 10 year old government, out of step, out of sync and out of touch with Canadians if its members feel they should be rewarded for their behaviour in this case alone.

The audit team that looked into this have left so many unanswered questions after the examination that we have done, a fairly detailed examination, I might add. There are still over 90 witnesses to be heard from and so many contradictions I cannot even begin to set them out. There are contradictions where witnesses like Alfonso Gagliano refused to even admit that they met regularly with Mr. Guité, who seemed to be the mastermind, allegedly, in all of this. Imagine, a mid-level bureaucrat was so empowered that he could stroll into the Prime Minister's office any time of the day or night and demand money and decide where it would go, untouched, unfettered by any political interference or involvement.

That is what the government would have us believe. What utter nonsense, absolute bull roar, as my colleague from Saint John would say, unbelievable and incredible. And we wonder why so many young people, so many people in this country do not vote, when they are being asked to swallow that balderdash.

We see it here in the House of Commons. We ask relevant questions. Are they partisan? Certainly. Are we obligated to ask questions to hold the government to account, to put forward probing questions to which Canadians deserve the answers? Absolutely. If we cannot do it in this place, we might as well pack up and go home. We might as well forget about having a democratic institution. Yet we are accused solely of acting in our own interests by asking these questions.

I think that most Canadians see through that. Therefore the efforts to dismiss, delay and distract Canadians away from the real issue of accountability will very much be an election issue, as well as issues of trust, accountability and sound fiscal management of taxpayers dollars. There would be a much different approach taken under a Conservative government.

Was there value for money? When one examines the way the program was operating one certainly has to say unequivocally, no.

• (1040)

The work continues. We have a summary of evidence that we are working on. There has been much documentation generated, but there are many more answers that are yet to come.

The purpose of the motion is that in the interest of transparency the committee should be allowed to continue its work, that the findings should be presented to Canadians in such a way that they will have some resolution as to where their money went and who was responsible in the Liberal government.

Mrs. Elsie Wayne (Saint John, CPC): Mr. Speaker, I want to congratulate the hon. member for Pictou—Antigonish—Guysborough. Right across this nation from coast to coast, in every province, people are saying that this work cannot be stopped, that we have to get to the bottom of it, that the committee cannot be shut down.

This will probably be my last day in the House of Commons. It is with a heavy heart that I leave Ottawa and a very heavy heart when I see that this committee is going to be shut down. What the hon. member has stated is absolutely correct. People want answers. I have never, in all of the 11 years that I have been here, seen anything like this before in the House of Commons. I really have not. They are not getting the answers because the other 90 people who want to speak have been told that they cannot.

The hon. member for Pictou—Antigonish—Guysborough said that the committee should be allowed to continue. He is absolutely correct. I know all of the people back home in the maritime provinces want it to continue. It has been an honour and a privilege to represent them here, but when I leave here today and am back home, I will be asked a lot of questions about the sponsorship program. I cannot answer them and neither can any of the members of the committee because it has been closed down by the Prime Minister. This is wrong.

Supply

I ask the hon. member for Pictou—Antigonish—Guysborough, what can we do? I am leaving. The rest of the people on this side of the House have to do something to straighten this out in Canada.

• (1045)

Mr. Peter MacKay: Mr. Speaker, I want to pay tribute to the hon. member for Saint John. She has been an unfailing and unswerving defender of what she so affectionately calls the little people of her constituency and her country. She has repeatedly stood up in this place and made her views known in a passionate way. She is someone who has been a role model for parliamentarians, a role model for women and Canadians generally with her untiring efforts.

On behalf of the Conservative Party, I want to thank her and say what a privilege it has been to serve with her in this place and to serve under her leadership when she was the leader of the Progressive Conservative Party. When she served in this place on her own with Jean Charest, she kept the fires burning and provided a tremendous debt of service and tremendous inspiration for many, myself included.

In answer to her question about what work can be done, the same work that has been going on in the committee itself. There is no reason that we cannot hear more witnesses. Those 90 witnesses are listed. Most of them have been located and are prepared to come before the committee and give testimony. They are key witnesses. Many of those individuals were not the politicians. They were not the ones perhaps in the positions to wield the power, but to implement the program. Those witnesses we have heard from that held similar positions were the most credible and trustworthy that we have heard so far. They are people like Allan Cutler and Huguette Tremblay. Those are the people who are in the know. Those individuals should be permitted to give their testimony. They will, eventually, at the judicial inquiry, or perhaps they will be called at the criminal trials.

There are over 30 criminal investigations underway into this government right now, 13 related to the sponsorship program. This is unprecedented in Canadian history. This scandal ridden corruption that is deep within the core of the government has to stop. Our country is in peril if it is allowed to continue. When exercises like the public accounts committee are thwarted, that furthers the cynicism and damages any hope we have of getting things back on track in Canada.

Mr. Rick Casson (Lethbridge, CPC): Mr. Speaker, I would like to congratulate the member for Pictou—Antigonish—Guysborough for his presentation, and also for being the deputy leader. He talked about the young people in the country and the bright future we have. I firmly believe that we have a bright future because of people like him.

There are angles of this whole scandal that we do not talk about much, and the member touched upon them briefly. The fact is that it sends a message to all Canadians. I hate to hear when people say that it does not matter who is in government, that they are all crooks. I hear that a lot. It bothers me to no end. Especially when many of us speak to young people in schools and other the opportunities that we have, we start to see that cynicism creep into their thoughts about government. I always leave by encouraging them to vote at every opportunity and at every level they can, that that is what separates this great country from many others.

Supply

Part of the whole ad scam issue that is so disturbing is that it has filtered in to all aspects of our society. It is even starting to affect our young people and how they view our government. I would like to give the member an opportunity to expand somewhat on that aspect of the damage from the lack of respect the government has shown for taxpayers and their dollars, and the widespread effect it is having across the country.

Mr. Peter MacKay: Mr. Speaker, I want to thank my colleague from Lethbridge for those comments. I certainly agree with the commentary that it has had a very disturbing and detrimental effect on many.

We see that individuals are confronted with the facts, and I would describe it as being caught red-handed, standing over the body with a smoking gun, not to be too emphatic in the example but there it is, laid bare, the facts presented, and there are complete denials. Political amnesia should not equal political immunity. To simply feign that there is no knowledge or that they simply do not recall is not acceptable. There is the issue of ministerial accountability. Ministers leave a portfolio or even leave office and they completely wash their hands of anything that happened while they were there, even if they were providing the ever illusive political direction that is yet to be identified.

I want to go back to the hon. member's point. This has broad and widespread consequences. It is like ripples on the water. Every time this happens it fans out across the country and people's cynicism, people's distrust, people's feeling of utter despondency that their government, their institutions are failing them is what keeps people away from the polls.

The most positive message that my friend is referring to is that people should feel empowered. They have an opportunity now. They can go out and vote. They have a clear choice in this election. Yes, there will be lots of distortion and propaganda around what the parties stand for and who did what and who said what. We have to have some intelligent debate in this country about where we are going and what the plan is to improve things, to improve the state of this country, to improve the quality of people's lives in their homes and in their communities, where they live and breathe and work.

This is a fundamental issue, one of accountability, one of trust. It is an exercise in accountability that is currently badly off the rails.

It is my hope that members will support this motion, will allow the public accounts committee to continue its work. I hope government members opposite will think long and hard, and reflect upon the need to have the committee continue its work, to try to fulfill some of the potential that we know is there to improve upon a badly faltering system.

• (1050)

Hon. Stephen Owen (Minister of Public Works and Government Services, Lib.): Mr. Speaker, I am pleased to have the opportunity to respond to the opposition day motion with respect to the public accounts committee and the continuation of its work.

We have to see this in the larger context of what is called the sponsorship scandal, and I take no issue with that description. There certainly have been scandalous aspects to it which have come to light.

However, if we take it in the broader context, we are witnessing and taking part in a process that is unprecedented in Canadian political history. It combines a whole range of legislation going forward, of processes going forward and of disciplinary action having been taken against senior people that is being brought to bear on this issue of the sponsorship program that is unprecedented: access to cabinet confidential documents; the process of the RCMP; the process of a public, judicially led inquiry; and the public accounts committee having sat for three months now and having heard dozens of witnesses.

I will talk in a moment about the effectiveness or ineffectiveness of that process, but it does serve a purpose which I acknowledge and which I think we should pay mention to.

There is also a special counsel, the first position of this type, to my mind, established in Canada, who will lead in an independent way the recovery through wherever it leads; to the recovery of financial resources of the public that may have been misspent or acquired by inappropriate means.

I want to go back to the beginning of the sponsorship issue and refer to 1997 when the sponsorship program became a reality and was placed, for administrative purposes, in a small branch of the Department of Public Works and Government Services. This was the communication coordination services branch, a small unit of about 12 to 14 people headed by Chuck Guité from 1997 to 1999.

We heard evidence, and it has come out from a number of processes, reports and inquiries, including the public accounts committee, that Mr. Guité, in his administration of this small branch within Public Works, avoided the normal processes, the checks and balances, the accountability in the contracting processes that are appropriate and are set out in Treasury Board guidelines and in the rules and regulations that govern the administration of public funds in this country. They were circumvented and we know that.

In its most recent hearings the public accounts committee heard from Mr. Guité, as it did in 2002. Moving ahead from 1997, we know that a lot of money was spent. We heard quite clearly that one of the objectives of the sponsorship program was to bring the federal presence more obviously to the people of Quebec through a presence at various community cultural and sporting events, and such.

To hear the member from Pictou—Antigonish—Guysborough suggest that the \$250 million, which was spent over a period of four or five years under the program, was all down the drain, is not true. I am sure his constituency had some very valid and important cultural, community or sporting events that received funds, not simply to just display the Canadian flag, which has its own importance, but to enable those events to go forward.

I know that festivals in my Vancouver constituency, festivals like the children's festival, which is renowned across the country as one of the most cherished festivals, received money from the sponsorship program. An lot of good was done with the \$250 million.

As the Auditor General emphatically said during her testimony before the public accounts committee this spring, "I never said that \$100 million was misspent or stolen". She did not say that. However she did say that of the \$250 million spent over a period of about five years there was inadequate contracting and that she could not follow the paper trail. She said that she had serious misgivings and that the rules were broken. There is no doubt about that and that is what we are getting to the bottom of.

• (1055)

This really started to come to light in August 2000 through an internal audit at Public Works and Government Services. I also must say that the historic Department of Public Works and Government Services is renowned in Canada and well recognized internationally for its audit and ethical practices, and yet this small branch was circumvented. We are trying to get to the bottom of how that could happen.

Yes, there were political aspects to it and those are being probed. People are being held responsible. However, in an administrative way, the normal rules, which were extremely strict, were broken, circumvented. As the Auditor General has said, for this unit and this program they broke every rule in the book.

We needed to get to the bottom of that and the first step was to do an internal audit, which brought this to the attention of officials in August and September of 2000. The audit led to an internal response and identified a number of administrative weaknesses in the way the program was being run. A 42 point action plan was developed and, presumably, was being implemented.

By September 2002, the communications coordination services branch was disbanded. It was clear that in moving ahead on the 42 point action plan the difficulties in the administration of this program were sufficient that it had to be closed down. It was actually brought under Communications Canada, a somewhat arm's length agency that could deal with advertising, public opinion research and sponsorship as it was to continue.

However, in continuing to review the internal audit of 2000 and the 42 point action plan, the audit branch of Public Works decided that there were real problems with some of the specific sponsorship programs. Three issues around Groupaction were referred by the Department of Public Works to the Auditor General in March 2002 and she undertook her study, which we are all well aware of now. She reported in May. Her famous statement was "the branch and the sponsorship program broke every rule in the book".

A lot of action was taking place. The Department of Public Works and Government Services had a new minister and a new deputy minister and they acted quickly to set up a quick response team to review and audit, in a forensic way, all of the sponsorship files to determine where the real problems were.

At the same time, the minister of Public Works and Government Services, who is now the Minister of Finance, initiated some dramatic changes. He first put a moratorium on the sponsorship program and then, before allowing it to go forward again for a limited period of time of one year, he made some significant changes.

Supply

The first and most important change was that there would be no further use of intermediaries of advertising companies. It would now go, not from Communications Canada, the old branch that had broken all the rules, but directly to the event that was being sponsored. There would no longer be any middlemen and no commissions. That was a very significant change.

At the same time, both the Auditor General and the government started referring cases of high suspicion to the RCMP for criminal investigation.

As we know, as that has gone forward, in September 2003 Paul Coffin and Coffin Communications were charged with 18 counts of criminal charges with respect to fraudulent action on sponsorship contracts. In just this last week six counts of criminal charges were laid against Charles Guité and Jean Brault of Groupaction.

The member opposite mentioned that there were numerous other criminal investigations. Those are extremely important parts of the criminal process in this country. The RCMP acts independently. It is taking advice on the conduct of those investigations and in fact the decisions on when charges are to be laid and if charges are to be laid by the Quebec prosecution service, which has nothing to do with the Government of Canada. It is definitely at arm's length.

• (1100)

Those are important but they are not important because they indicate some wide, broad conspiracy within government. They are important because we are actually narrowing the focus of investigation through a disciplined criminal investigation process and prosecution events. Those are going on and they are extremely important. As we know, there are a number of investigations underway and there may well be further criminal charges. I would be very surprised if there were not.

However let us go forward again. We come to December 2003 and this new government is sworn in. The first act of the new Prime Minister was to march out of cabinet and announce to the public, through a news conference, that the sponsorship program was being killed completely as of that moment. As announced, he instructed me, as the new Minister of Public Works and Government Services, to disband Communications Canada and to bring many of its services and processes more directly under the direct administrative control of Public Works and Treasury Board over a period of time, and that now has happened.

Supply

Then we have the Prime Minister putting in place, in addition to the criminal investigations that are going on and in addition to the quick response teams, the forensic audits and the Auditor General's reports, an unprecedented series of actions and processes. The first was to announce that there would be a public, judicially led inquiry under the Inquiries Act which, remarkably, the member for Pictou—Antigonish—Guysborough suggested be duplicated by another Inquiries Act process, but under Justice John Gomery, a highly distinguished member of the Superior Court of Quebec, a public inquiry to get to the bottom of all of this in a highly disciplined way.

As we know, judicial public inquiries are conducted, not as an inherently political activity, such as the public accounts committee, although it has its very important role to play but of a different nature, but as a disciplined, incisive, targeted, challenged, well organized, well researched and timely laid out process of fact finding. That is already underway. The research is being done. The witnesses are being accumulated. People are considering whether they will be applying for standing before the commission and that will start hearing witnesses this fall.

As I mentioned, we also have a special counsel for financial recovery. Mr. Gauthier, a very distinguished civil litigation lawyer from Quebec, is leading that team, which is acting independently under terms of reference from the Government of Canada, to follow the money, to find out where it went and to determine if any was misspent or misappropriated in any way, and to take civil action to recover that money.

I must say that the government undertook to do this in the summer of 2002. The member opposite speaks as though this has just boiled up and somehow it has just come to light because of the Auditor General and her hard investigative work. Nothing could be further from the truth.

This started in 2000 with an internal audit. It went through reports to the Auditor General in 2002. In the summer of 2002 the advertising companies, which were seen to be in any way under suspicion of receiving funds improperly, were actually taken off the list for work from government departments. In addition, over \$3.5 million has been withheld from many of these companies, against the eventual cases which will determine whether they may have misappropriated or been unjustly enriched through some process.

We have the RCMP, the public inquiry and special counsel for recovery. I want to speak for a moment about the public accounts committee. It has been sitting for three months now and has heard dozens of witnesses. The member opposite suggests that it must continue in some bizarre form by a duplicate public inquiry when we already have one doing the research and getting ready to hold hearings.

The public accounts committee, as with all committees of the House, is an essential arm of the work of the House of Commons. It is represented by all parties in the House and that both gives it its strength and also its potential weakness.

• (1105)

Its strength is that parliamentarians with experience and expert knowledge of matters political, as it relates to matters of administration, have a special perspective to bring to relationships

between ministers, ministerial staff, senior members of the public service, deputy ministers, directors and the workings and administration of public funds. That is a useful role.

It becomes a much less useful role when it descends into partisan bickering, delays and accusations that are wildly spread about under parliamentary immunity.

It is a great disservice to the House and our parliamentary democracy when members of a committee turn it into a circus or a witch hunt with the wildest of accusations. We see a member of the legal profession, who is in the opposition and held a high office in terms of being a former attorney general in a province of this country, stand up and make wild accusations based on third hand hearsay.

The member for Pictou—Antigonish—Guysborough, who was a former prosecutor, knows the value of evidence that is adduced and challenged. He comes to a fact finding through a discipline process and bases wild accusations on what someone said to someone sometime in the past that has no way of being properly put forward or challenged, or a fact determined on it.

I would suggest that at this stage an interim report from the public accounts committee is entirely appropriate. The parliamentary research staff have put together a summary of the evidence heard and the proceedings to date. That is very good and should be brought into an interim report.

For all of the talk from the opposition that this is the closing down of the committee, I respectfully suggest that these members ask the research staff from the House of Commons to look up the word "interim" and to explain clearly to them that interim means a summary to date and not a concluding report.

Let us briefly look at what has been done in addition to these four processes. The public accounts committee has a special skill, knowledge and experience to bring to bear. That has been done and lots has been accomplished. Let us see a summary of it.

We have criminal investigations that are going forward. They are narrowing the field, not widening the field. We are getting a very focused idea of what really happened here.

The public judicial inquiry under Justice Gomery will be very incisive and disciplined. We will actually have some legitimate, reliable, and tested findings of fact through that process and the special counsel. We should expect, and I can say that I have spoken to Mr. Gauthier within the last few weeks, that yes, it is being narrowed much more in a targeted way.

We will see some action from that special counsel very soon to recover funds from corporations or other individuals who may have misappropriated funds. Those funds will be recovered for the benefit of the public.

We must finally look at the legislation. We now have an independent ethics commissioner. That has gone through Parliament and received royal assent. We have appointed a very distinguished commissioner.

Supply

We have whistleblower legislation before Parliament. It is going forward. It will be improved no doubt in committee. In the meantime, we have the Prime Minister saying to everyone to come forward with any evidence, whether they are in cabinet, the public service or wherever they are and they will suffer no consequences for coming forward with evidence.

We have a review by the President of the Treasury Board of the Financial Administration Act to see how people in post-employment, either political or bureaucratic, can be followed, perhaps if they have done wrongdoing and misappropriated money. They can be followed and held to account.

We have something that is quite breathtaking. That is the political financing legislation that came into effect on January 1. We have the suggestions by members of the public and members of the House, genuinely stated I am sure, that there is cynicism and suspicion in the public that financing for political parties and activities may be for direct return.

• (1110)

To conclude, the largest corporation in Canada nationwide can give \$1,000 a year to political activity. This is breathtaking, particularly when we see the hundreds of millions of U.S. dollars being spent south of the border on the presidential election.

We have an unprecedented series of processes, legislation and reviews that are getting to the bottom of this, narrowing it, and people are being held to account.

Mr. Ted White (North Vancouver, CPC): Mr. Speaker, the minister says he invites people to come forward with evidence of wrongdoing. I think the government is living to regret having repeated that so often because there are people coming forward with more and more evidence of wrongdoing.

In my own case, for example, I received an e-mail from a person in Ontario just last week telling me about problems with the tax credits and grants used for the film and television industry, particularly associated with Telefilm Canada. There is some suggestion that there are two sets of books being used, and that grants are being funnelled to Liberal friendly firms for work that is not done and productions that are never produced. I have the suspicious feeling, because that information has been sent to the Auditor General, that we are soon going to learn that there are big problems there.

Then we have departments like the SSHRC and NSERC. The Auditor General has already found problems in those departments. I wrote to the Auditor General recently about SSHRC and she confirmed that she has seen projects at that agency that look an awful lot like vacations rather than deliberate studies or useful studies for Canada.

Then we have the \$1 billion HRDC boondoggle. There were hundreds of millions of dollars wasted on the gun registry. There were up to \$7 billion a year poured into the Department of Indian Affairs and Northern Development without producing even an incremental improvement.

The fact is that there is a waste of taxpayers' money and it is systematic from the government. It is sad indeed to see the minister,

a person who had an ethics job in British Columbia, standing as an apologist for the actions of the government. I wonder how he can look himself in the mirror in the morning knowing what is going on there, knowing about the abuse of taxpayers' money.

I would like to ask him that. How can he look himself in the mirror every morning knowing that he has been dragged into this whirlpool of Liberal mismanagement of taxpayers' money?

• (1115)

Hon. Stephen Owen: Mr. Speaker, that was quite extraordinary coming from the member for North Vancouver. I would like to respond to a couple of points he made.

As I described in my comments, these processes and holding people to account is narrowing, starting with the \$250 million. The overwhelming amount of that money went toward funding valuable and treasured community cultural, sporting and other events. We know there were problems with the commissions that were paid. The program has ended. We are focusing on and narrowing down where the fault may be.

That member made a wild statement about the mismanagement of public funds and yet every single reputable international institution which looks into economic issues has described Canada as being the best fiscally managed country in the world. I am talking about the WTO, the IMF and the OECD. I am also talking about distinguished international business journals such as the *Wall Street Journal* and *The Economist*. They all describe Canada as being the best fiscally managed country in the world.

A report came out just last week from IMD, the Institute for Management Development in Switzerland, that identified Canada as being the third most competitive economy in the world only surpassed by the United States. We know how competitive the States has become with a \$500 billion deficit and 44 million people without health insurance. The only other country is Singapore which is about the size of the constituency of the hon. member for North Vancouver and is not particularly a democratic government. Canada stands at the forefront of the fiscal management of a democracy in the world.

Let us put that into context. We are talking about a lot of money and that is why we are taking it so seriously. That is also why the Prime Minister has said that we would get to the bottom of it, and we are. Heads of crown corporations have been fired. Processes are being followed.

Those members have said that when the Prime Minister was finance minister he should have been aware of this. Canada has a budget of \$180 billion. The finance minister is responsible for setting taxes, arranging the budget, and overseeing very generally the finances of the country. The fiscal management of this country is supreme and largely because of the efforts of the current Prime Minister.

However, \$180 billion a year is \$500 million a day. Anybody who knows anything about the workings and administration of government knows that the finance minister does not have the responsibility nor is it his role to oversee the expenditure of that \$500 million a day, let alone a program that was spending \$40 million a year with proper controls that were being circumvented and which we are getting to the bottom of.

Supply

Mr. Charlie Penson (Peace River, CPC): Mr. Speaker, I simply cannot believe the minister talking about good management. This Prime Minister when he was finance minister tried to lecture some of our business communities on corporate governance. The Auditor General said this was one of the worst examples she had ever seen. I cannot understand where he is going.

The minister raised the question of competitiveness and told us that Canada is number two, right behind the United States, in its competitive position. That was true 25 years ago but is no longer true after 25 years of Liberal government.

Canada is in 13th place in terms of competitiveness. He needs to check the OECD figures. It is absolutely not true for him to say that Canada is third. I suggest to him that Canada is about 70% as competitive as our major trading partner, the United States, and largely because of mismanagement and misdirected policies of his own government.

How can the minister stand here today and give us this kind of story that simply is not true? I ask him to check the OECD figures and set the record straight.

• (1120)

Hon. Stephen Owen: Mr. Speaker, I do not need to check the report of the International Management Development Institute. It is the most recognized judge of competitiveness in its annual report, globally.

However, let me just reflect for a moment on the management of an economy. In 1993 this government inherited a \$42 billion deficit. I invite the hon. member to do some arithmetic around what \$42 billion a year is on a daily basis. I suggest that \$42 billion a year was about \$115 million a day bleeding out of the country on an annual basis by the former Conservative government. The Liberal government had to clean up, mainly through the leadership of the current Prime Minister when he was finance minister. It is extraordinary that the member could suggest in any way the government and the Prime Minister are anything but extraordinary fiscal managers of this economy.

Mistakes happen. We are not running away from them. We will leave no stone unturned, as the Prime Minister has said. This is an unprecedented series of processes, inquiries and actions to get to the bottom of this. However, let us keep it in scale and in context.

Mr. Ken Epp (Elk Island, CPC): Mr. Speaker, I think the minister has missed the point. The point is that there was mismanagement and political involvement. Not only did we have a minister who was in the position that minister now holds not taking action on these abuses, it seems as if he must have also been the one who was directing those abuses. If not, the fact that he was shuffled out of cabinet, out of Parliament and out of the country and sent to Denmark is a very bizarre action.

Why would that happen, if the prime minister of the day was unaware that he was vulnerable to attack because there was something wrong going on? The fact that we have been unable to find out what this connection is, because all the people involved in it are somehow sticking together and not ratting on anyone, is despicable.

It is time that Canadians have an honest and trustworthy government, and this government is not. It is shutting down the inquiry. I would like the minister to simply stand up and say "Sorry, Canadians. We blew it". That is the correct response.

Hon. Stephen Owen: Mr. Speaker, I appreciate the hon. member's request for sentiment, but the most sincere sentiment is action. That is why the former Ambassador to Denmark is the former Ambassador to Denmark. He was recalled from his duties. He came before the public accounts committee.

If the hon. member thinks the continuation of that committee at this stage, to the exclusion of all else, will get any further, why did the members not get the answers from him when he was before them? They have been useful in getting contradictory evidence from the head of CCSB in terms of how involved that minister was at the time. Therefore, we know there is clear evidence of political activity. That is why we are going ahead. We are finding answers, and that is all to the good.

I am certainly sorry about the fact that things go awry, but I am extremely satisfied to see that we are getting to the bottom of it and people are being held to account.

[*Translation*]

Mr. Michel Guimond (Beauport—Montmorency—Côte-de-Beaupré—Île-d'Orléans, BQ): Mr. Speaker, I am pleased to speak on behalf of the Bloc Québécois today on this motion presented by our colleagues in the Conservative Party of Canada. I believe it would be worthwhile to read it:

That, in the interest of transparency, the government should ensure that the work that has been done by the Standing Committee on Public Accounts into the sponsorship scandal be continued after the Prime Minister calls a general election and until the Standing Committee on Public Accounts is reconstituted in a new parliament by establishing a commission under the Inquiries Act.

The members of the Bloc Québécois find this a worthwhile idea, but the wording will force us to vote against it. I wish to make it clear right from the start, however, that it is not out of any desire to denigrate the approach taken by that party. What the Conservative Party wants to do with this motion, in my opinion, is to allow the public to know the truth, once and for all, on the political direction involved in the sponsorship scandal.

We, the members of the Bloc Québécois, are often seen—and this is not my opinion, but that of numerous journalists and political analysts—as belonging to a party of intellectual rigour. With respect, I would point out to my colleagues in the Conservative Party that it would have been a good thing to have worded the motion differently, and then we could have supported it.

Since the motion ends with "by establishing a commission under the Inquiries Act", it is our impression that this is a duplication of the next step, that is the public inquiry for the Gomery Commission.

Incidentally, I would like to express our consideration for Justice Gomery. He is a well-known and respected jurist, a member of the Quebec Superior Court and has the reputation of always bringing down well-documented, thorough judgments not open to challenge by higher courts. The Bloc Québécois has never questioned Justice Gomery's independence; we have far too much respect for the judiciary process. Moreover, the chief counsel for the commission is none other than Bernard Roy, who was chief of staff to former Prime Minister Mulroney, and is above all else a well-known and respected jurist.

The purpose of the Gomery commission—we hope, and we make the distinction between it and the criminal charges—is to find out the truth. On this point, we agree with the Conservative Party.

Having sat on the Standing Committee on Public Accounts several times myself—and I would like to congratulate my colleague from Lotbinière—L'Érable on all the work he has done—I want to point out that this week the opposition members are concluding the work of this committee with great frustration.

In fact, the current Prime Minister had promised to shed all possible light on the sponsorship scandal, since February 2004. I quote his exact words at the time, “We will find those responsible.”

• (1125)

I am sorry, but most of the witnesses heard were only the operatives under political direction. Here is another quotation from the Prime Minister who said, on February 12, 2004:

There had to be political direction.

I have a question for all the members of this House, and all the people watching us from the galleries or on television. I could walk out onto Wellington Street or Sparks Street and ask people whether, after 40 witnesses have been heard by the Standing Committee on Public Accounts, we really know anything about the extent of political direction. Does anyone know exactly what happened regarding taking orders from the political level?

We have heard Charles Guité. In his opening statement on April 22, he answered this very precise question:

Did the PMO and ministers provide input and decisions with respect to specific events that were sponsored and the allocation to specific firms.?

Charles Guité's answer was, “Absolutely”.

In his opening remarks, on April 22, Charles Guité confirmed that there was political direction. According to the organization chart of Public Works at the time, Charles Guité was a director. The same Charles Guité told us that the hon. member for Sudbury, who had been appointed as the minister, was not getting it, she did not understand how the game was played.

Charles Guité phoned Jean Pelletier, who, incidentally, was the chief of staff of Prime Minister Chrétien. He did not call and tell a page that the minister did not understand how things worked. My intention is not to denigrate the intelligence of pages. I am convinced they would have done a better job than she did as a minister, but that is another story.

Charles Guité phoned the chief of staff of the Prime Minister and told him that the minister was not getting it, that she did not understand the game. Pelletier said, “Come and see me, Chuck”. So

Supply

he did. Guité reported that Pelletier had told him that, from now on, where sponsorship files were concerned, he should not go through the assistant deputy minister—his immediate supervisor—the deputy minister or the minister, but rather come to him, the chief of staff of Prime Minister Chrétien, directly. Is that not political direction?

I dare anyone to come and tell us that everyone is sure that there was no political direction in the sponsorship scandal. Even the current Prime Minister said there was. It is impossible to believe that there was no political direction in the sponsorship scandal.

The proceedings of the Standing Committee on Public Accounts are ending, yet we know nothing. In a public statement, the Prime Minister tried to make us believe, and to make the public believe that he was not aware of any wrongdoing in the sponsorship program. The Bloc Québécois did ask 441 questions on this very subject between May 2000 and December 2003. That is not counting the questions asked in 2004.

What was the Prime Minister doing when he was finance minister? Did he not listen to the questions? Did he turn his earpiece off?

• (1130)

Is it plausible, possible or credible that, when he was the Minister of Finance, from 1993 to 2002, the Prime Minister pumped \$34 million annually into the Canadian unity fund, which was used to fund the sponsorship scandal? It is thanks to this same fund that Chuck Guité was able, at the beginning of the 1995 referendum campaign, to spend \$8 million on Mediacom billboards all over Quebec. Absolutely all the Mediacom billboards displayed pre-referendum advertising for the No camp. We are talking about \$8 million. It is Chuck Guité who, with a single telephone call, bought \$8 million worth of these billboards.

Are we to believe that he made this decision alone? Are we to believe that, while shaving at home some morning, he told himself that, since the referendum would soon be held and the sovereignists were going to win it, he would spend \$8 million on billboards when he got to work? Come on, no one believes that. We are not stupid. No one believes that there was no political direction.

However, the Liberal majority on the Standing Committee on Public Accounts put a lid on this affair and the hearings are now over, just as we were getting closer to finding out about the political direction. This is why the Bloc Québécois tabled a motion before the Standing Committee on Public Accounts to hear not 82 witnesses, but 4. We restricted our list to 4 witnesses and, this week and next week—since the election has yet to be called—we could have heard Jean Carle, who played an important role in Prime Minister Chrétien's entourage; Warren Kinsella, who was David Dingwall's chief of staff when the latter was the Minister of Public Works; Jean Chrétien himself; and the current Prime Minister and member for LaSalle—Émard.

Instead, the Liberal majority on the committee decided to put an end to the committee's work. This is why we are realizing today that we do not know any more than we did about what happened.

Supply

Some questions remain unanswered. Quebeckers make requests to Bloc Quebecois members. We are here to protect the interests of Quebec. When we visit our ridings on weekends, we meet people at the shopping mall, the grocery store, the cobbler, everywhere. These people tell us to keep doing our job, which is to ask questions and be watchdogs.

Quebeckers want to know who created the sponsorship program. They want to know who refused to correct the situation despite two disturbing reports on the administration of sponsorship activities. They want to know who allowed Chuck Guité to break all the rules starting with the referendum through to his retirement in 1999. They want to know which activities were funded by the national unity fund. They want to know when the Prime Minister first knew there was a problem with the sponsorship program.

The Prime Minister tried to use what we call wilful blindness. He shut his eyes and ears, as did most of the witnesses—just as an aside—who appeared before the Standing Committee on Public Accounts. The predominant theme at the Standing Committee on Public Accounts was, “I do not remember; I was not there; I do not know; ask someone else; I was not there yet; I was in the washroom when that was decided; things became unclear when we obtained information”. It is unbelievable. No one buys this.

I can tell the Liberals that we meet people on the street who say that they may not have voted for the Bloc Quebecois in the last election, but this time they cannot bring themselves to vote for thieves.

• (1135)

People have principles. Quebeckers know what it means to have intellectual honesty. I know, Mr. Speaker, you did not appreciate me using the word thieves, but money—

The Acting Speaker (Mr. Bélair): No, of course I did not care for the term “thieves”. However, the hon. member for Beauce wishes to raise a point of order.

Hon. Claude Drouin: Mr. Speaker, I think the hon. member may have said more than he intended to. If not, he ought to withdraw his remarks. If he has proof, let him produce it, instead of coming up with gratuitous accusations. Let him provide proof. People must not make unfounded accusations.

I believe you need to enforce the rules.

• (1140)

The Acting Speaker (Mr. Bélair): Order. I wish to have the hon. member's attention.

I have been provided with an opinion which confirms my initial reaction that neither individuals nor parties may be described as thieves. Given the context in which the hon. member used that term, I believe he should withdraw his words so that we may move on.

Mr. Michel Guimond: Mr. Speaker, I withdraw the term “thieves”, but I must point out that I continue to think it. You cannot police my thoughts.

Jean Lapierre, Mr. Clean himself, the new ally of the Liberal Party of Canada for Quebec, was quoted in the March 4, 2004 *Journal de Montréal* as saying that tainted money would not be used in the coming election campaign. If tainted money is not stolen money,

then how else did it get tainted? What did Jean Lapierre mean by this?

I am pleased that the member for Beauce raised a point of order. He himself gets a mention in the Auditor General's report for a \$5,000 banner given to a Cegep, on which he insisted his name be shown. His name is not mentioned, I will admit, but everyone knows the MP involved is the member for Beauce. Anyway, though it is not my intention to debate about the member for Beauce, I am sure that, if the Conservative candidate in that riding, Gilles Bernier, comes back he will have plenty to deal with. I am also sure, however, that the excellent Bloc Quebecois candidate in Beauce will be the one elected.

What Quebeckers want to know is where the money went. The Auditor General—she, not me—revealed that \$100 million ended up in the pockets of firms with close ties to the Liberal Party of Canada. That is \$100 million. Where did that money go? Did the six firms involved divide the \$100 million among themselves? No. There is another theory: trusts have been used to fund the 2000 election and will be used to fund the 2004 election for the Liberal Party of Canada.

Quebeckers also want to know why the current Prime Minister did not act, when national policy chair Maharaj—hardly a sovereignist—wrote him in February of 2002, informing him of rumours about funds paid to advertising agencies having been used to fund the Liberal party.

In addition, Quebeckers want to know why the current Prime Minister, who was vice-chair of the Treasury Board as well as finance minister—which means that he was the one signing the cheques and pumping out the money—did not sense there were problems, in the light of certain media reports, the Bloc's 441 questions and various internal investigations? Why did he not act?

To conclude, I want to point out that we in the Bloc Quebecois will definitely not be able to support the motion of the Conservative Party as it stands. I must add, however, that we agree with the assessment of the Conservative members of the Standing Committee on Public Accounts, which is that we are putting an end to the process before having shed light on what really happened in the sponsorship scandal, particularly with regard to the political direction of the sponsorship program.

• (1145)

Hon. Claude Drouin (Beauce, Lib.): Mr. Speaker, it is rare to hear things like this in the House. It is lucky that the member for Beauport—Montmorency—Côte-de-Beaupré—Île-d'Orléans is well insured, because uttering such imbecilities could be very bad for his health.

The Bloc is desperate. It has asked four—

Mr. Michel Guimond: Mr. Speaker, on a point of order. I am sure you will need to turn to our knowledgeable clerks once again and ask if the word “imbecilities” is permitted in this House.

According to the dictionary, “imbecilities” are the words spoken by imbeciles. Can the member for Beauce call me an imbecile? I would just like to know, Mr. Speaker, because if the decision you make suits me, I will use it mightily in the future.

Supply

The Acting Speaker (Mr. Bélair): Order, please. I believe the words “imbecile” and “imbecility” are not listed as unparliamentary language in the Standing Orders. Nevertheless, I would ask you to be generous with each other and cooperate a little in order to maintain some decorum in the House. Just be careful of the words you are using.

The hon. member for Beauce may finish his question or comment.

Hon. Claude Drouin: Mr. Speaker, although you are not asking me to, I withdraw my words, but that does not stop me from thinking them.

The Bloc is a little desperate and does not want to see what the government has done to shed light on the major problem in the sponsorship program.

He mentioned that their biggest accomplishment was to ask 441 questions on this matter. For the salaries we are paid here, I must say those were expensive questions, especially considering the results.

An hon. member: But some people give any old answer.

Hon. Claude Drouin: What a thing to say.

Nonetheless, the Standing Committee on Public Accounts was asked to examine the matter immediately. The RCMP was asked to investigate, right off. A commission of inquiry is setting up and will begin working in the fall.

Charges have been laid. Allow me to draw a parallel. Something similar happened in the PQ Government of Quebec two or two and a half years ago. A minister had to resign over it and today he is in charge of international relations for Hydro-Quebec.

We are serious on this side of the House. We are talking about taxpayer dollars. Investigations are underway and the guilty parties will have to assume their responsibilities, as appropriate. I can assure the hon. members that the work will continue.

The hon. member talked about banners. Unfortunately, he did not—

The Acting Speaker (Mr. Bélair): I am sorry to interrupt the hon. member for Beauce. The hon. member for Beauport—Montmorency—Côte-de-Beaupré—Île-d'Orléans.

Mr. Michel Guimond: Mr. Speaker, I can understand the member for Beauce and all the frustrations he has felt since the new Prime Minister arrived. I understand that he was hurt to have been unseated as Secretary of State—Economic Development Agency of Canada for the Regions of Quebec. Unfortunately, he was on the wrong side. He chose sides and it was the wrong one.

I can understand his frustration. It has been a long time since we last saw him in the House, and I am happy to see him here on one of his rare visits. Still, that does not prevent—

• (1150)

The Acting Speaker (Mr. Bélair): Come on now, really. The motion before us today concerns the sponsorship scandal and not the reactions of certain members to appointments to whatever positions, nor their personal lives.

The hon. member for Beauport—Montmorency—Côte-de-Beaupré—Île-d'Orléans will restrict his comments to the sponsorship scandal.

Mr. Michel Guimond: Mr. Speaker, it is true, and I am pleased to hear you use the words “sponsorship scandal”. A directive went out to Liberal candidates to stop using the words “sponsorship scandal” but to talk about the “sponsorship file” instead. I am pleased to hear it from the mouth of a Speaker in whom I have great confidence. I think it is sad that he is not running again. He, himself, recognizes that there is a sponsorship scandal.

When the people of Quebec go to the polls, probably on June 28, they will have an opportunity to confirm, for the fourth consecutive time, that the Liberal Party does not deserve their confidence. This time, people will remember.

I am also happy that you said we are discussing the sponsorship scandal here, in the House of Commons. When the hon. member refers to what has happened in the Quebec National Assembly, I simply want to tell him that he was not in the right forum. We are in Ottawa here. I am not responsible for what happens in Quebec.

Mr. Yves Rocheleau (Trois-Rivières, BQ): Mr. Speaker, with your permission and knowing how courteous you are, I would like to make a statement before putting my question to my colleague from Beauport—Montmorency—Côte-de-Beaupré—Île-d'Orléans.

Since this is my last day in this House, I would like to pay tribute to everyone in my staff who has worked with me over the years since 1993: Lise Goulet, Lyne Valade, Lucien-Pierre Bouchard, Pascal Harvey and Jérôme Bouchard, who is currently working in my Ottawa office. Also, and in a very special way, I would like to pay tribute to Claire Lapierre and Pierre Duhamel, both of whom have with me since the beginning, in my riding of Trois-Rivières. I wish to thank them one and all for their dedication and loyalty and for working so well with me since 1993.

Mr. Speaker, I want to thank you for your courtesy.

I would like to ask a question of my hon. colleague. In the debate on the sponsorship scandal and the work of the Standing Committee on Public Accounts, I was surprised to learn that this business had been going on since 1993-94, before the referendum. We learned—and my hon. colleague alluded to it—that the federal government used every available billboard, at a cost of \$8 million. Then, in 1995, a referendum year, it invested approximately \$40 million.

This, in spite of the Quebec referendum act, which allowed \$2 million or \$4 million in expenses on each side—the yes side, and the no side—for a total of \$4 million or \$8 million, I do not remember which it was. The point is that there were very democratic guidelines in place to ensure a balanced playing field.

I would like my hon. colleague to comment on the fact that the government barged in, in spite of Quebec's legislation, while our approach was very democratic. Where does this Canadian democracy get off behaving like a banana republic? It is acting like the third world countries we talk about on the subject good governance.

Supply

Mr. Michel Guimond: Mr. Speaker, I would like to thank the hon. member for Trois-Rivières for his question. We might also mention the love-in in Montreal held three days before the 1995 referendum and attended by Canadians from all over, and particularly the fact that Canadian Airlines was offering Montreal-Vancouver return fares at \$99. Who financed the difference in the ticket cost? The answer to these questions is still not forthcoming.

As a member of the Quebec bar association, I got a phone call from a lawyer in Vancouver. I asked him where he had got my number and who was paying for the long distance call to my home from Vancouver. He told me that it was going to be looked after. So here we have more money that was given away in an attempt to buy Quebecers' votes.

• (1155)

Hon. Claude Drouin: Mr. Speaker, I would like to respond to the member's reference to my low attendance. Had he made inquiries, he would have found out that my wife and I had a child 10 weeks ago and I took a bit of time off in the early weeks to give her a hand.

Second, I would point out that steps were taken. We abolished the program in 2003. In 2002, it was managed by the public administration. When we saw the problem, we assumed our responsibilities and will continue to do so. The investigation is ongoing and the public will see that our approach is a responsible one.

Mr. Michel Guimond: Mr. Speaker, I will just quickly remind the hon. member for Beauce that the problem years for the program were from 1994, particularly, to 2002.

In closing, I would like to offer my congratulations to the member and his wife on the birth of their child.

[*English*]

The Acting Speaker (Mr. Bélair): Before resuming debate, colleagues, I would like to take a few moments also to say good-bye to this House of Commons as it is my last few minutes in this place.

As you know, I was first elected in 1988. It was a big honour then and it is still an honour today to be representing my constituents of Timmins—James Bay.

[*Translation*]

I would also like to point out that, when I was first elected in 1988, I represented the riding of Cochrane—Superior, which disappeared in the electoral boundary changes of 1997. That is why, finally, I found myself with the riding of Timmins—James Bay. It has always been a great honour for me to represent this riding, which has changed a great deal. It was a very rural riding and now it has become somewhat more urban, because of the large area of the city of Timmins.

Nevertheless, I would like to add that I made an important decision when I entered politics, and the decision to leave is just as important. I will miss this place enormously, as I will miss the contact with my constituents, everyone I worked with on projects and the people I have helped.

I would like to thank the staff members who have been with me these past 16 years. They have all excelled at the work they have done for me. Every one of you knows that it would be impossible to

do the work of a member of Parliament without the staff there to help us. I would also like to thank the very large number of volunteers who worked on my four election campaigns. Once again, without those people, it would not have been possible.

Finally, I would like to thank the people who are the most important to me, and they are the three women in my life: my wife, Jo-Anne, and my two daughters, Annie and Julie, whom I love very much. I did not see them grow up, but that, after all, is one of the sacrifices one makes on becoming an MP.

In this spirit and with a heavy heart, I leave this place. I have spent some very fine moments here, and others that were less fine. In general, though, I have learned a lot and I leave this place, this House of Commons, as a man who has grown a lot in 15 years.

I thank all the members for their cooperation in the past four years. In the position of Acting Speaker, of course, one is sometimes called upon to make very difficult choices, but ones that are also acceptable, most of the time. Therefore, I thank you for your cooperation.

• (1200)

[*English*]

Mr. Loyola Hearn: Mr. Speaker, it would be remiss of us here in the House not to say to you that we have watched you operate. You have been tried; you have been tested and you have come true for all of us. You have been very fair and objective in your rulings.

There have been times I know you have had to consider closely what we said to see if it was parliamentary or not. I can think of some occasions in my own case. I remember one night when we talked about the grand banks off Newfoundland. It probably tested your ability to know or decide whether I was to be given a grammatical lesson or whatever. I appreciate your sense of humour.

Mr. Speaker, you have set an example for others here. You have been a tremendous member for your people. All we can say to you is that we wish you every bit of success in the future.

Ms. Libby Davies: Mr. Speaker, I certainly would like to join my colleagues in the Conservative Party and indeed all members of the House in thanking you for your long years of service, I think you said 16 years. Sometimes it is hard to imagine that time goes by so rapidly. Sixteen years is a long time. On behalf of the New Democratic Party I would like to offer our very best wishes, and our thanks and gratitude for the service that you have provided to us in the House.

We certainly know that it is not always easy being in that chair and trying to keep all of us in some semblance of order and civility. We all know that you have done that with honour and with great respect for members of the House. We thank you for that.

I am sure that your constituents will miss you very much and all that you have done. We wish you all the best in your future endeavours. Again, thank you for your many years of dedicated service to us, to all members of the House and to the people of Canada.

Supply

[*Translation*]

Hon. Claude Drouin (Beauce, Lib.): Mr. Speaker, I want to join my colleagues in thanking you for these 16 years you have devoted primarily to serving the people of your riding, since the first duty of members is to represent their constituents, defend their rights and work for the achievement of their projects. And you have done so very nicely.

We owe you our thanks. And we wish you as much success and pleasure in your future endeavours as you have had in your 16 years in this place. I have known and appreciated you as a colleague since 1997. I want to wish you health and much happiness with your family and friends.

Mr. Michel Guimond (Beauport—Montmorency—Côte-de-Beaupré—Île-d'Orléans, BQ): Mr. Speaker, I want to join my colleagues in congratulating you and thanking you for all your years of service. I promise you I will not get as carried away as I did in my last speech, whatever I might be thinking. I know I have a strong personality and I am, above all, passionate. I am from the Saguenay and I have a Latin background, which is why I become red so easily. I have a fiery temperament.

You have been passionate in your role as well. We have enjoyed your interventions in presiding over our work. I also want to take this opportunity to thank and congratulate your wife, Jo-Anne, whom I had the opportunity to meet during activities, with you, of course—I do not want there to be any misunderstanding—outside the parliamentary precinct. I enjoyed meeting her. Often we forget to acknowledge how important our spouses are in the work that we do. Without a spouse's support, we cannot survive in this job for very long.

Ms. Judy Wasylycia-Leis (Winnipeg North Centre, NDP): Mr. Speaker, before commenting on today's motion, I also want to express my gratitude for your contribution to the House. I wish you the best of luck wherever life takes you.

• (1205)

[*English*]

It is a sad day in many ways. This is possibly the second last day of the third session of the 37th Parliament. We know if that is the case and if an election is called shortly, we will see many of our colleagues in this place leave for other undertakings. It is a day filled with emotion and sadness, as well as anticipation.

About an hour ago our colleague from the New Democratic Party, the member for Dartmouth, left this chamber for the very last time. It causes us all grief because we are losing a very close colleague who has played a very important role in the House, and we will miss her a great deal. On behalf of all my colleagues, not only in the New Democratic Party but all parties in the House, we treasure and value the work of the member for Dartmouth and others who are leaving. We wish her and others well wherever life takes them.

This is also a time to convey a few messages of thanks to those who have supported this institution. I would like to thank the staff at the table, the Clerk and all officers in the House, as well as the pages who have served us so well and so faithfully over the last number of months. Again, on behalf of my colleagues, I thank them all for serving this chamber.

Finally, and this gets me to the debate and the motion at hand, the public accounts committee has been working diligently since February 12 on the whole matter of the sponsorship file. It has been a gruelling couple of months. We have had a very difficult challenge before us, with hundreds of witnesses from which to choose. We have had very difficult testimony to understand and some difficult decisions to make. Our work is not done, and that is the precise point of this motion.

However, the work of the public accounts committee was made possible also because of some very hard-working staff. I want to mention the two clerks who have helped us through thick and thin, Elizabeth Kingston and Jeremy LeBlanc, for their great service. As well, I want to say a special thanks to the researcher from the Library of Parliament, Brian O'Neal who gave our committee incredible support, research materials and advice throughout this process. I know, as we meet here in this chamber, the work continues down the hall at public accounts. It is thanks to those hard-working servants of this place that we can do our jobs.

Finally, on that point, since we often get partisan in debates, before I head down that path, my thanks to the chair of the public accounts committee who has served public accounts diligently and has tried to bring all parties and all sides together throughout this difficult pursuit of the truth, vis-à-vis the sponsorship file. Of course, thanks to all the members who have served on this committee. We have had some tough moments and some harsh words for one another, but we are all interested in one thing and that is the pursuit of justice and the search for truth in this difficult chapter in the history of this place, the sponsorship file.

I would like now to address the motion at hand. Although it is a very difficult motion to support, since it requires members of our committee to continue sitting right through an election period, I want to offer my support to the motion. I want to offer my support on behalf of my colleagues because it addresses our feelings about the absolute need to continue the work of the public accounts committee on the sponsorship file and to state publicly that our work is not done. We have not reached the truth and we are not close to seeing our work done. That is the point of the motion.

• (1210)

We have dealt with a lot of manoeuvrings by members on the government's side over the last number of days to bring our work to an end, to draw conclusions that do not exist and to create the facade of solving a very difficult issue as we head into a pre-election period.

We cannot allow this issue to become a political football in the next election. We cannot create any grist for the election mill. We have to do whatever we can to ensure Canadians that all of us in the House from all parties have not found the truth, that we have not reached the end of this journey and that our work will continue. It will continue in the next Parliament. It will continue in terms of the independent judicial inquiry. Obviously it will continue in terms of the RCMP investigation.

Supply

The debate today is important. We are speaking about an issue of faith and trust in the democratic process. Whatever we do in this place around the sponsorship file is critical for restoring the faith of Canadians in our democratic process. If we do not do that, if we fail to stop this hemorrhaging, this growing cynicism in politics, in politicians, in government and in democratic institutions, we will have lost more than we could ever imagine.

Today's debate is really about the Liberal Party. Dare I say it, it really is about the Liberal Party's fortunes versus the public good. It is about how well the Liberals can put a good face on a bad situation leading into an imminent federal election rather than about restoring the faith of Canadians in our democratic institutions and government.

The words today will be strong and this debate will be vigorous. Parliamentarians in this place feel that this is central to our work as members of Parliament and to our fundamental obligation to uphold and strengthen our democratic institutions.

We on this side of the House find that this scandalous mess with which we are dealing and the fact that we cannot seem to find our way out of it comes down to Liberal arrogance. It is about Liberals identifying their partisan interests as the interests of the nation. That is the magnet, the hidden force that pulls all the disparate pieces of the sponsorship scandal together, and it is certainly the guiding theme to the Prime Minister's clampdown on the public accounts committee investigation.

It is the same arrogance that blinded the Liberals to the true impact of the scandal and their actions now in bullying the committee to produce a report, a report of which the sole purpose is to be used as ammunition in the election campaign about to be called.

New Democrats have carefully evaluated the evidence presented to the committee to date. We believe, as I think is the case for other opposition parties, an interim report would be premature. I do not think it would be misrepresenting any views in the House, at least when it comes to the opposition benches, to actually say that the search for the truth has not neared the end or even the beginning of the end.

What is really important is that the impact of the sponsorship scandal on Canadians' perception of government has been severe and the responsibility of the committee to restore public confidence in Parliament is considerable. This is not a time for half measures or half truths.

• (1215)

It is particularly disturbing, at such a time, to pursue a course that could be perceived by the public as an attempt by the government to pre-empt the committee reaching a legitimate conclusion for partisan political purposes. That is the essence of our concern with the present set of developments that have occurred and why we support this motion.

Let me go back to that theme of democracy for a moment. As I said earlier, democratic government is based on trust. There is no question that we are losing that trust in part because of repeated corruption scandals.

Even before the Auditor General reported, polls showed only 14% of Canadians trusted politicians. We know that those in the business of selling cars rank higher at 19%. We had a challenge to begin with, and the way we handle this affair matters.

Fewer people today see participation in parliamentary electoral democracy as meaningful to them. They show this, as we all know, by their sinking voter turnout in elections. Just at a time when we are all recognizing the need to restore people's faith in democracy, to increase voter participation in federal elections, we are dealing with a scandal for which Canadians see very little responsible action on the part of this place.

The taint of corruption discourages people from participating at all levels in the political system. It robs democracy of its lifeblood. We know what that does. It leaves the door open to those who would rather have important decisions made in boardrooms instead of Parliament and who want to reduce government, its controls and the vital role it plays in ensuring that all Canadians have an equal chance to participate in our economy.

What makes this situation even worse is that it is not unique. Canadians do not just look at the federal government and see a blip, an exception in the sponsorship scandal. It has become a pattern under the Liberals, where the exception has become the rule.

I probably do not need to take the time of the House to go through that list of scandals, the litany of wrongdoings that have emerged during this last 10 years of Liberal rule. Let me quickly summarize them.

Remember HRDC, the Human Resources Development Canada scandal. Remember Shawinigate. Remember the other auberge incident that cost the former minister of public works his job. Remember the former minister of defence resigning over channeling a contract to a friend. Remember the Gagliano affairs. Remember the manipulation of the parliamentary estimates to hide the fiasco of gun registry mismanagement. Remember the unity fund. And remember, and this one I want to dwell on for a moment, the Health Canada Virginia Fontaine scandal.

The similarities are so great when it comes to the sponsorship scandal and the Virginia Fontaine scandal. In both cases we are dealing with alleged wrongdoing at the highest levels in the bureaucracy. We are talking about not inadequate rules, but rules being broken. We are talking about those who have responsibility, whether at the ministerial or deputy ministerial level, ignoring their responsibility for oversight, for ensuring that rules and regulations are followed and that good management practices exist.

• (1220)

In the case of the Virginia Fontaine addiction centre scandal, already some 30 charges of criminal wrongdoing have been handed down to some nine individuals and the list will grow. We are talking about millions of dollars, not some small sum, but a huge sum of money that has been robbed from the public treasury and more significantly, taken away from meeting the very desperate needs of health care in first nations communities.

Supply

In both cases, the Health Canada Virginia Fontaine addiction treatment centre and the sponsorship scandal, we are talking about audits being done and audits being ignored. It is interesting that with the sponsorship file and the Health Canada file audits were done in 1996 pointing to serious wrongdoing. If only those early warning signals had been listened to; if only those who had responsibility had not ignored their responsibilities; if only there had not been an attempt to cover over the seriousness of the findings of those audits, maybe we would not be here today talking about this tremendous abuse of public funds, and as a consequence, the loss of public confidence in Parliament and in government.

Ms. Libby Davies: They never learn.

Ms. Judy Wasylcia-Leis: As my colleague from Vancouver East has just said, they never learn.

We sit in committee talking about deputy minister responsibility. What about government responsibility? What about ministerial responsibility? What about prime ministerial responsibility? What about paying attention to those warning signals, the early detection signs? When the opposition raises these questions in the House, why are we given the brush-off? Why are we always told, "Oh, it is in hand, it is okay, we fixed the problem"? Why does the government never want to get to the bottom of the issues?

That is the real issue at hand. We are going to keep searching for the truth at the committee. We are going to do whatever we can to find the answers to the sponsorship scandal. The real burning question is, what has happened to the government that it can ignore, brush-off and dismiss warning signs that cry for attention in the House or out in the public?

In the cases of the sponsorship file and the Health Canada Virginia Fontaine scandal, there were audits. There were early warning signals. In every instance, every cry for attention was ignored by the government.

It is time for government members to stand up and say that some bad things have been going on and that they will take responsibility. They should say that when they came into office in 1993 they did something to send the wrong message and set the wrong tone, because they allowed a few self-serving individuals in the bureaucracy to think they could take advantage of the system.

Mr. Joe Comartin: They festered it.

Ms. Judy Wasylcia-Leis: They festered it, as my colleague from Windsor has just said. They festered it and they allowed for it to grow to the point where it could be that ministers in the former government, in the former administration and some bureaucrats, not many, felt that this was the norm. It became the norm. They could not tell the difference between right and wrong, good and bad.

Our job today is to do whatever we can through the power we have as parliamentarians to continue the investigation. Our work is not done. We say to the government, stop trying to manipulate the process. Stop trying to interfere with the work of parliamentarians and the work of our committees. Let our work continue wherever it goes. Let us do whatever we can to pursue justice and find the truth so that Canadians can once more feel confident, strong and hopeful about their own government.

● (1225)

Hon. Walt Lastewka (Parliamentary Secretary to the Minister of Public Works and Government Services, Lib.): Mr. Speaker, I heard the hon. member talk about the bureaucracy and that some members in the bureaucracy stretched and broke the rules and operated outside the system. I wonder if she could answer me directly about the fact that when it came time to release the information of Mr. Guité, the executive director of the sponsorship program, she tried to keep it back and did not vote in favour of releasing the information. Could the member speak to releasing information of Mr. Guité?

Ms. Judy Wasylcia-Leis: Mr. Speaker, first let me say that the thrust of my comments was not to single out bureaucrats and hardworking members of our public service. I believe that we have an excellent public service, hardworking federal employees who work tirelessly day in and day out.

What I was trying to suggest is that something about the government since 1993 has created a climate and belief, whether it is coming from the political or the bureaucratic side, that it is okay for people to treat the federal budget as their own personal piggy bank.

I am trying to suggest that this has political roots. I am trying to remind members of the House that it was the Prime Minister himself who said that it is impossible to believe that the sponsorship scandal happened without political direction. Whether we are talking about individuals specifically involved in some less than ethical behaviour or whether we are talking about a cultural phenomenon, the problem is the same. Something happened.

There is a pattern. The Virginia Fontaine scandal started almost immediately in 1993. Something happened in the sponsorship file in terms of Public Works and Government Services. That whole episode happened almost immediately in 1993. Something happened when the Liberals took office that allowed the environment to be created and the possibilities for corruption to occur.

Maybe it has to do with cronyism. Maybe it has to do with the revolving door between the Prime Minister's Office and Earncliffe. Maybe it has to do with the fact that there is a revolving door between cabinet and high ranking positions in the bureaucracy and huge corporate entities. Maybe it has to do with the coziness between those two worlds. Maybe someone has lost sight of our purpose here in terms of the public good. That is my major point.

With respect to the specific question about the testimony of Chuck Guité based on his appearance before the public accounts committee two years ago, that is precisely the kind of manipulation and manoeuvring that we have seen from Liberals around this scandal that causes people to be so cynical about the process.

Supply

The committee's time was used to debate a motion because the Liberals wanted—I do not know what they wanted to do exactly—to redirect blame to the opposition, to refocus attention away from the mess they had made. It had no bearing on anything. It had no bearing that we had to see Chuck Guité's testimony from two years ago. We knew that Chuck Guité had to appear before our committee. We knew that testimony would become available with his appearance. It became less than relevant to the whole episode actually at that moment to have Chuck Guité's testimony from two years ago. That was just a game the Liberals were playing. It was a distraction.

I would like the member to consider what we can do as a Parliament to address this broad cultural problem. The Liberals have helped to contribute to the creation of an environment that is the antithesis of honesty, integrity, transparency and accountability. I want to hear suggestions from that side about how we get at that deep rooted, very serious issue. We have to come to grips with it if we are ever going to restore people's faith in this place and in democracy.

• (1230)

Mr. Vic Toews (Provencher, CPC): Mr. Speaker, I will be making a comment and perhaps the member can also provide some clarification.

As I recall the discussion in committee, it was not that the opposition was opposed to the release of the Guité testimony; it was that the opposition said that the Guité testimony should be released at the same time that Mr. Guité testified in public so that the comments he made would be seen in that particular context.

The Guité testimony from 2002 related to a small fraction of the money that went missing. Rather than have the Liberals try to manipulate the entire process and say that this was all that would happen, and of course at that time we did not know whether there was going to be an election call, we were very concerned it would happen, that Mr. Guité's testimony of two years ago would simply be put forward. Then somehow they would suggest that we knew everything that happened through the testimony that was held in camera in a specific context and we would not be given the full flavour. Therefore the opposition voted against releasing the testimony of Mr. Guité given in 2002 until Mr. Guité came to the committee, spoke verbally to us and presented an entire picture.

That is my recollection of why the opposition did what it did. I am wondering if the member has any comments on that.

Ms. Judy Wasylycia-Leis: Mr. Speaker, the member for Provencher is quite right. He has helped to give the background to that unfortunate chapter in the history of the work of our committee.

We certainly wanted the testimony of two years ago to be applied to the current situation and put in context. The other reason we did that was it was clear that the previous public accounts committee had made a commitment to keep the testimony confidential.

Notwithstanding what games Chuck Guité himself was playing in terms of letting that testimony be heard earlier so that he could have a later appearance before our committee, we felt an obligation to respect the principles and practices of this place with respect to confidential testimony.

Let me say one more thing about heavy-handed tactics used at the committee by Liberal members. We have repeatedly, time and again, heard from members suggesting that the Auditor General really did not say it was \$100 million. In fact the President of the Treasury Board even used a fictitious report to suggest it was \$13 million. Time and again the member for Toronto—Danforth suggested that most of the \$100 million could be accounted for.

They went after us any time we tried to raise questions about the \$100 million, that it was a misrepresentation of the Auditor General's report, and of the facts. We clarified it with the Auditor General when she came back to our committee just a week or two ago. She said, "We view the conclusions of our audit as serious and troubling". She went on to say:

It is not because of a lack of rules or procedures that were in place and it is important to understand how it was allowed, why it occurred and how it was allowed to happen for several years because if we do not understand that then how will we ensure that it doesn't happen again? I can assure you it is not because there aren't rules and procedures in place.

She gave us a very strong mandate to say that we are talking about at least \$100 million and we are not sure that we got value for money. She said it could be more.

Let us not for a minute try to diminish the significance of the task at hand and try to suggest to Canadians that really it is a figment of our imagination. We know this is real. We know it is serious. If we do not get to the bottom of it, it is an insult to Canadians, it is an affront to Parliament and it certainly will not help restore confidence in democracy in Canada today.

Ms. Libby Davies (Vancouver East, NDP): Mr. Speaker, first I want to thank my colleague from Winnipeg North Centre for her incredibly thorough work on the committee, along with other opposition members. It is quite incredible that the opposition members are prepared to have the committee sit during an election period because they want to get to the truth. Let that be known far and wide.

Second, the member for Winnipeg North Centre hit the nail on the head when she said it comes down to Liberal arrogance and mixing their partisan interests with the public interest. They become one and the same in the Liberals' eyes. When we add to that the way they are handling their own nomination process and appointing candidates, we can truly see how corrupt that party is.

• (1235)

Mr. Vic Toews (Provencher, CPC): Mr. Speaker, I am honoured to have the opportunity to contribute some comments in respect of this very important motion which reads:

That, in the interest of transparency, the government should ensure that the work that has been done by the Standing Committee on Public Accounts into the sponsorship scandal be continued after the Prime Minister calls a general election and until the Standing Committee on Public Accounts is reconstituted in a new parliament by establishing a commission under the Inquiries Act.

As a member of the public accounts committee, I have been astounded at the tactics of the government in shutting down this committee. Let there be no mistake about it. It is the government, not simply Liberal members, that is shutting down this committee.

Supply

The die was cast in respect of this committee from the beginning. The government stacked the committee with three members of the Privy Council. Those three Privy Council members take their marching orders not from Parliament but from the Prime Minister. There is a direct connection.

We saw that connection when one of our members, during question period, asked the government to explain its actions in respect of the public accounts committee. Who stood up to answer for the government? A Liberal member of the public accounts committee who is also the Parliamentary Secretary to the Minister of Public Works and Government Services.

The member had the gall to come to committee and pretend that he was trying to get to the bottom of the scandal while at the same time simply attempting to stall the work of committee by being the Trojan horse inside the committee and carrying out the Prime Minister's dirty work inside the committee. We have seen the fruition of that conduct by the motion of the Liberal majority on that committee to shut the hearings down and to break the Prime Minister's word in terms of getting to the bottom of this.

The work of the public accounts committee is not something that is peripheral to the operation of Parliament. It is fundamental. It is central and essential to the operation of Parliament. The purpose of Parliament itself is to provide supply to the government. At the same time, government is under an obligation to account for its spending. How it spends taxpayers' money that has been entrusted to it is fundamental to its role of accountability. It is fundamental to the role of Parliament to have the government account.

By shutting down this process the government is destroying a fundamental aspect of parliamentary democracy that goes back to Magna Carta, when the Crown was first held accountable in terms of how it raised money and the fact that it was responsible, perhaps not in a democratic fashion at that time, to the people.

The destruction of the committee hearings is a fundamental attack on parliamentary democracy and the fundamental role of Parliament in providing supply and holding the government accountable.

● (1240)

This is about accountability. Yet, when members and others question the government about how it is dealing with the public's money, the reaction of the government is not to account for the money but to attack those who raise the questions that they are obligated, by virtue of their office, to raise.

Massive amounts of public money are being misspent and misappropriated. This is not something that is new to the sponsorship issue. We knew that in respect of the gun registry. There was a constant reassurance to Parliament that the gun registry would not cost more than \$2 million. The former justice minister, then health minister, now the Deputy Prime Minister, indicated that she would resign if spending went over, I believe the amount was \$150 million.

Yet, funds kept on being expended, with no way for Parliament to determine accountability. Thanks to one of my colleagues, the member for Yorkton—Melville, his persistence in holding the government to account brought to light the massive overspending by the government on that gun registry.

What was the government's response until the truth finally came out and was confirmed by the Auditor General's report? It was always to attack the messenger and to attack the member for Yorkton—Melville because he was asking the questions.

Now the attack has shifted to the Auditor General. We heard those comments day in and day out at the public accounts committee by Liberal members attacking the Auditor General's report until finally, in an unprecedented way, the Auditor General had to come back to the public accounts committee and say the process was correct—a process, incidentally, that was confirmed by international audit peers and which Liberal members knew and yet insisted on attacking them—and that her conclusions were correct.

So, instead of working to get to the bottom of the matter, we have members like the President of the Treasury Board attacking the Auditor General's findings, relying, as was stated earlier, on fictitious reports and saying that the real loss was only \$13 million. As if that would be an excuse that \$13 million missing was somehow not significant for Canadians.

These kinds of attacks are nothing new. We saw the attacks on the president of the Business Development Bank of Canada, Mr. Beaudoin, and the length that the government went to, to discredit him, while all he was trying to do was his job which was to be accountable to the taxpayers of Canada. We saw how the government attacked a reporter, Ms. O'Neil, and used heavy-handed legislation designed to deal with terrorists to attack a journalist and then to defend that use.

● (1245)

The government never answers the questions. It attacks the person asking the questions. That is the process; that is what it does. The Prime Minister promised to get to the bottom of this matter, but there is obviously an attempt to thwart finding the truth.

Yes, we have heard from over 40 witnesses and some have indicated frustration with the process. It is not the most efficient process. Members on the committee are given either eight or four minutes, depending on which round of questioning. Some of the more sophisticated witnesses understand that very well and take advantage of the committee process by dragging out their responses knowing that when the eight minutes expire they can go on to a new questioner, usually a Liberal friendly questioner. They understand that.

The purpose of the public accounts committee was to ask the witnesses to come forward not to be cross-examined in the manner of a judicial inquiry but to ask them to come forward to explain their involvement and any other comments they want to add. For most of the witnesses who were senior government members and former ministers, it was like pulling teeth. They would not give an inch unless they were absolutely trapped into conceding something. That says loads about the commitment of the government to get to the bottom of this issue.

Supply

What was very heartening was to see the integrity of the more junior members of the public service. They came forward and gave answers in a clear, straightforward manner that put the senior officials of the government to shame. It put the heads of crown corporations and former ministers to shame when administrative assistants clearly answered questions because it was their duty as public servants to do that. That should be a great encouragement to the people of Canada to see that there are public servants, indeed the public service, committed to ensuring that Canadians get value for their dollar. Unfortunately, the same cannot be said about their political masters.

What did the Auditor General's report tell us? Certainly, we did not learn about it from the government. The Auditor General's report told us, like in the case of the Auditor General's report on the gun registry, that Parliament was not informed about the program. Parliament was misled about how the money was spent and that those responsible broke the government's own rules. There was a deliberate attempt to hide the source of money. Sometimes it was done in order to get around Treasury Board rules, that is, the transfer of money from public works to crown corporations and then onward.

• (1250)

This was done deliberately. We are not dealing with small amounts of money. The Auditor General stated that it was not \$100 million that she was concerned about but that the documentation for the \$250 million spent on the sponsorship program was deficient. It could not be justified.

It is not enough for former ministers and senior people to come forward and say that everything was in order when they left the department and that if it was not then maybe it was with the ad agencies. There was an onus on government to ensure that the documents were in place but those documents were never in place.

There was a deliberate attempt to hide the source of money with the result that the Auditor General said that the entire \$250 million and the spending of that money was not justified in terms of the paper trail, in terms of the documentation that was necessary to assure Canadians that money was properly disbursed.

Who was responsible? Well, the current Prime Minister was the minister of finance and the vice-president of Treasury Board. It happened on his watch. No one in Canada was in a better position to stop the scandal as it unfolded.

We have the same Prime Minister telling Canadians that he will get to the bottom of this issue. When? Certainly not before an election. He has made sure that his Privy Council members on the public accounts committee carry out his orders to shut down the committee and that deliberations regarding matters that Canadians should know are held in camera. Significant motions that affect the use of taxpayer money have been held in camera. Who authorized these to be held in camera? The secretary of state said that it was the chairman.

I will not breach an in camera confidence but he appears to have done that right now. There is no interest in the opposition keeping this matter secret. The committee is run by a majority of Liberals. It does not take Canadians long to figure out who is responsible for

maintaining secrecy in the proceedings of the committee. If I am wrong in that respect I am sure the secretary of state will correct me.

Whether it is the \$161 million computer scam in National Defence; HRDC where the Auditor General audited \$580 million worth of programs in two or three programs and found the same lack of care to which taxpayers are entitled in respect of their money; or the Virginia Fontaine matter in Sagkeeng just outside my riding, what is the ultimate result?

• (1255)

The ultimate result is that I have constituents telling me that they need money for water systems, for highways and for health care, but the money has disappeared into the pockets of Liberal friendly advertising firms. That is what Canadians know at this point and that is what they will be asked to comment on in the next week when the Prime Minister calls an election.

Hon. Andrew Telegdi (Parliamentary Secretary to the Prime Minister (Aboriginal Affairs), Lib.): Mr. Speaker, my colleague across the way seems to have ignored the fact that the Prime Minister has gone to unprecedented lengths, lengths that have never been seen before, to ensure the issue comes to the forefront and that those responsible are held accountable.

I know the member opposite and both the leader of the Alliance and leader of the former Progressive Conservative Party have failed to reveal who made donations to their campaigns, something that is totally, completely and utterly in their power to do.

The member opposite was a crown prosecutor and he knows the law. People are presumed innocent until proven guilty. A story in the *Winnipeg Free Press* today shows that the member opposite has been charged with violating the Manitoba electoral laws when he served as the province's attorney general. The member has been charged but I am assuming he is innocent until the facts have been laid out and the case goes to court.

As a former crown attorney he also knows that the biases of the public accounts committee, chaired by a member from the other side, demonstrate a real lack of credibility and, unfortunately, the committee has turned into a partisan affair. Unfortunately, they do not believe that Canadians have a right to an interim report after the committee has been sitting for months.

Does the hon. member believe in waiting until the facts come out in court or does he believe that the charges that he faces in violation of the election act should mean that he is guilty?

The Deputy Speaker: Before I give the floor to the hon. member for Provencher, let me express my discomfort, and I am not sure at this point in terms of the admissibility given the precedents of *sub judice* in this House. I humbly submit to the House that not having greater expertise on this matter, I can only express my discomfort. I will grant the floor to the hon. member for Provencher to deal with the matter in the fashion that he sees fit, but I did want to put that on the record and, if necessary, I would come back to the House to address the matter more fully.

Supply

Mr. Vic Toews: Mr. Speaker, the member opposite knows that was totally improper. He has prejudiced my trial in respect of that issue. That was on command of the Prime Minister, given his relationship with him. As you have pointed out, Mr. Speaker, that will form the basis of another issue.

However, now that he has improperly prejudiced my position, I would like to discuss the fact that this matter has been going on for four or five years. We know the timing on this matter is politically motivated and that it is coming from the Prime Minister's office, but there is one significant difference. In my case, the issue is not of money that has gone missing or stolen. No money is missing or stolen and no allegation. Indeed, there is not even any allegation of personal responsibility on my part. However, in the case of the sponsorship scandal, it involves \$250 million of taxpayer money missing.

Speaking as a former crown attorney, when \$250 million is missing outside of the accounts, where is that money? Canadians are entitled to ask that question. The member wants to prejudice my fair trial as he has just done, and I will raise that issue in the proper forum, but what I ask Canadians to do is to ask what happened to the \$250 million. They know that in my situation not a dime of public money was taken or misplaced, but \$250 million has gone missing under the sponsorship program.

• (1300)

Hon. Andrew Teleghi: Mr. Speaker, I want to be very clear on what I said, and you can look at the blues. What I said was that a story appeared in the paper and that I was withholding judgment on it because the courts were dealing with it. That is the due process and all members of the legal profession should know that. That is what I said.

All I was saying is that the courts have laid charges on the matter before us today and that we should let the process take place.

Furthermore, I was under absolutely no instruction by anyone. I was sitting in the House in a back room and I saw the story in the newspaper. I could not believe that a member, who was a former crown attorney, could say the kinds of things he said, because the Prime Minister is getting at the truth.

The Deputy Speaker: As I stated earlier, I will look at this matter over the course of the next few hours and, if necessary, I will come back to the House with a further statement on the matter. After verifying the blues and any other information that might have been put on the floor of the House, I will respond to that matter.

Questions or comments, the hon. member for Blackstrap.

Mrs. Lynne Yelich (Blackstrap, CPC): Mr. Speaker, I have two questions for the hon. member for Provencher.

The member raised the point that it has cost taxpayers a lot of money to have the committee sit. What kind of dollars does he think even that costs? When we think of interpreters and witnesses, they all get paid. None of those testimonies will be worth anything by the sounds of it. Are there any particular witnesses that he thinks should have come forward and that probably will not because the inquiry shut down? Can he compare it to the Somalia inquiry where it was just shut down and there was not ever any conclusion?

• (1305)

Mr. Vic Toews: Mr. Speaker, there are 40 witnesses that have been heard from, or thereabouts, and there are another 90 or so. What I would like to point out is yes, there are a lot of witnesses to be heard, but remember, we have heard one-third of them.

The witnesses were not chosen on a partisan basis. The witnesses were chosen by an expert company that we hired to assist us in developing the testimony and bringing it forward in an orderly process. We have spent no doubt thousands of dollars in terms of that process and that will now all be lost. Whether it is tens of thousands of dollars, hundreds of thousands of dollars, just with respect to the experts from KPMG, I do not know. I believe it was money well spent in an attempt to proceed in a non-partisan fashion. Obviously that now will be lost if the committee is shut down.

We note that the committee will not be sitting next week. There is no reason that it could not continue to sit next week, but the Liberals have specifically decided to shut it down. Hearing more witnesses next week would not be throwing good money after bad. In fact it would ensure that the hard-earned money that we have already put into it would be used to bring forward the necessary conclusions that Parliament needs in order not only to determine what happened but to ensure that it does not happen again.

Hon. Walt Lastewka (Parliamentary Secretary to the Minister of Public Works and Government Services, Lib.): Mr. Speaker I would like to respond to some of the remarks that the hon. member made. I want to make sure that we look at the fact that the Auditor General wrote to the committee, and the member has a copy of the letter, reinforcing that \$100 million was not lost or stolen. Those are her exact words.

I know there are a lot of people wanting to twist and turn and make other accusations. The member opposite, including the member from the NDP, did not want the Auditor General to come back to be to share with us more information that she had received.

I ask the member for Provencher, did he or did he not receive the letter from the Auditor General concerning that item specifically? Please answer specifically.

Mr. Vic Toews: Mr. Speaker, the issue was not whether or not we wanted the Auditor General to come back. We all wanted the Auditor General to come back. We were relying on the scenario set out by KPMG in terms of how the witnesses were to come back. Rather than imposing our own political partisan view on when witnesses should come back, I agreed that however the experts in setting out the case decided what should be the order of witnesses, that was how it should be done.

The Auditor General, it is true, did not say that \$100 million was stolen. What she said was that \$250 million was missing, that the documentation was not there to justify that.

Mrs. Marlene Jennings: No, she did not. Once again, misinformation.

An hon. member: That is exactly what was in the Auditor General's letter.

Supply

Hon. Shawn Murphy (Parliamentary Secretary to the Minister of Fisheries and Oceans, Lib.): Mr. Speaker, I welcome the opportunity to discuss and review the government's actions with respect to the sponsorship program.

I want to point out that I have been on the public accounts committee. For the last three months the committee has been meeting on average about four times a day. There are only one or two members on the present committee who have the advantage of having served on the previous public accounts committee. The chair is one of those members as am I. We followed this issue back in 2002 and the investigation that we have here today.

I am not going to stand in the House of Commons to defend the indefensible or to make excuses for the inexcusable. There are certain problems but we have to bear in mind also that these events occurred six to eight years ago. Remedial action was taken about three and one-half years ago. Having said that, it is a serious situation. The committee has spent a lot of time on it and has heard from many witnesses.

I attribute no blame in this; I do not blame anyone. I am not going to stand here and blame people, but because of the timing of the electoral cycle it is my position that to a certain extent politics has contaminated the whole process, especially recently. It is my hope and prayer that we are able to write a report, even an interim report. The committee does have some excellent recommendations to make. If there is an election, the committee can reconstitute itself and continue its work.

We have more than enough information to make a certain number of very bold recommendations to Parliament. We had a great meeting this morning. I hope that a report will come forward containing a number of bold recommendations with respect to the whole issue of ministerial accountability, deputy ministerial accountability and a whole host of other issues that ought to be addressed by the committee.

I would like to spend a few minutes providing members of the House with some background information on the sponsorship program and in particular, some of the decisions that were taken by the former minister of public works and government services, the member for Wascana, who as everybody knows is the present Minister of Finance, to get to the bottom of the matter. I will also address the unprecedented actions taken by the government since the release of the report of the Auditor General on February 10 this year.

There have been questions concerning the program's former delivery mechanism through communications agencies working on commission, and I have my own view on that. There is no place for the Government of Canada to deal with advertising agencies, or any other agencies for that matter, on a commission basis. I hope that will be a firm recommendation from our committee and I hope it will be accepted by the government.

There were also concerns about transparency, accountability and value for money. The previous speaker said that \$250 million was missing or stolen, but that is not correct. It was clearly pointed out that was not the Auditor General's position. Those statements will continue to be made in the House and in the streets of Canada. I can say to members here and to Canadians that is not correct and that is

not what the Auditor General said. Anyone who says otherwise is not being truthful with themselves, they are not being truthful with the House, and they are not being truthful with Canadians.

• (1310)

The issue is value for money, and because of the whole issue of value for money, the program's credibility had been seriously eroded, particularly in light of the highly critical analysis which was so well done and so well documented by our Auditor General. These questions triggered public concern, and rightly so.

On May 26 the then prime minister appointed the former minister of public works and government services and gave him the mandate to find out what went wrong and to fix it. The former minister's first action following his appointment was to impose an immediate moratorium on all sponsorship initiatives. Everyone in the House has had initiatives in their own ridings. Members on both sides of the House were certainly aware of the moratorium and the problems that followed from that. This action had to be taken. It gave him the opportunity to properly assess the situation.

The former minister would have been lobbied hard by members, his own colleagues on this side of the House and members of the opposition, so he did not take lightly to the decision to impose the moratorium on all sponsorship contracts. The moratorium meant that the full demand for the Government of Canada sponsorships was not met in the summer of 2002. No one, least of all the former minister, wanted to penalize these organizations, these groups, these communities and these events. However, the moratorium was absolutely essential to ensure that the public interest and the public good were fully protected.

I would like to provide a bit of perspective of the former minister's portfolio. Again, this is not to defend the indefensible or to excuse the inexcusable, but we are talking about a very large department. It involves 1,400 public servants handling some 60,000 purchases every year worth approximately \$10.5 billion. The Department of Public Works and Government Services deals with everything from paperclips, to vehicle fleets, to consulting and translation services, to office towers and buildings right here on the precinct of Parliament Hill, from information technology to medical equipment and military equipment.

Of that \$10.5 billion total, the sponsorship program represented approximately \$40 million per year, less than one-half of one per cent. Again, it would not make any difference if the amount was \$40 million, \$10 million, \$1 million or \$.5 million; if the Government of Canada, representing the taxpayers of Canada, is not getting value for its money, it is my submission that it is a serious problem. The government recognized that there was a problem and that the problem had to be corrected.

From the outset the former minister made no attempt whatsoever, inside or outside the House, to defend the indefensible. He indicated from the outset that wrongful overpayments had to be recovered and that any files that raised legal issues had to be immediately referred to the Royal Canadian Mounted Police.

The sponsorship program was originally created in 1997. In 2000 it was subject to an internal audit called for by the then deputy minister of public works and government services. As we all know now, and I certainly know after what I have gone through over the last three months, this program has been the focus of extensive concern and criticism from inside and outside government, particularly for the period between 1997 and 2000.

As I said when I started my speech, during the latter part of 2000 the total program was revamped. The government knew it had a problem once it received the audit and the correct remedial action was taken about four years ago.

In May 2002 the Auditor General of Canada, Sheila Fraser, released her audit on the three contracts that she had been asked to review. These contracts, which were awarded between 1996 and 1999 through Groupaction, were referred by Ms. Fraser to the RCMP for further investigation. As we know from events that have occurred in the public domain over the past week, charges have been laid.

• (1315)

The former minister continued to investigate the details of the sponsorship program and get down to the fine print. In the spring of 2002, a quick response team was assembled, comprised of financial, procurement and audit specialists from within the Department of Public Works and Government Services. An extensive, comprehensive, complex, case by case review was carried out on over 700 sponsorship files to determine their completeness and report on areas of concern.

The quick response team conducted a detailed review of 126 files of primary interest. In other words, these were the files that they thought were most serious. These files, which were valued over \$500,000, had received media coverage or had known deficiencies.

Throughout the review, the former minister's aim was clear. Where irregularities were discovered, they were to be pursued. If there was evidence of wrongdoing, the authorities were to be called in.

The work of the quick response team is included in the final project report which was tabled in the House on October 10, 2002. It contained five recommendations which the department followed up in detail. Several files, as we all know now, were referred to the Royal Canadian Mounted Police.

These include the three specific referrals which I mentioned earlier made by the Auditor General in May 2002, and I should add, 10 additional cases. As I have said, the RCMP has laid charges. It is continuing its investigation, wherever that may lead.

In the meantime, members will recall that in June 2002 the then minister indicated several times in the House of Commons that he wished to remove the communication agencies from the delivery of the program. He also made his opinion known that he preferred to have the sponsorship program delivered in house, by qualified, dedicated public servants. I made this point in the earlier part of my remarks, that in my view there is no way the Government of Canada should deal with any ad agency or any other agency on any type of a commission contract. There is no point in doing that.

Supply

Members may also recall that the former minister informed the House that in instances where money was paid, but where no services were delivered or inadequate services were delivered, he would attempt to recover the money. That is exactly what he proceeded to do, and that is exactly what this government continues to do. Outstanding payments were withheld and new business was halted with certain communication agencies associated with troubled files. The minister commenced the process to recover overpayments.

In early July 2002 the moratorium was lifted for the balance of that fiscal year. That is the fiscal year which would end on March 31, 2003. Subsequently, the communication agencies were removed from the delivery of the sponsorship program, which was the correct decision to make.

In December 2002 the former minister announced that a re-designated sponsorship program would be put in place for a one year trial program, ending on March 31, 2004. The new program was to be limited to not for profit sporting, cultural and community events, with the goal of achieving an equitable distribution of sponsorship funds in all provinces and territories. That is exactly what happened.

Certainly the members of the House, who were elected in the election of 2000, have dealt with the sponsorship program, and I can say it was administered with extreme rigour. We did receive complaints. There were mainly two complaints. The first complaint was the timeliness of the response. That was a constant complaint.

• (1320)

When small community groups, organizations, events, festivals would apply for limited funding, the biggest complaint in my riding was they could not get an answer quick enough. Sometimes the events would be scheduled for a weekend and they were still trying to get an answer out of the Department of Public Works and Government Services three or four days before the event.

The other complaint was the rigour with which they had to follow up after the event to get their money. They had to file documents and pictures to prove that the event took place. This was quite onerous and rigorous. The larger ones had a staff or infrastructure to handle it. The smaller ones had great difficulty. As we know, the sponsorship program was cancelled quite some time ago, but there are still situations in my province where organizations still have not been paid for events that occurred eight or nine months ago. I think these things will be ironed out, but I point this out to show the rigour that this department administered. Again, that is since 2000, not before that.

Communication Canada was responsible for managing this program without the use of any intermediaries. As everyone is aware, that has all changed with the Prime Minister's decision to cancel totally the sponsorship program due to the government's belief that the program was fundamentally flawed.

In response to the Auditor General's report on February 10, the government announced a comprehensive set of measures to ensure we that we would get to the bottom of the matter.

Supply

The first measure includes the establishment of an independent commission of inquiry, which is already fully mandated under the Inquiries Act. We had a report from the chair of that inquiry, Mr. Justice Gomery of the Quebec Supreme Court. I expect that Mr. Justice Gomery will add a lot to why this was done the way it was.

The second measure was the appointment of a special counsel for financial recovery. The third measure was the introduction of whistleblower legislation. The fourth were measures to strengthen audit committees for crown corporations and the possible extension of the Access to Information Act to crown corporations. The fifth measure was the initiation of review and changes to the governance of crown corporations on changes to the Financial Administration Act and on the accountabilities of ministers and the public service.

The sixth measure were steps to allow the public accounts committee to begin immediately examining the report of the Auditor General, which, as everyone is aware, is what we have been doing for the last three months. The government has taken unprecedented steps in allowing the committee to have full access to cabinet documentation, cabinet memoranda and records of government. We have done a lot and that has assisted the committee greatly.

As I indicated previously, the public accounts committee has been at work for more than three months now and it has heard testimony from 51 witnesses. I believe committee members from all sides should be commended for their work.

Also, over the last three months we have had full cooperation from all government departments and crown agencies. Ministers, former ministers, deputy ministers and former deputy ministers have all testified before the committee. The government has provided the committee with valuable documents when it requested them.

The independent mechanisms of a public inquiry, the Royal Canadian Mounted Police and the special counsel for financial recovery are all in motion. On a cumulative basis, these will get to the bottom of this situation. All these mechanisms will provide the results publicly as they become available.

•(1325)

Hon. Walt Lastewka (Parliamentary Secretary to the Minister of Public Works and Government Services, Lib.): Mr. Speaker, I heard very clearly the sequence of events that happened over the last six or seven years. The public accounts committee has been sitting for a number of months. Could the hon. gentleman explain some of his findings and recommendations after hearing all the testimony, including Mr. Quail a couple of times and the Auditor General a number of times?

Also, could he possibly outline his recommendations about how we should be go ahead, since the task of the public accounts committee was to find out what went wrong, why and recommend fixes to the system?

•(1330)

Hon. Shawn Murphy: Mr. Speaker, I heard the member's question, but I would like to see the committee write a report. I believe it is up to the committee, collectively, to come with in these recommendations. I have my views and I have shared them with the committee. The chair has shared some of his views.

As everyone in the House is aware, he has chaired the public accounts committee since 1993, I believe. He certainly understands this issue. He understands the whole concept of accountability in government. I consider him an expert on that issue.

I would rather not get into my specific recommendations, but the overarching issue is the issue of ministerial and deputy ministerial accountability. That has to be addressed by the committee.

We had before us on the committee, and this is public knowledge, the embarrassing spectacle of a minister coming before the committee and saying that he was too busy to run his department. We had the embarrassing spectacle of a deputy minister coming before the committee and saying that he was out of the loop. That is not acceptable to Parliament. Nor is it acceptable to the committee. That is the whole issue of accountability.

I think we have seen a better approach followed in the United States with regard to extremely unfortunate incidents that occurred in some of the prisons in Iraq. They were embarrassing to the United States. However, in that case, when Secretary of Defense Rumsfeld appeared before a congressional committee, he stated that there was a problem, that it occurred on his watch and that he was responsible. He had accountability for that issue.

We cannot have it any other way. The issue of ministerial accountability is a tenet upon which our democratic system is built. Once we pull that out, the whole thing falls down. It does not work. I do not think we can throw that principle out the door, as some people might suggest.

Again, with regard to the whole issue of deputy ministerial accountability, they cannot be accountable for policy, but they certainly should be accountable for the financial administration of their departments, as is stated in the Financial Administration Act. In this case it is my view and my position that did not occur.

Mr. Ken Epp (Elk Island, CPC): Mr. Speaker, the member gave what in my view is a fairly thoughtful speech on the topic. What is his opinion with respect to the actions of the then prime minister in grossly demoting the then minister of public works and government services, Alfonso Gagliano?

I always think that if he were not guilty and if the prime minister of the day did not know anything, then the transposition of this person from being in cabinet, right out of Parliament, right out of the country, right to a position in Denmark is most bizarre. What would motivate it, if the prime minister did not know that there was going to be a lot of stuff, shall we say, hitting the fan very shortly and he wanted to maximize his distance from accountability?

•(1335)

Hon. Shawn Murphy: Mr. Speaker, as the hon. member knows, I was not involved in the demotion of the then minister of public works and government services or the subsequent posting to the country of Denmark. In my own view, there was certainly enough in the public domain and enough issues and material brought before this House at the time that one would conclude the minister may have lost the confidence of the prime minister and the public at that point in time. That is why he was no longer the minister of public works and government Services.

Supply

Mr. Ken Epp: Mr. Speaker, I want to press this member because I think the Canadian people have a right to know what actually happened.

I believe from my point of view that this move was a totally cynical damage control measure. The fact that he received a very prestigious appointment does not reflect that the Prime Minister has lost confidence in the person. If he had lost confidence in that person he would have turfed him right out. I believe that if it was known then that illegal things had gone on, he should have been investigated by the RCMP. Instead, he was shuttled away which, to me, smells of a cover-up.

I do respect the member as an individual MP and I think he is trying to do the right thing but adding to the cover-up is not the right thing.

Hon. Shawn Murphy: Mr. Speaker, all I can say is hindsight is twenty-twenty vision. I am not aware of the criteria and the process that goes into appointing an ambassador. We are going back a couple of years and I am not exactly sure what facts were either in the public domain or in the domain of the central agencies, including the Office of the Privy Council and the Prime Minister's Office.

All I can say is that I would perhaps agree with the hon. member. If the Prime Minister's office had, and it most likely did not, the benefit of the knowledge that I have, after sitting through months of hearings in the public accounts committee, it certainly would have been a questionable appointment.

Mr. Reed Elley (Nanaimo—Cowichan, CPC): Mr. Speaker, I believe this scandal has very much been one that has been concerning the Canadian people. I am sure not everybody is concerned but I think a large majority of Canadians are concerned about it. It is probably not the greatest scandal in terms of the amount of money that we have seen the government fritter away in other areas, but I think it has become concerning to Canadians because of some of the implications of linkages to the Liberal Party and to the patronage problem we have in our political system.

The accusations have been made that the advertising companies, which received these contracts, were companies known to be very friendly to the Liberal Party and that they were awarded these contracts sometimes without proper documentation. The Auditor General and others have been concerned that there is no paper trail to connect the awarding of the contract to the individual company.

Has the public accounts committee really been able to discover where the money has gone? Is it true, from anything that the member has seen in his deliberations on that committee, that this money has then been kicked back to the Liberal Party or any political party?

Hon. Shawn Murphy: Mr. Speaker, the unfortunate thing about this is that the discussion is taking place at an unfortunate time. The member, like some of his colleagues, has made wild and totally unsubstantiated allegations that are not true. He knows they are not true but he is quite comfortable getting up here in the House and making them anyway. It is unfortunate but that is what we have seen.

He talked about patronage. One of the most difficult and offensive pieces of testimony I heard was the way these ad agencies were hidden during the Mulroney government. At that time they had three political appointees.

This might make members blush but there were three Conservative appointments in the bureaucracy that did the ad work. They were paid for by the taxpayers and they reported to a committee chaired by Senator Lowell Murray. That was totally reprehensible and that was probably the most offensive piece of testimony that the committee heard in the whole three months. That was one thing that did happen.

The hon. member will be pleased to hear that in 1993, when this government came to power, it did away with that. The Conservative appointments were fired. Lowell Murray did not have that job—

• (1340)

The Deputy Speaker: Order, please. The Chair has been as generous as it can be with the time.

Debate, the hon. member for Calgary—Nose Hill.

Mrs. Diane Ablonczy (Calgary—Nose Hill, CPC): Mr. Speaker, I will be splitting my time with the hon. member for Ancaster—Dundas—Flamborough—Aldershot.

Our motion today is very simple. It is to make sure that the parliamentary inquiry into the sponsorship program continues even though Parliament will be dissolved in a few days time for an election call. We think this is very important because two key questions remain unanswered.

The first question that remains unanswered is who gave the orders that allowed this program to be so badly mismanaged. The second question that remains unanswered is where the money really ended up.

I would like to refresh the public's memory about what the Auditor General said about the sponsorship program which involved a quarter of a billion dollars. She said:

What is particularly disturbing about these sponsorship payments is that each involved a number of transactions with a number of companies, sometimes using false invoices and contracts or no written contracts at all. These arrangements appear designed to provide commissions to communications agencies, while hiding the source of funds and the true nature of the transactions. The parliamentary appropriation process was not respected. Senior public servants in CCSB and some officials of the Crown corporations were knowing and willing participants in these arrangements.

We observed that from 1997 to 31 August 2001, there was a widespread failure to comply with the government's contracting policies and regulations, a pervasive lack of documentation in the files, and little evidence in many cases that the government had received value for its sponsorship—in some cases, no evidence.

The Auditor General concluded:

Considerable amounts of public funds were spent, with little evidence that obtaining value for money was a concern. The pattern we saw of non-compliance with the rules was not the result of isolated errors. It was consistent and pervasive. This was how the government ran the program.

If the government ran the program that way, we know that someone in government gave the orders to break the rules. In fact, the Prime Minister himself said over and over, after the report became public in February, that there had to be political direction. Yet there has been no identification of the politician, the elected person or people in government who said to the bureaucrats and civil servants that they should break the rules because that was how they wanted a quarter of a billion dollars to be dealt with.

Supply

No one has taken responsibility. We heard evidence from Professor Franks to the effect that the Privy Council Office had interpreted the doctrine of parliamentary and ministerial responsibility in such a way that no one could really be held accountable. That is the most disturbing thing, but I will get back to that.

We need to have a clear understanding of who gave the orders because if no one is responsible then we can never be sure that this will not happen again. Canadians have to be sure that when they give money into the hands of government, into the hands of the people administering their country, that it will be dealt with according to the rules, the law and the highest standards of accountability and, if it is not, that someone's head will roll and someone will pay the price. Right now no one is paying the price because no one has been identified as giving the orders.

What has been troubling a lot of Canadians is where the money has ended up. Media reports have been very disturbing about where the money might have ended up. CTV reported back in February that the allegation "is that senior political figures used the ad agencies to launder money.

"So, for example, the wife of a senior politician goes shopping in downtown Montreal buying very expensive clothes and a person from the ad agency goes along with a VISA card and goes, "click, click," and it gets charged back to the advertising agency and then charged back to the Government of Canada".

● (1345)

Canadians are justifiably concerned about this. Another media report in the *Ottawa Citizen* quotes an ad executive as saying:

Well, we'll do the dry cleaning for you.

We do it all the time. You know, dry cleaning—we pick up the expense and charge it to you (the government).

If this is going on, then it must be stopped. The people who are doing this, conniving at this, giving the orders and looting the public treasury in this shocking and unacceptable manner, must be brought to account.

This is Canada and we pride ourselves in having the highest first world standards of uprightness, fairness and right dealing in a democratic way with public money. Yet we have seen in the Auditor General's report that the rules were thrown out the window and where the money really ended up might well be in a cynical and even criminal defrauding of the public.

We need to be clear about this. The public is not just a big mass out there. The public is people like my constituents in Calgary—Nose Hill, people with children, people struggling to get by, to pay the mortgage and to pay the cost of putting gas in their vehicles so they can get back and forth to work, people who are struggling to pay their taxes, people who are just barely getting by. When they find out that the government is taking their money that they struggled to earn and using it to buy luxuries and in a money laundering way, this bothers them, to say the least, and it should bother them.

This is a gross betrayal of trust and we should not rest for one moment until the people who have engaged in this, in any way, shape or form, are brought to justice and brought to a place where they will pay the price.

A lot has been made about the fact that there will be a public inquiry. I sat on the public accounts committee looking into this and I can say very frankly that it is a very imperfect instrument for getting to the truth. All members of the committee have eight minutes to get some facts and some evidence out on the table. That includes the witnesses taking up air time and, in some cases, taking up air time just to burn up our time. It is almost impossible to get a concentrated line of questioning that really gets to the facts in those brief few minutes. Sometimes it is only four minutes.

Yes, the parliamentary committee is an imperfect instrument and those rules do need to be changed, but to shut it down when it could keep going, does not serve Canadians' interests. The judicial inquiry will not even get going until next fall. Even if the inquiry pushes full bore ahead, it is not going to report until the end of 2005, if they are lucky. Canadians will not know until 2005 what is happening.

Let us look at the mandate of the judicial inquiry. One of its mandates is that the commissioner, Judge Gomery, "be directed to perform his duties without expressing any conclusion or recommendation regarding the civil or criminal liability of any person or organization and to ensure that the conduct of the inquiry does not jeopardize any ongoing criminal investigation or criminal proceedings".

The judicial inquiry will not be able to say if someone defrauded the public or money laundered through the ad agencies. That it is not in its mandate. It cannot talk about civil or criminal liability. I really believe the government does not want the truth to come out.

When a motion was moved to bring forward the Gagliano papers because he was the key minister involved at the time, the Liberals in the committee voted it down. When a motion was moved to allow the committee to see the Privy Council briefings to the Prime Minister about the sponsorship program, the Liberals voted to keep that evidence hidden. The reason is that Liberal dealing with the sponsorship money, with quarter of a billion dollars, cannot stand the light of day and that is why they want to shut it down.

● (1350)

There is a bigger issue here and that is the reputation of our country. Parliamentarians from our Parliament, from the House of Commons, go to other countries in the world and say, "Let us help you do things right". My colleague from St. Albert started the Global Organization of Parliamentarians Against Corruption. They go around the world helping other parliamentarians clean up the mess in other countries, and what happens? To our red-faced embarrassment and shame, we find out that our own government is misusing and mismanaging hundreds of millions of dollars and is hiding the evidence and not letting it come forward, is shutting down the inquiry and putting off the day of reckoning until after an election. It is wrong. It is wrong to do that.

That is why we brought forward a motion that we keep the evidence coming, that we keep working to get to the bottom of this issue, so that we can win back the trust of Canadians, so that we can win back the trust of the international community. In that way we can show by our deeds that we will not leave a stone unturned until we get to the bottom of this issue, until we find out who gave those orders, until we find out who really got the money. We must get the bottom of this terrible allegation of money laundering.

S. O. 31

I urge the House to support the motion.

Mrs. Elsie Wayne (Saint John, CPC): Mr. Speaker, it is an honour and a privilege for me to rise today, as it has been an honour to stand in this chamber for the last 10 years.

If the conventional wisdom is accurate, the Prime Minister will call the election some time in the next week. If that is true, this will be my last opportunity to speak as a member of Parliament in the House of Commons. While I support the motion before the House, I hope and trust that my colleagues will permit me this brief moment reflection.

Thirty years ago as a wife and a mother whose home was flooded because our neighbourhood was built on a flood plain, a generation later I stand here, a three term member of Parliament and the first woman to have been mayor of the city of Saint John, and a very proud grandmother.

Growing up in Saint John it was never my ambition nor my intention to seek elected office. I did not aspire to a career in public service beyond helping my friends, my family, my church and my community. Yet with each passing year and every election, I discovered there was more that needed to be done. As a councillor, I realized that the challenges facing our great city could not be solved unless we changed city hall. As mayor, I realized that the solutions to many of our most pressing problems were in the hands of the federal government in Ottawa.

As a member of Parliament I saw that our hopes and dreams were the hopes and dreams of all Canadians and that Saint John was not alone in its struggles.

As I stand here today, I am proud of what we have accomplished together. I am proud that we helped get the compensation package for our merchant navy veterans and for those who were used for testing mustard gas and chemical weapons. I am proud that we helped force the government into finally replacing our aging Sea Kings. I hope that continues to happen. I am proud to have worked on a daily basis on behalf of the men and women of the armed forces. I am proud that we continue to bring attention to the challenges faced by Canada's growing number of seniors as well. Most of all, I am proud that we were able to make a difference.

There comes a time in our lives when we must decide whether the journey is ours to continue or whether the torch must be passed to another. I have faced that decision many times, but this time was the most difficult. Being a member of Parliament is a great honour but it involves great sacrifices. It means being away from the people and places we love and it means our time is not our own.

For close to 30 years I have had the most wonderful and understanding family anyone could have. My husband, Richard, has been a source of constant strength and wisdom. He has stood by me through good times and bad, willing to share the obligations of an office he never asked to hold. Whichever decision I made, I always knew that I could count on his unconditional love and support. That was the greatest blessing of all.

As much as I love this place, and although there are many more adventures on the horizon, there is nothing I would rather do than spend more time now with Richard, our boys and their families. Therefore I decided some months ago that I would not seek a fourth

term. Let me be clear that I am no less committed to the people back home in Saint John and no less grateful for their continued kindness.

While this marks an important change in my life, one thing will never change: Saint John is now and forever the greatest little city in the east and I hope everyone knows it. Although I will not hold elected office, I will continue to be a passionate advocate for the city in whatever capacity I can best serve.

The fact remains that our country and our city are now facing serious questions about the course we will take in the years to come. No one person has all the answers and no one party has all the answers. We need vigorous public debate between a principled government and a powerful opposition. Our common goal must be to improve the lives of individual Canadians and their families.

It has been a rare privilege to serve the people of Saint John and I have cherished every moment of it. I am indebted to the hundreds of people who have helped me in my various campaigns and the thousands more who gave me their trust.

To my colleagues on both sides of the House who have shared this great experience with me, let me thank each and every one of them for their friendship and wise counsel. To those Canadians who have written to me with their words of encouragement and their prayers, let me thank them for their kind words.

●(1355)

I want to thank the Speaker and the Deputy Speaker for their friendship and their guidance. I really appreciated it.

When I leave this place today it will be for the last time. I want to thank all the young pages for serving me my water each day.

Thank you very much, Mr. Speaker.

STATEMENTS BY MEMBERS

[*Translation*]

MATAGAMI

Mr. Guy St-Julien (Abitibi—Baie-James—Nunavik, Lib.): Mr. Speaker, the city of Matagami has compiled an opportunities wish list. It reflects the community's demands as expressed during a consultation process held on February 21, 2004, and was prepared with the help of members of the action committee of the city of Matagami with a view to counteracting the negative effects of the Bell Allard Mine closure by the Toronto-based Noranda group.

The city of Matagami, founded in 1963, owes its existence to the mining industry. Forestry now holds an important place in the local economy, and the tourist industry is developing a very strong presence as well.

Matagami has about 2,000 citizens and is located strategically in northern Quebec, strategically in terms of both location and access. This is why Matagami is the gateway to James Bay.

The Government of Canada ought to follow the example of Mayor Robert Labelle and his fellow citizens, who have injected the sum of \$50,000 from the city's surplus to help implement the community's plans.

S. O. 31

[*English*]

RIGHTS OF THE UNBORN

Mr. James Lunney (Nanaimo—Alberni, CPC): Mr. Speaker, thousands of Canadians have gathered on Parliament Hill for the annual March for Life. Addressing the crowd were Archbishop Gervais and Rabbi Bulka of Ottawa, various clergy and members of Parliament from both political parties.

Tragically, surveys reveal that nearly half of the women who have abortions do so because of pressure from abusive or unsupportive boyfriends, husbands or family members. They feel betrayed by their doctors and medical personnel who do not tell them the truth about their babies or the high risk procedure they would undergo.

Denise Mountenay and Linda Menon are here for the March for Life. These are courageous women who represent a group called Canada Silent No More. They spoke of their own suffering because of a procedure that they say was neither safe nor medically necessary. They are concerned about long term physical and emotional consequences of abortion.

It is the women themselves who are asking us as parliamentarians to open our eyes, our ears, and our hearts to hear this cry for help. They are determined to be silent no more.

* * *

● (1400)

THE ENVIRONMENT

Hon. Charles Caccia (Davenport, Lib.): Mr. Speaker, researchers at the University of Plymouth in the United Kingdom report an accumulation of plastic fibre pollution, from seabeds to beaches. Marine organisms are swallowing microscopic fragments of plastic from pop bottles, grocery bags, rope, fragments of nylon, and polyester. It takes between 100 and 1,000 years for plastic to disintegrate.

Researcher Dr. Thompson says that the evidence suggests we are dealing with a problem quite widespread in the oceans and expresses concern that there may be the possibility of food chain contamination.

Plastics contain various additives, such as hormone interfering compounds and are also known to aid in collecting, transporting and releasing of additional toxins into the ocean.

For the sake of future generations we should actively and firmly prevent plastic pollution.

* * *

UNIVERSITY OF PRINCE EDWARD ISLAND

Hon. Shawn Murphy (Hillsborough, Lib.): Mr. Speaker, the year 2004 marks the 200th anniversary of higher education on Prince Edward Island.

On May 8 the University of Prince Edward Island conferred honorary degrees upon three outstanding Island alumni. The individuals who were honoured have each made exceptional contributions to Canada and the world in their chosen field.

The first person was Dr. Arnold Hiltz, a graduate of Prince of Wales College in Charlottetown. His expertise is in chemistry and he has been employed by NASA.

The second person is quite familiar to the House, Senator Jacques Hébert. He attended St. Dunstan's University in Charlottetown, and later founded Canada World Youth and Katimavik Canada.

Finally, Madam Justice Ellen MacDonald graduated from the University of Prince Edward Island in 1970 and was appointed to the Ontario Superior Court of Justice in 1991.

I have no doubt that members of the House will join me in congratulating all those who graduated from the University of Prince Edward Island last Saturday and especially those three distinguished Canadians.

* * *

[*Translation*]

CANADIAN RAILWAY MUSEUM

Mr. Robert Lanctôt (Châteauguay, Lib.): Mr. Speaker, I am extremely pleased to draw hon. members' attention to the important contribution made by the Canadian Railway Museum to the riding of Châteauguay and the region of Montérégie. This museum, the only one of its kind in Canada, is located in the municipalities of Saint-Constant and Delson.

The Government of Canada is proud of its association with this museum. In March, it made a contribution, through Economic Development Canada, of \$1.2 million for phase II of the museum's Exporail project. This is in addition to the October 2000 contribution of \$3 million for phase I of this project.

Since its creation in 1961, the museum has managed to assemble the largest rail collection in the country. These recent investments will enable the Canadian Railway Museum to join the select ranks of the world's top five railway museums. It is source of great pride to our region.

Once the work is completed, the museum expects to attract 85,000 visitors annually. Its vital mission of education and raising awareness will thus continue to expand.

* * *

[*English*]

SAMUEL DE CHAMPLAIN

Mr. Gerald Keddy (South Shore, CPC): Mr. Speaker, Samuel de Champlain was known to Canadian school children as the father of New France, yet those same students do not realize it all began on the south shore of Nova Scotia.

On May 8, 2004 a re-enactment celebrating the 400th anniversary of Champlain's landfall was held on Rissers Beach, including a ceremony of greeting by the Mic Mac.

Champlain made his first landfall at Cap LaHave, named after Cap de la Hève in France. He explored and mapped the coast of what would become Acadia. Names like: Rossignol, Cap LaHave, Port Mouton, Port Royal, Cap Negro, Isle Haute, Cap D'Or and Port Joli pay tribute to his travels.

In 1605 Champlain founded Port Royal, the first permanent French settlement in Acadia and later went on to found Quebec in 1608.

My congratulations to the festival Champlain committee in recognition of its hard work in celebrating this truly Canadian story.

* * *

MARGARET ANNA LAWSON

Hon. Sue Barnes (London West, Lib.): Mr. Speaker, I rise today to pay tribute to Miggsie Margaret Anna Lawson, honorary president of the Lawson Foundation of London, Ontario. She passed away on May 5.

During her lifetime Miggsie brought her special vitality and dedication to a variety of community activities. She was a driving force behind making the Lawson Foundation what it is today.

Since the foundation's establishment in 1956 by Miggsie's father-in-law, Ray Lawson, it has donated over \$43 million to charities across Canada. Today the Lawson Foundation honours the family traditions and focuses on early childhood competencies and the strengthening of communities.

Miggsie truly personified the foundation's values of respect, trust, family, community, faith, prevention, commitment, empathy and a strong work ethic.

I thank Miggsie for being a positive person and a shining example of the commitment to the London community. She will rest in peace.

* * *

• (1405)

[Translation]

MEMBER FOR TROIS-RIVIÈRES

Mr. Yves Rocheleau (Trois-Rivières, BQ): Mr. Speaker, I want to take advantage of my last intervention in this House to thank the people of Trois-Rivières for their trust in me and to share my feelings ranging from disappointment to confidence.

I am disappointed that after more than 40 years of activism, we still have not reached our goal; Quebec is still just a province within Canada. The Quebec nation is not recognized by Canada nor by the international community. Only in song is Quebec a country.

I am worried about the future of the Quebec people, whose survival is seriously threatened if it does not react quickly and decide to take full control of its destiny.

I am proud of my track record as the member for Trois-Rivières in terms of my initiatives and the role I played in many issues.

I am confident that a solid majority of Quebecers will soon realize that the only decent and honourable option for them is sovereignty.

Vive le Quebec, vive le Quebec souverain.

[English]

S. O. 31

CANADIAN FORCES

Mr. Andy Savoy (Tobique—Mactaquac, Lib.): Mr. Speaker, with service comes sacrifice. This past January Canadians were all deeply saddened by the death of Cpl. Jamie Brendan Murphy, a Newfoundland soldier serving with the 3rd Battalion of the Royal Canadian Regiment who was killed by an explosion while patrolling near Kabul, Afghanistan.

Today, we have in Ottawa one of the three survivors of that tragic attack, Cpl. Richard Michael Newman. Cpl. Newman is stationed at Canadian Forces Base Petawawa, but proudly calls Hartland, New Brunswick his hometown.

I would like to take this opportunity to recognize Cpl. Newman and all the brave men and women for their loyal service to Canada in the interests of peace. We are very proud of the contributions our soldiers have made to the stabilization and reconstruction of Afghanistan.

To Cpl. Newman and all members of the Canadian Forces, we express our thanks. We thank them for fulfilling Canada's important role as a world peacekeeper.

* * *

MEMBER FOR NANAIMO—COWICHAN

Mr. Reed Elley (Nanaimo—Cowichan, CPC): Mr. Speaker, it has been my privilege for the past seven years to represent the beautiful British Columbia riding of Nanaimo—Cowichan. It has been an incredible experience to participate in the Parliament of Canada with distinguished colleagues on all sides of the House.

I have worked on many different issues. Some of the most notable ones for me personally have been to represent the victims of hepatitis C, who were excluded from the 1986 to 1990 window; to fight for compensation for workers and aid for the forest industry damaged by a prolonged softwood lumber dispute; to work on behalf of disabled Canadians who were in need of better disability benefits; and to listen to and represent many grassroots aboriginal people who found no compassionate ear to listen to their voice in this government.

I would like to pay particular thanks to my wife Louise and family members who have endured my long absences from home. I thank them for their understanding and support.

My thanks to the voters of Nanaimo—Cowichan who twice elected me to represent them here in this place. It has been a privilege and a pleasure. Now I am retiring from this place to take up another vocation.

I wish to thank all my colleagues. God bless them and God bless Canada.

* * *

MEMBER FOR DAVENPORT

Hon. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, today we thank a friend who came to Canada from his native Italy to seek a better life and by his presence here he enriched the lives of all of us.

S. O. 31

He was elected to local government in his new adopted city of Toronto in 1964. In 1968 he was elected to the first of his 10 successive and successful mandates to the House of Commons. He became a parliamentary secretary, and later in 1981 he was appointed to cabinet where he eventually found what most of us would consider his true calling, the environment.

[*Translation*]

He is currently the chair of the House of Commons Standing Committee on the Environment and Sustainable Development. He is the president of the Canada-Europe Association. He is the dean of the House of Commons and of course of our caucus.

He is the hon. member for Davenport to whom today we say: thank you very much, grazie mille.

* * *

• (1410)

[*English*]

JUSTICE

Mr. Dick Proctor (Palliser, NDP): Mr. Speaker, 13 years ago Kevin Ross Ferris turned police informant enabling the OPP to recover hundreds of thousands of dollars in stolen goods, narcotics and sending several individuals to jail.

His life in danger, Mr. Ferris was placed in the witness protection program, given a new identity, and relocated to British Columbia. Believing he was not receiving adequate protection and fearing for his life, Ferris fled Canada, creating his own identity.

Returning in 2002, the RCMP arrested him for parole violation under the name of Kevin Ross Ferris instead of his witness protection name, thus putting his life in danger once more.

Last year the National Parole Board ruled his sentence had been fully served back in 1992, yet for 15 months Mr. Ferris has been unable to work as he is without either a social insurance number or driver's licence. Throughout this time neither the RCMP nor the witness protection program has provided any meaningful assistance.

Kevin Ross Ferris wants his life back.

* * *

[*Translation*]

MEMBER FOR RIMOUSKI—NEIGETTE-ET-LA MITIS

Mrs. Suzanne Tremblay (Rimouski—Neigette-et-la Mitis, BQ): Mr. Speaker, just hours away from taking my leave, I want to express my gratitude for the moments of intensity we have shared in this place with its words, images and sounds, where my words could echo the passion of my thoughts, based on my convictions and my desire to serve my fellow citizens, whom I thank for having put their trust in me three times, and doing so each time wonderfully.

To those who are carrying on, I wish rewards to match the demands of this sometimes chaotic service, which also has its moments of lack of alternatives or vision, as well as moments of renewed delight.

I thank everyone who has assisted me—my family, my colleagues, my staff and every service on the Hill—and one and all for your thoughtfulness, regardless of political or personal opinions.

* * *

[*English*]

MEMBER FOR VANCOUVER SOUTH—BURNABY

Ms. Colleen Beaumier (Brampton West—Mississauga, Lib.): Mr. Speaker, I rise today to pay tribute to my colleague, the hon. member for Vancouver South—Burnaby.

First elected in 1993, the hon. member has held numerous portfolios, including Minister of National Revenue, Minister of Fisheries and Oceans, and Minister of Natural Resources.

Most important, the hon. member has the honour and distinction of being the first South Asian to hold a ministerial portfolio in any western democracy, and his lobbying efforts led to the opening of a Canadian consulate general in Chandigarh, India.

Born in Chiheru, Punjab, and coming to Canada at the age of six, the hon. member for Vancouver South—Burnaby is a perfect example of the opportunities available to new Canadians. He has been a successful businessman and entrepreneur, as well as a successful member of Parliament.

I would like to invite all members to join with me today in wishing the hon. member for Vancouver South—Burnaby all the best in his future endeavours. His contributions to the House will be missed.

* * *

LIBERAL PARTY OF CANADA

Mr. John Reynolds (West Vancouver—Sunshine Coast, CPC): Mr. Speaker, “No democracy. No respect. So we all quit”. Eight words from Liberals in British Columbia but they convey a powerful message. The democratic deficit has become an albatross hanging on the neck of the ancient mariner.

Do members remember those heady days when the Prime Minister promised he would do things differently? There are 14 former Liberals in Burnaby—Douglas who remember that promise. They all quit the Liberal Party because the Prime Minister parachuted his own candidate into their riding.

After a year of work of organizing and fundraising, two outstanding Chinese Canadian nominated candidates were told to take a hike. That has upset the Chinese community from coast to coast and overseas. They and their supporters will find the welcome mat out if they want to join the Conservative Party.

Speaking of mats, the Prime Minister, with this brutal undemocratic move, has yanked the rug out from under every Liberal candidate in British Columbia. Now we hear news reports that there are membership lists burning in Vancouver Centre as we speak.

Things just keep on getting better and better in British Columbia with a bad moon rising over the Liberal Party.

[Translation]

MEMBER FOR OTTAWA—ORLÉANS

Mr. Eugène Bellemare (Ottawa—Orléans, Lib.): Mr. Speaker, allow me to say farewell to you today. I will be leaving my seat in the House of Commons shortly, at the next election.

[English]

I thank the constituents of Ottawa—Orléans for having permitted me to represent and serve them in Parliament, by electing me four times in a row, starting in 1988, then in 1993, 1997 and the year 2000.

[Translation]

I will miss this House, its debates, its committees and its members greatly. It was a pleasure to serve on various committees at various times, be it as vice-chair of government operations, industry or human resources, or as member of the Committee on Official Languages or the Standing Committee on Public Accounts.

I acknowledge all the members from both sides of the House who have shown me that they are committed to the well-being of all Canadians. I thank my late wife Roberte, who passed away in 2002, for her unqualified support during all those years, as well as my four children, Liette, Michel, Martine and Josée, not to mention my sons-in-law, Louis and Gary, and my daughter-in-law, Nathalie, and my loyal staff.

God bless you all. I wish you every happiness. Long live Canada.

* * *

• (1415)

[English]

GOVERNMENT POLICIES

Mr. Brian Pallister (Portage—Lisgar, CPC): Mr. Speaker, this week we learned that the Liberal government could not come up with a title for its throne speech. After considering various titles, with no apparent frontrunner, the government opted for a generic white cover with no title at all, which illustrates the fact we can indeed judge a book by its cover.

Having a blank page was an ideal choice. However, one has to wonder why the government would give \$50,000 to a Quebec research firm to tell it what everyone already knows: that it is adrift; that when it says everything is a priority, it means that nothing is; that when the Prime Minister says, "Let me be perfectly clear", he most often is not; and that when the Liberals rush out pre-election press releases and promises, they are insulting Canadian voters by assuming that they can be bought.

The Liberals erred in using white paper on their throne speech. There was nothing innocent or pure about this. The correct colour was scarlet.

* * *

[Translation]

MEMBER FOR LAVAL CENTRE

Ms. Madeleine Dalphond-Guiral (Laval Centre, BQ): Mr. Speaker, as there are only a few hours left before I leave this place,

S. O. 31

where I have had the privilege to make a modest contribution to parliamentary democracy for the past ten years, I would like to pay tribute to the people of Laval Centre. The trust they have placed in me has allowed me to serve them to the best of my abilities and to see just how many generous, courageous and determined people there are in our society.

Thanks to them, I have learned that the quality of the work of an elected representative goes hand in hand with an active presence within the community, support of the various socio-cultural organizations and excellent service to one's constituents.

I must thank the House staff for their professionalism and readiness to help, which have made my life a lot easier, in this world where the great and the small rub shoulders for better or for worse. To colleagues who are moving on, I wish the excitement of new challenges; to those who soldier on here, I wish the success they deserve.

In looking back on these ten years in the other capital, I will have fond memories of respect, friendship, and why not, complicity.

* * *

[English]

MEMBER FOR VANCOUVER KINGSWAY

Hon. Elinor Caplan (Thornhill, Lib.): Mr. Speaker, born in China, she emigrated to Canada in 1962, received the Order of Canada in 1994 and, when elected to the riding of Vancouver Kingsway in 1997, became the first Canadian woman of Chinese origin elected to the House of Commons.

We were elected together and we worked together. We travelled to China and successfully secured travel documents for the misguided youths who boarded boats for a dangerous journey that led them to detention in a Canadian jail for a year, but saved them from a life of slavery.

I was moved by her impassioned plea to the most senior Chinese officials to help their children return home and alert other youths of the perils of the snakeheads. She said, "They are your children and your future".

The House of Commons is losing a strong voice, an individual whose dedication and commitment to her constituents and this country have been an inspiration. She really made a difference.

We wish success to the member for Vancouver Kingsway, my dear friend and colleague.

* * *

MEMBER FOR YORK CENTRE

Hon. Art Eggleton (York Centre, Lib.): Mr. Speaker, I rise to inform hon. members that after much thought and reflection, I have decided not to seek re-election in the forthcoming general election.

Oral Question Period

It has been an honour to represent the people of York Centre in the House of Commons these past ten and a half years. I want to thank them for their support and confidence. This decision draws to a close 32 years in elected office, starting as an alderman in the city of Toronto in 1970, mayor of Toronto in the 1980s, and then a member of Parliament, including eight and a half years as a cabinet minister in three portfolios.

I have always worked hard to make a difference in the lives of individuals and for the betterment of my city, province and country. Whatever endeavours lie ahead, I hope that in one way or another, service to the people of Canada will continue to be a part of my life. After all, as King George VI once said, "the highest of distinctions is service to others".

In that spirit, I extend best wishes to all who serve in this House in future years.

ORAL QUESTION PERIOD

• (1420)

[Translation]

GASOLINE PRICES

Hon. Stephen Harper (Leader of the Opposition, CPC): Mr. Speaker, in Quebec the CAA is receiving letters from consumers who are furious about gasoline prices. For every cent the price of gas goes up, this government collects \$32 million in extra revenue. It even collects GST on the excise tax on gasoline.

Why does the Prime Minister refuse to eliminate this tax on a tax?
[English]

Hon. Ralph Goodale (Minister of Finance, Lib.): Mr. Speaker, in terms of our relationship with municipalities, of course all the GST is remitted to municipalities through a refund. We are now working on remitting a portion of the fuel tax to municipalities as part of our new deal for communities across the country.

Hon. Stephen Harper (Leader of the Opposition, CPC): Mr. Speaker, that may be on the GST that the municipalities pay, but it is certainly not on the taxes that consumers pay.

Yesterday, in Liberal fashion, the government blamed everyone else for high gas prices. It blamed the provinces, the oil companies and it slammed the opposition, yet it refused to do one thing to help consumers. That would be to eliminate the GST on fuel excise taxes.

Why are the Prime Minister and the government refusing to axe a tax on a tax?

Hon. Ralph Goodale (Minister of Finance, Lib.): Mr. Speaker, the hon. gentleman knows the principles of taxation underlying the broad based GST because the party he now leads introduced it.

Hon. Stephen Harper (Leader of the Opposition, CPC): Mr. Speaker, what I know about taxes is that our taxes are too high and we should be getting them down.

The finance minister claimed yesterday that communities would benefit from higher gas prices, but there is still no deal with the cities to transfer gas taxes. It is just another unfulfilled promise. Only the

federal government is actually getting the benefit out of these gas taxes.

Why will the government not admit it just is not right to raise gas prices by charging tax on top of tax?

Hon. Ralph Goodale (Minister of Finance, Lib.): Mr. Speaker, the hon. gentleman said there has been no agreement with Canadian cities. In fact there is agreement.

First, we are rebating to the municipalities 100% of the GST that they pay. That is worth \$7 billion over the course of the next 10 years.

Another part of the agreement with communities is the acceleration of infrastructure. That is an acceleration of 50%, bringing forward our infrastructure programming into the next five years as opposed to the next ten.

The third part of the agreement is the arrangement with respect to the fuel tax and we are working on that.

Mr. Monte Solberg (Medicine Hat, CPC): No, Mr. Speaker, the government broke its promise to give a share of that gas tax to the municipalities. That is the promise it has broken.

Let me quote from a document that we received from Environment Canada under an access to information request. It states:

The tax increases required to achieve the Kyoto target would more than double gasoline prices—from about \$0.54 per litre to about \$1.40 per litre by the year 2010.

How is that going to go over in Victoria? Is it not true that the environment minister's only concern with \$1 a litre gas is that it is too low?

• (1425)

Hon. David Anderson (Minister of the Environment, Lib.): Mr. Speaker, the hon. gentleman is once more, as were all his colleagues in the last two days, quite wrong about the report he quoted and which he tabled in the House yesterday.

The report in question was a joint federal-provincial-territorial private sector report. It was an analysis of various scenarios, none of which were policy proposals, and Environment Canada did not have a member on the drafting committee.

Furthermore, as pointed out, 93% of all the spike in gasoline increase in prices goes to the oil companies. Only 7% goes for health, education and other things like that.

Mr. Monte Solberg (Medicine Hat, CPC): Mr. Speaker, I can see the environment minister has absolutely no respect for some of these companies that provide billions of dollars in revenues to fund that government and its overspending ways.

As late as February—

Some hon. members: Oh, oh.

The Speaker: Order, please. The hon. member for Medicine Hat has the floor. I can hear him quite well if he would continue with his question.

Oral Question Period

Mr. Monte Solberg: Mr. Speaker, another attack on Alberta.

As late as February, the environment minister was musing that gas taxes should be raised because if they were not, income taxes would have to be raised and hospitals would have to be closed.

In 1992 the Prime Minister was taking—

The Speaker: I do not know whether there was a question there, but if the hon. Minister of Finance wants to reply to the allegations, we will hear him.

Hon. Ralph Goodale (Minister of Finance, Lib.): Mr. Speaker, it was indeed difficult to follow the chain of that because the hon. gentleman was interrupted a few times, including by himself.

I want to assure him that raising the fuel tax and the GST is not a part of the policy of the Government of Canada.

[*Translation*]

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, while consumers are paying obscene prices for gasoline, the Prime Minister declared yesterday in this House, and I quote, “—that the government will take every measure necessary to deal with this.”

The price of gas in Montreal has risen beyond \$1 a litre; can the Prime Minister tell us which of those necessary measures the government has taken to curb the oil companies' appetite?

[*English*]

Hon. R. John Efford (Minister of Natural Resources, Lib.): Mr. Speaker, I made a commitment to the House on three occasions in the past several days.

We are very concerned about the price of gas. We know it is an international problem. The price of oil per barrel has escalated to above \$40 U.S. We know the companies are doing an excellent job out there. They are performing very well producing oil and gas all across this country. What we have said very clearly is if there are any problems, they will be reported to the Competition Bureau and we will check them out.

We are concerned and we are checking out every possibility to deal with the issue at hand.

[*Translation*]

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, in Quebec, the average price of gas is 95¢ a litre. In Montreal it is even worse, at more than \$1 a litre for the premium grade. Today the minister is wondering if there is a problem. Yes, there is a problem, and I think he is the problem.

Under these circumstances, how can he still wonder if there is a problem, while the Prime Minister is saying he will take action? What are they waiting for? Do they not understand that there really is a problem?

Hon. Lucienne Robillard (Minister of Industry and Minister responsible for the Economic Development Agency of Canada for the Regions of Quebec, Lib.): Mr. Speaker, speaking of problems, we have a serious one with the Bloc. In fact, the Bloc does not understand quite how international oil prices are set.

The Bloc does not understand that this problem—and there is indeed a problem—is on the international level.

The Bloc does not understand that we are greatly concerned by the dizzying rise in the price of gasoline, which has economic repercussions for consumers and businesses, and that the Competition Bureau of Canada has also decided to have a close look at the petroleum sector.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, as the chief organizer for the Bloc during the next election campaign, I must say that the minister is right; you have a real problem with the Bloc.

Whether the government wants to admit it or not, it has a responsibility. It has a duty to protect consumers.

I want the Minister of Industry to tell me what the government will tolerate before it intervenes to stop the escalation. Is it \$1.25 a litre, \$1.40 a litre, or \$1.50 a litre? When will it assume its responsibilities?

• (1430)

Hon. Lucienne Robillard (Minister of Industry and Minister responsible for the Economic Development Agency of Canada for the Regions of Quebec, Lib.): Mr. Speaker, the member for Roberval can lose his temper all he wants, but we will see how the people will vote in the next election in this country. We will see who will govern this country. It will never be the Bloc. That is impossible.

Obviously we are concerned about this issue. The Competition Bureau is currently examining the oil and gas market.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, the Minister of Industry must be particularly pleased to know that Ken Dryden is joining her team. That will prevent her from scoring into her own net.

The creation of a petroleum monitoring agency is considered an extremely valid measure by members on both sides of this House.

Why does the minister—why does the government—not consider establishing a petroleum monitoring agency to send the oil companies the message that the fun and games are over?

Hon. Lucienne Robillard (Minister of Industry and Minister responsible for the Economic Development Agency of Canada for the Regions of Quebec, Lib.): Mr. Speaker, has the member for Roberval agreed with the government very often? Never. He likes to sit in an opposition seat and criticize. That is all he can do. He is not even capable of making any decisions. Such is the reality of the Bloc Quebecois.

The government is confident that those in charge at the Competition Bureau will look at precisely what is happening on the oil and gas market and act accordingly.

* * *

[*English*]

ELECTORAL BOUNDARIES

Hon. Bill Blaikie (Winnipeg—Transcona, NDP): Mr. Speaker, it is an interesting debate but neither the Liberals nor the Conservatives will ever do anything about gas prices because they are both committed to the corporately dominated market when it comes to this.

Oral Question Period

My question is for the Deputy Prime Minister and it has to do with the democratic deficit. With all the shenanigans going on in the Liberal Party and the refusal to divulge positions on important issues like health care and various other things, it is easy to be cynical, but I want to give the Deputy Prime Minister an opportunity to redeem the government.

Will she tell the House that the government will honour the decision of the Federal Court to reverse the new boundaries in Acadie—Bathurst like the Liberal candidate in that area recommends.

[Translation]

Hon. Jacques Saada (Leader of the Government in the House of Commons and Minister responsible for Democratic Reform, Lib.): Mr. Speaker, I am very much aware of the arguments used in this case relating to the issue of community of interests. As I explained yesterday, this ruling is an extremely important one, and I would like to take time to examine it in detail before reaching any decision.

I think we need to acknowledge at least the integrity of the process, which consists in looking at the result of this ruling, and its real impact. It will, in fact, impact on much more than the difference between Acadie—Bathurst and the next riding. Once we have an informed answer ready, we will give it.

Mr. Yvon Godin (Acadie—Bathurst, NDP): Mr. Speaker, the historic federal court ruling is unequivocal, and acknowledges that the Electoral Boundaries Commission did not respect the community of interest for Acadie—Bathurst.

The Liberal candidate for that riding, Serge Rousselle, says that the Liberals support the court ruling. The Liberal government, however, is intimating that it will not take any action before the election, and may even file an appeal.

My question is for the Prime Minister. Can he explain to us why, every time minorities win a court case, and obtain justice at great expense to themselves, the Liberal government refuses to recognize them?

Hon. Jacques Saada (Leader of the Government in the House of Commons and Minister responsible for Democratic Reform, Lib.): Mr. Speaker, the Liberal government has always been the staunchest defender of Canada's minorities.

In this particular instance, there are consequences we need to look at in greater detail. I am fully aware of the considerations relating to the community of interests. I have read the Supreme Court rulings by Justice Claire L'Heureux-Dubé on these issues and on the balance to be achieved among their demographic considerations. What I want is a bit of time to be able to properly gauge the impact of this ruling.

* * *

• (1435)

[English]

GASOLINE PRICES

Mr. James Rajotte (Edmonton Southwest, CPC): Mr. Speaker, last year the industry committee studied gas prices in Canada and found that taxes are the fastest growing component of the final price

of gasoline. Over the long term the price of gasoline, excluding taxes, increased by 50% while taxes themselves increased by 67%.

When will the government finally provide some relief to Canadians from high gas prices by eliminating the GST on the excise tax?

Hon. Ralph Goodale (Minister of Finance, Lib.): Mr. Speaker, the hon. gentleman talks about tax increases with respect to fuel. I am very pleased to tell him that the federal excise tax on fuel has not changed since 1995 and neither has the GST percentage changed since then.

Mr. James Rajotte (Edmonton Southwest, CPC): Mr. Speaker, my point is their take goes up as the price goes up.

The Liberals say that we did not recommend anything. In fact the official opposition recommended a petroleum information commissioner. We recommended more resources to the Competition Bureau to investigate these cases. We recommended sharing the gas taxes with the provinces and municipalities. None of these recommendations have been acted on.

Why is the government not doing anything to alleviate any of the pain on consumers across the country? When will the Minister of Natural Resources finally step up to the pump and take some action and produce some gas relief for Canadians?

Hon. Ralph Goodale (Minister of Finance, Lib.): Mr. Speaker, I would remind the hon. gentleman that the last time there was an international spike in the price of crude petroleum that drove prices up internationally, including in Canada, the Government of Canada offered to take action in partnership with the provinces to see what could be done by both the Government of Canada and the provinces to reduce their tax take with respect to fuel. Only one province responded to that invitation.

Mr. Brian Pallister (Portage—Lisgar, CPC): It has become pretty clear, Mr. Speaker, that the government has no intention of providing Canadian drivers with any relief on the exorbitant gas prices and taxes. Perhaps the lack of motivation is understandable, given the fact that every cent increase in a litre of gasoline puts \$32 million into its pile of revenue. It even adds insult to injury by forcing Canadians to pay GST on the excise tax.

With this in mind, maybe the government should consider the fact that many Canadians will not be able to afford to start the car at the end of June to go to the polls. Why does the government not do the fair thing and axe the tax on the tax?

Hon. Ralph Goodale (Minister of Finance, Lib.): Mr. Speaker, again I would point out to the hon. gentleman that the difference he is proposing in terms of the actual consumer impact would be perhaps a penny or two. In the course of a complex pricing chain, a penny or two is hardly going to constitute the kind of relief that Canadian consumers would expect.

Mr. Brian Pallister (Portage—Lisgar, CPC): Mr. Speaker, Bono might not mind getting used by the government but Canadian taxpayers are sick and tired of it.

The government seems incapable of understanding the impact that it has on individual Canadians. Consider the impact that high fuel taxes are having on farm families impacted by the BSE crisis. It is a big cost. A big portion of their inputs is gasoline taxes and fuel taxes. Half of that is the taxes they pay to the government.

Why can the government not begin to see Canadians as people with real problems and real challenges instead of just as a source of revenue?

Hon. Ralph Goodale (Minister of Finance, Lib.): Mr. Speaker, the government does indeed see Canadians as real people. Those real people live in real communities across the country. That is why we are in the process of developing the new deal for those communities.

We have already made a \$7 billion contribution to that new deal. We have already accelerated our infrastructure programs from 10 years down to 5 years. We are also in the process of beginning the work on a multibillion dollar program of fuel tax contributions to those municipalities as we promised to do.

* * *

[Translation]

EMPLOYMENT INSURANCE

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ): Mr. Speaker, the government has had an entire term to prepare and adopt acceptable reforms in employment insurance. It made promises during the election campaign of 2000, and now it is 2004.

How can the government decently justify this week's announcement of just a few temporary measures, which do not come anywhere near to fulfilling the promises made in 2000, and especially to meeting the needs of workers in the regions? When will the government stop impoverishing them?

Hon. Eleni Bakopanos (Parliamentary Secretary to the Minister of Human Resources and Skills Development (Social Economy), Lib.): Mr. Speaker, the measures announced this week will help at least 100,000 claimants throughout the country, including workers in Quebec. The measures, however, are directed at regions with the highest unemployment rates, 10% and up.

On this side of the House, we want to help the workers. We do not just want to give empty speeches and rend our garments. We are taking real steps to help them. They have access to five more weeks of benefits.

• (1440)

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ): Mr. Speaker, they have had a whole term to correct the injustices in the EI system, yet they come up with a plan that will give out, at most, \$135 million of the \$3 billion stolen from the EI fund in the last year alone—that is incredible.

How can we not accuse the government of bad faith, when it has made the decision to spend less than 4% of its surplus on improving the system?

Hon. Eleni Bakopanos (Parliamentary Secretary to the Minister of Human Resources and Skills Development (Social Economy), Lib.): Mr. Speaker, thanks to the excellent work by the Prime Minister's Liberal task force, we have taken their recommen-

Oral Question Period

dations into consideration. We have taken steps that put money into the hands of the workers of Quebec, and they now have five more weeks of eligibility. This is in addition to the measures already in place.

The Bloc always overlooks the measures we have already taken to improve the EI system. All of those measures are beneficial to the men and women who work in Quebec and all over Canada.

* * *

SHIPBUILDING

Mr. Odina Desrochers (Lotbinière—L'Érable, BQ): Mr. Speaker, the Prime minister will be travelling to Lévis tomorrow. One of the problems that has been affecting that area for many years is that of the shipyard, which is in difficulty because Canadian shipowners, such as Canada Steamship Lines, have their ships built in China.

Given that the Canadian Forces have plans for three new supply ships, could the Prime Minister, who will be in Lévis tomorrow, assure the workers that these ships will be built in Quebec and that having them built abroad is out of the question?

[English]

Hon. David Pratt (Minister of National Defence, Lib.): Mr. Speaker, the government was very proud to make the announcement with respect to the joint supply ships. As I have indicated in the House in the past, they will be built in Canada should a competitive environment exist.

I am a little surprised by the question from the hon. member in the sense that the Bloc had an opportunity to vote for a recommendation from the defence committee report a number of years ago and failed to support the concept of procuring supply ships at that time.

[Translation]

Mr. Odina Desrochers (Lotbinière—L'Érable, BQ): The Minister of National Defence says that contracts will be awarded on a competitive basis. Under NAFTA and the WTO, however, the minister may have ships built wherever he pleases, and competition does not enter into it.

Since international treaties allow these ships to be built in Canada, why does the minister not commit here and now to have them built in Quebec?

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 repeat, to make sure that the Bloc Québécois clearly understands what the Minister of National Defence has been saying for several weeks, which is that these ships may very well be built in Canada in a competitive environment.

Why? Because we have, in Canada, several shipyards to chose from, which can compete on the market. That is exactly what will happen.

Oral Question Period

[English]

SPONSORSHIP PROGRAM

Mrs. Diane Ablonczy (Calgary—Nose Hill, CPC): Mr. Speaker, the most troubling thing about the sponsorship scandal is how the Prime Minister let Canadians down. When the whole ugly mess was first exposed by the Auditor General, the Prime Minister took to the airwaves about how he was mad as hell and would leave no stone unturned to get to the truth.

However, just like his commitment to fix the democratic deficit proved to be empty talk, his vow to leave no stone unturned soon turned to Liberal stonewalling. Do Canadians not deserve better?

Hon. Anne McLellan (Deputy Prime Minister and Minister of Public Safety and Emergency Preparedness, Lib.): Mr. Speaker, far from stonewalling, the public accounts committee, as I understand it, has held more than 40 meetings. It has heard from more than 50 witnesses. It has heard 116 hours of testimony. I do not think it is unreasonable at this point for the committee to prepare an interim report and share with Canadians a summary of that which it has heard to date.

I would also remind the hon. member that Mr. Justice Gomery's judicial inquiry has begun and Mr. Justice Gomery has made it absolutely plain that he will get to the bottom of what happened in the sponsorship program.

• (1445)

Mrs. Diane Ablonczy (Calgary—Nose Hill, CPC): Mr. Speaker, the Liberals shut down the committee with over 90 witnesses yet to be heard. Justice Gomery at best will not report to the end of 2005.

Liberal procedural stonewalling has not just betrayed Canadians' trust, the Liberals have also given this great country an international black eye, because the world is watching as they duck and weave to cut off evidence that might even further damage their election chances.

Why are the Liberals being so careless with Canada's good name?

Hon. Anne McLellan (Deputy Prime Minister and Minister of Public Safety and Emergency Preparedness, Lib.): Mr. Speaker, far from being careless with Canada's good name, I think if we see the actions taken by the Prime Minister and the government in relation to getting to the bottom of this, we are a model in terms of transparency and accountability.

We have the public accounts committee, Mr. Justice Gomery's judicial inquiry, special counsel to trace funds, whistleblower legislation and a review of governance between crown corporations and the Government of Canada. It is very clear that we want to get to the bottom of this and all those people want to do is filibuster.

Mr. Jason Kenney (Calgary Southeast, CPC): Mr. Speaker, I do not know whether I can believe anything the Deputy Prime Minister has to say, because earlier this week she said "On behalf of the government, I encourage the public accounts committee to continue its work expeditiously". Then the next day Liberal members voted to move the committee in secret and stop hearing witnesses this week.

This morning, every single Liberal committee member voted against my motion to continue hearing witnesses from Monday to Friday of next week.

If the Liberals really want to get to the bottom of the ad scam, then why did they shut down the committee's capacity to hear evidence next week?

Hon. Reg Alcock (President of the Treasury Board and Minister responsible for the Canadian Wheat Board, Lib.): Mr. Speaker, it is so strange to see the opposition complaining about this when it is the opposition that basically has stonewalled the committee all this week.

Indeed, in the words of the chair of the committee to the member for Calgary—Nose Hill, "I would like you to focus on the issue at hand rather than getting into trying to raise the political stakes". If they will not do the work, why should they be there?

Mr. Jason Kenney (Calgary Southeast, CPC): Mr. Speaker, last week the Prime Minister criticized and blamed everyone, rogue bureaucrats, the former prime minister, and now the opposition when he said that we only wanted to work a three day week.

We had a motion to work a five day week next week to hear from some of the 90 unheard witnesses. Guess what? The Liberal members on the committee, under orders from the Prime Minister, voted for a week long holiday.

Instead of acting for the public interest to get to the bottom of Liberal corruption, why are the Liberals running out of Ottawa and covering up the truth about the ad scam?

Hon. Reg Alcock (President of the Treasury Board and Minister responsible for the Canadian Wheat Board, Lib.): Mr. Speaker, I am glad the member raised the question of the public interest. I suspect it would be in the public interest, as reported in the *Halifax Chronicle* today, to find out who paid the member for Pictou—Antigonish—Guysborough to sell out the Progressive Conservative Party.

Apparently, the Leader of the Opposition thinks it is just fine that this information is kept secret. I think Canadians should know that before we go to the polls.

* * *

TAXATION

Mr. Bryon Wilfert (Oak Ridges, Lib.): Mr. Speaker, currently excise tax is charged on all jewellery above \$3 and all watches over \$50 in value. The tax is discriminatory and punitive, since it was removed on luxury items such as cars and fur coats in 1991.

The annual household expenditure on jewellery is estimated at \$130, which is less than the cost of a newspaper subscription.

The tax clearly puts the industry at a competitive disadvantage to all other retail sectors. Canada's major competitors in terms of diamonds, Australia and Russia, eliminated the tax two years ago.

My question is for the Minister of Finance. When will he create a level playing field?

Hon. Ralph Goodale (Minister of Finance, Lib.): Mr. Speaker, a number of members of Parliament, including that member of Parliament, have raised this issue. The member from the Northwest Territories has always been particularly strong on the subject as well.

I will obviously take this and other representations very carefully into account when we are preparing the next budget plan. I know many members of the House, including members of the finance committee, have a very real interest in this subject matter.

* * *

• (1450)

AUTOMOBILE INDUSTRY

Mr. Brian Masse (Windsor West, NDP): Mr. Speaker, in the past two years complacency and arrogance has cost Windsor two DaimlerChrysler auto assembly plants. Currently, General Motors and Ford are asking for a Canadian national auto policy.

My question is for the Minister of Industry. Where is that auto policy? Why do we not have something tangible for the public and the private sector to look at to grow our national treasure in the auto industry? How many jobs will it take before we actually have action from this government?

Hon. Lucienne Robillard (Minister of Industry and Minister responsible for the Economic Development Agency of Canada for the Regions of Quebec, Lib.): Mr. Speaker, it is clear, and it was said in the budget, that the government is preparing a national strategy for the automobile industry. We will do so in conjunction with the industry, labour and parliamentarians and through CAPC. This is the council with all the industry players and with the two ministers from Ontario and Quebec. We are engaged in that situation with them. I hope we will be able to do so this year.

* * *

GASOLINE PRICES

Hon. Lorne Nystrom (Regina—Qu'Appelle, NDP): Mr. Speaker, my question is for the Minister of Finance. The Regina media today is reporting that by the time I get home tomorrow gasoline prices may hit \$1.05 per litre in Regina and elsewhere in Saskatchewan. They are high right across the country.

When I asked the Competition Bureau last year to investigate the link between high gasoline prices and increased corporate concentration in the oil industry, it said that it did not have the mandate or the resources to do so.

In light of that, and I think that is the real question and not taxes, will the minister now immediately give the bureau the resources and the mandate to investigate the link between prices and increased corporate concentration in the oil industry?

Hon. Ralph Goodale (Minister of Finance, Lib.): Mr. Speaker, if there is some deficiency in the mandate of the Competition Bureau which in some way prevents it from acting in the public interest on behalf of Canadian consumers, then obviously the Government of Canada would be interested in ensuring that the Competition Bureau has the mandate and the resources it needs to do its job in the public interest.

Oral Question Period

AGRICULTURE

Mr. Chuck Strahl (Fraser Valley, CPC): Mr. Speaker, when the avian flu crisis hit the Fraser Valley, representatives of the poultry industry immediately sat down with government officials to discuss what steps would be necessary to clean up the disease and preserve the industry in the long term.

Government representatives led them to believe that an adequate compensation package would be paid quickly. Based on that understanding, the industry agreed to the depopulation order. Unfortunately, the government's compensation plan is incomprehensible and clearly inadequate, and now those who have received a payment have been told they will have it clawed back.

Why, three months after the crisis began, is there still no decent compensation package for the farmers?

Hon. Bob Speller (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, there is a decent compensation package for farmers. Since the crisis came to our attention, we have had the ability to sit down with farmers, farm groups, processors and the province to work together on this issue, frankly in a non-partisan way. We have sat down with the producers to ensure that the compensation package reflects the reality of the crises they are facing.

Mr. Chuck Strahl (Fraser Valley, CPC): Mr. Speaker, the reality is that the talks have broken off with the farmers in the Fraser Valley and the government does not seem to be interested in restarting them. In fact when they first sat down with government officials, the farmers were told, for example, that a laying hen was worth between \$20 and \$30 and that was the sort of money they could expect once the compensation order was paid. Now they have been offered only a fraction of that, but what can they do? Their barns are empty. They cannot restock with more birds. They are prohibited from doing business, and they cannot get compensation from the government.

The farmers and the industry are doing their part to try to pull this together. Is it not time that the government came up with a comprehensive and comprehensible compensation plan?

Hon. Bob Speller (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, I wish the hon. member would not stand in the House and say that talks with the farmers have broken off. That is absolutely not true. In fact the Canadian Food Inspection Agency is constantly in contact with the farmers and different farm groups, along with the province, to work on this issue.

Clearly there was a way in which the first payments to farmers was put. It was done by a group that did our BSE compensation. We found some flaws in its work. The Canadian Food Inspection Agency is working with the farm groups to work through the true costs of compensation.

Oral Question Period

Mr. David Anderson (Cypress Hills—Grasslands, CPC): Mr. Speaker, avian flu is not the only disaster. BSE's first birthday is here. Ranchers have been waiting for clear access to the United States markets. On April 19 the United States Department of Agriculture expanded our beef trade with the United States. On April 26, U.S. producer groups moved to restrict Canadian beef. The USDA went along with them and have cut back Canadian beef imports.

There was no science-based reason for this decision. There was no response from the Liberal government. Why has the government failed to defend producers in the latest U.S. trade action?

• (1455)

Hon. Bob Speller (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, that is simply not true. The Government of Canada has worked very closely with producers, the provinces and all groups toward getting that border open. The Prime Minister has taken it to the highest level. He sat down with President Bush. Both have come to the conclusion that this is a North American situation, and one that needs to have cooperation and us working hard together.

The President of the United States responded by saying that he wants those borders open, and we believe that they should open now.

Mr. David Anderson (Cypress Hills—Grasslands, CPC): Mr. Speaker, the government has failed farmers. When one lonely, renegade U.S. producer group headed to court to block Canadian beef imports, what was the government's response? Nothing. There was no legal intervention, no outcry, nothing.

Instead of defending our producers, the Prime Minister covered out of sight, hoping that the U.S. government would protect the interests of our producers. That did not happen and Canadian producers are once again under the gun.

Why did the government put the fate of Canadian producers in the hands of the U.S. government?

Hon. Bob Speller (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, simply, it was a U.S. decision. It was not a decision made by a Canadian court. We have worked very closely and hard with the producers and their associations that are working to get this border open.

I would ask the hon. member to ask the Canadian Cattlemen's Association or any of the other groups whether they feel the Government of Canada has been 100% behind them. They will tell him that this has been the case and that they are very proud of the work done by the Prime Minister, the Deputy Prime Minister, and others have in fact to work toward getting the border open.

* * *

[*Translation*]

AFGHANISTAN

Ms. Francine Lalonde (Mercier, BQ): Mr. Speaker, we know that Canadian troops based in Afghanistan are turning over their prisoners to U.S. authorities. In light of the dreadful abuse suffered by Iraqi prisoners at the hands of the Americans in a Baghdad jail, there is cause for serious concern.

Could the Minister of Foreign Affairs give us the assurance that the prisoners captured by Canadian soldiers in Afghanistan and turned over to U.S. authorities have not suffered the same treatment as those in Baghdad?

[*English*]

Hon. David Pratt (Minister of National Defence, Lib.): Mr. Speaker, the Government of Canada and the Canadian Forces take our obligations under international covenants, especially the Geneva convention, very seriously. In fact we do a significant amount of pre-deployment training in that regard and we have legal counsel as well in theatre to ensure that the rules of engagement and all of our responsibilities and obligations are fulfilled.

I can say without hesitation as well that there have been absolutely no instances, no reports of any abuses of prisoners that have gone through Canadian hands.

[*Translation*]

Ms. Francine Lalonde (Mercier, BQ): Mr. Speaker, some of the prisoners turned over by the Canadians to the U.S. authorities may have ended up in Guantanamo. The fact is that detention conditions there are awful and violate the Geneva Convention.

Could the minister also give us the assurance that those prisoners who are transferred to U.S. authorities are being treated in accordance with the Geneva Convention? What guarantees can he get?

Hon. Bill Graham (Minister of Foreign Affairs, Lib.): Mr. Speaker, this question is now nearly a year old. We know very well that the Red Cross and other authorities have looked into what is going on in Guantanamo. Assurances have been given by the U.S. authorities that prisoners are being treated in accordance with international standards.

* * *

[*English*]

AGRICULTURE

Mr. Charlie Penson (Peace River, CPC): Mr. Speaker, there have been some major developments in the agriculture trade negotiations which are breathing some new life into the Doha round. The European Union has signalled it is willing to eliminate its export agricultural subsidies. The U.S. has responded by showing flexibility in its export programs.

I would like to ask the minister, what is the Liberal government doing to get the Doha round back on track?

Hon. Bob Speller (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, presently the Minister of International Trade is over in Paris meeting with his counterparts to talk about the importance of the Canadian position. There are a number of issues within this trade round that are of concern to Canadian farmers, for instance, supply management. There is no question that the government is 100% behind Canadian supply managed farmers. I wonder whether or not the hon. member can actually say his party is.

Oral Question Period

Mr. Charlie Penson (Peace River, CPC): Mr. Speaker, the Minister of International Trade might be in Paris but he is not meeting with the EU, the U.S., Brazil, India and Australia that are meeting to try to get the Doha round back on track. Canadian inflexibility at the negotiating table has meant we have not been invited to these talks.

When is the Liberal government going to show the leadership required so that Canada is no longer excluded and left on the sidelines in the important negotiations on Doha?

• (1500)

Hon. Bob Speller (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, the hon. Minister of Finance spoke with them this morning.

The Government of Canada plays a very important role in these talks. We can join together countries in the G-8 with some of the developing countries. We can join them together and work with them in terms of putting forward a position which I think is very important to Canadian farmers and farm families.

I can assure the hon. member and all Canadians that the Government of Canada takes these talks very seriously. The Prime Minister has indicated that he wants to make sure that we put forward a very strong Canadian position on this issue.

* * *

[Translation]

QUEBEC CITY BRIDGE

Mr. Christian Jobin (Lévis-et-Chutes-de-la-Chaudière, Lib.): Mr. Speaker, the Quebec City bridge is part of Canada's national heritage. Under a tripartite agreement, the Canadian government, the Quebec government and Canadian National have committed to a major reconstruction project.

In 1997, they signed an agreement to rebuild the bridge. Now that there has been a significant cost over-run, I would like to hear the Minister of Transport tell this House what initiative he has taken to ensure that the parties to the agreement honour this commitment, given the cost over-run, particularly since Quebec City is celebrating its 400th anniversary in 2008.

[English]

Hon. Tony Valeri (Minister of Transport, Lib.): Mr. Speaker, in 1997 a \$60 million contribution agreement was signed by CN, Transport Canada and Quebec's ministry of transportation. It included major restorations and the painting of a steel structure.

As the hon. member has said, CN is anticipating a funding shortfall and there will be delays in completing the project on time. CN has not approached Transport Canada for additional funding. Should a request for funding be received, the department would evaluate that request and determine at that time how to respond.

* * *

CITIZENSHIP AND IMMIGRATION

Mr. Bob Mills (Red Deer, CPC): Mr. Speaker, today the Supreme Court ruled it would not hear the appeal of John Schneeberger enabling him to stay in Canada.

Now that Schneeberger has lost all of his appeals, can the immigration minister advise Canadians and Schneeberger's victims when he will be deported from Canada?

Hon. Anne McLellan (Deputy Prime Minister and Minister of Public Safety and Emergency Preparedness, Lib.): Mr. Speaker, as the hon. member knows, I cannot discuss any particular case. I do want to reassure the hon. member that there are provisions under the Immigration and Refugee Protection Act to remove permanent residents who have committed acts of serious criminality. The border service agency takes its responsibility seriously under the act and will do that which is required to protect the safety of Canadians.

Mr. Bob Mills (Red Deer, CPC): Mr. Speaker, that is not the answer most Canadians right across the country want.

I have been doing talk shows all day and Canadians right across the country want that guy out of here now. I would like and answer. When is he going to be on a plane out of this country? It is not before the courts; do not hide behind that.

Hon. Anne McLellan (Deputy Prime Minister and Minister of Public Safety and Emergency Preparedness, Lib.): In fact, Mr. Speaker, as I have said, I cannot speak to any particular case in relation to a specific removal or potential removal of any individual. However, as I have said, it is absolutely clear under the Immigration and Refugee Protection Act that we have the power to remove permanent residents who have committed serious acts of criminality.

I can reassure the hon. member that the Canadian border service agency takes its responsibilities very seriously.

* * *

[Translation]

ECONOMIC DEVELOPMENT

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, in Montreal there are 10 community economic development corporations, known as CEDCs, each of which plays a coordinating role in its community. These corporations are important actors in industrial, economic, community and social development. CEDCs are thus a part of the Quebec model, which favours local development. Since the Canada-CEDC agreement expired March 2003, federal funding has been renewed three months at a time.

What is the minister waiting for before financing the CEDCs of Montreal on a permanent basis, as the stakeholders of Montreal are calling for?

Hon. Lucienne Robillard (Minister of Industry and Minister responsible for the Economic Development Agency of Canada for the Regions of Quebec, Lib.): Mr. Speaker, the CEDCs of Montreal are, of course, important partners in local economic development, particularly in Montreal's disadvantaged neighbourhoods. They have submitted their proposals to us. At present, they are engaged in negotiations with the officials in Economic Development Canada in order to reach an agreement. I hope that will happen soon.

Tributes

● (1505)

[English]

AGRICULTURE

Mrs. Rose-Marie Ur (Lambton—Kent—Middlesex, Lib.): Mr. Speaker, the Canadian Food Inspection Agency is currently reviewing comments it received on a proposed rule that could allow live honeybee imports into Canada from the United States.

Could the Minister of Agriculture and Agri-Food assure the House and all bee producers in Canada that foreign bee diseases and pests, along with Africanized bees, commonly known as killer bees, will not be permitted to enter Canada under this proposed rule?

Hon. Bob Speller (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, in fact I can give the hon. member the assurance that it will not be happening.

Based on a risk assessment, the Canadian Food Inspection Agency has indicated that it is willing to have queen bees imported from the United States. The hon. member should know that there are differences of opinion between provinces on this issue. The hon. member may be aware that the provinces, if they wish, may be able to ban these bees coming into the country.

There was a review process put out by the Canadian Food Inspection Agency. That date ended two days ago and it will be making a decision shortly.

* * *

[Translation]

PRESENCE IN THE GALLERY

The Speaker: I would like to follow up on the statement by the hon. member for Tobique—Mactaquac, who reminded the House of the tragic death of Cpl. Jamie Brendan in Afghanistan.

[English]

I wish to draw to the attention of hon. members the presence in the gallery of a survivor of that explosion in Afghanistan, Corporal Richard Michael Newman, from Hartland, New Brunswick.

Some hon. members: Hear, hear.

* * *

BUSINESS OF THE HOUSE

Mr. John Reynolds (West Vancouver—Sunshine Coast, CPC): Mr. Speaker, this is the 54th sitting of the third session of the 37th Parliament, with a day to go.

I am wondering if the government House leader could tell us what miracle he has for the next day and a half to save us from probably the least productive session in the 30 years I have been involved in politics.

I also want to say to the government House leader, in all kindness, that I am looking forward to coming back after the election when he will be asking the new prime minister questions from this side of the House.

Hon. Jacques Saada (Leader of the Government in the House of Commons and Minister responsible for Democratic Reform,

Lib.): Mr. Speaker, the true miracle is the number of bills we have been able to pass, notwithstanding their opposition to them.

[Translation]

This afternoon, the House will continue with the opposition day motion. Tomorrow, we will return to Bill C-34, the migratory birds legislation. This will be followed by a motion to refer to committee before second reading Bill C-36, respecting communicable diseases. We will then return to Bill C-33, the Fisheries Act amendments, Bill C-10, respecting marijuana, and Bill C-23, respecting the first nations.

When the House returns on May 25, it will resume this list and take up bills that are introduced or reported from committee in the interim.

Thursday, May 27, shall be an allotted day, something that may not interest them.

* * *

[English]

RIGHT HON. MEMBER FOR CALGARY CENTRE

Hon. Anne McLellan (Deputy Prime Minister and Minister of Public Safety and Emergency Preparedness, Lib.): Mr. Speaker, it is an honour to rise today in this House to pay tribute to a fellow Albertan, and an outstanding parliamentarian and public servant, the right hon. member for Calgary Centre, the man from High River.

Although we have spent years on opposite sides of the House, no one can but have enormous respect for the member's commitment to this place and his profound belief in the importance of the democratic discourse that takes place here. Because of that commitment, the right hon. member displayed on a daily basis his love of language and his understanding of its power; its power to inform, to elevate and to inspire, and at times, dare I say, its power to irritate, to exasperate and to move to anger.

Some have said that the hon. member was able to say more in 35 seconds than others could say in 35 minutes. It is perhaps not surprising that the right hon. member understands the power of language.

He is the son and grandson of newspaper owners and his mother was a French teacher. I am told that as a young man he considered a career in journalism. Indeed, he was the editor of the student newspaper, the *Gateway* at the University of Alberta.

As a student he quickly became involved in his lasting passion, politics. I understand that at the university he debated vigorously the issues of the day with fellow students, such as Jim Coutts, Preston Manning and Senator Joyce Fairbairn. By the late 1960s, the right hon. member had decided to make politics his career. He worked for some time as a speech writer for the late hon. Robert Stanfield.

The right hon. member was first elected to Parliament in 1972, becoming leader of the Progressive Conservative Party in 1976 and Prime Minister in 1979. He left elected politics in 1993 but returned as leader of the Progressive Conservatives in 1998. His commitment to progressive conservatism has never wavered.

As minister of external affairs, the right hon. member represented our country with distinction around the world. I want to particularly note the important role he played, and our country played, in bringing an end to apartheid in South Africa.

[*Translation*]

While he served as the minister responsible for constitutional affairs between 1991 and 1993, the right hon. member's commitment was obvious throughout the country, as he worked tirelessly to bring about constitutional reform through the Charlottetown accord.

• (1510)

[*English*]

While the Charlottetown accord was not finally accepted by Canadians, no one could ever doubt this right hon. member's commitment to a strong and united Canada where policies like official bilingualism are at the heart of who we are and what we aspire to be.

As we all know, the right hon. member has never stopped working on behalf of Canadians, both in and outside the House, either in an official party or not. For example, yesterday he asked a key question about the government's commitment to the fight against HIV-AIDS in this country.

It will be 25 years ago this week that the right hon. member became Prime Minister of Canada.

On behalf of the Prime Minister, the Government of Canada and all Canadians, I wish to thank the right hon. member, his wife, Maureen McTeer, and his daughter, Catherine, for their selfless, courageous and inspiring commitment to this country and its people.

Mr. Speaker, the member had the honour to lead the political party that was there at the founding of our country.

• (1515)

Hon. Stephen Harper (Leader of the Opposition, CPC): Mr. Speaker, as Leader of the Opposition, it is my honour today to rise and pay tribute to the right hon. member for Calgary Centre and to his political career.

I wish to begin by admitting that we have not always been on the same side of political issues. I think we have spent most of our careers and political lives as opponents, but in this business, while this may colour one's perspective, it should not blind one to the abilities and accomplishments of others.

Because of the rivalries that we have had from time to time, the right hon. member and myself are sometimes compared, and I am sure will be more frequently in the future. These comparisons to me are, from my perspective, not always flattering.

I can give one example. A few months back I was on the road as I often am for a number of days at a time and left my family to travel alone back from the riding to Ottawa. My seven year old son Benjamin found himself seated with the right hon. member for Calgary Centre on that four hour plane flight.

Well, a few days later my harshest critic, my wife, delivered the verdict. She said, "Do you realize that lately you have been spending

Tributes

less time with your son than Joe Clark has?" Man, I tell you, some things hurt.

However, there was a point there. As we all struggle with the challenges of living in public life, we cannot help but admire an individual who has been in public life almost his entire adult life and who has not only managed those challenges but has sustained a strong family life, an enduring and loving marriage to his wife Maureen, and a wonderful father-daughter relationship with Catherine who I understand also grew up at Stornoway, like my daughter Rachel.

Today we pay tribute principally though to a long and distinguished career in public service. Whatever our differences, the right hon. member for Calgary Centre has had a career here of well over 30 years. He has by my count been elected to this House eight times. He has served with distinction in key roles such as the constitutional affairs minister and has been minister of external affairs.

He twice led a national political party. He occupied the post of leader of the opposition during some of the most critical battles ever to take place in the history of this Chamber. And it was almost 25 years ago that he received the mandate, albeit briefly as it turned out, to be Prime Minister of Canada, one of only 21 people in the entire history of this country to be so honoured.

As a consequence, the right hon. member for Calgary Centre will leave here with only history to judge him, which makes him a historic figure. Many people come here with the ambition to be historic figures but very, very few ever achieve this. And for that, we salute his career and we wish the right hon. member and his family health and prosperity into the future.

[*Translation*]

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, throughout his very long parliamentary career—he was first elected in 1972—the member for Calgary Centre performed his duties with dignity, a keen sense of public interest and, I might add, a good sense of humour. He is a gentleman.

In March 2002, he joined us to vote in favour of a Bloc Québécois motion calling on the government to recognize the fiscal imbalance. He advocated the rejection of the clarity bill. He did so with arguments that we do not support, but nonetheless, he urged his party to vote against this disgraceful bill.

We did not always agree with his stand on the Quebec issue, as it did not meet our expectations or Quebecers' expectations for that matter. Standing by his convictions, at the end of the 1980s, when the Progressive Conservative Party was in power, he made a sincere attempt to reconcile the aspirations of Quebec and Canada, but unsuccessfully. Nonetheless, he was always open to Quebec, sharing with Quebecers values common to both peoples.

In all sincerity, I hope he enjoys his political retirement with his family, who supported him at all times. I wish him a good retirement and good luck.

Tributes

● (1520)

[English]

Hon. Bill Blaikie (Winnipeg—Transcona, NDP): Mr. Speaker, on behalf of the NDP caucus, I certainly want to wish the right hon. member for Calgary Centre well as this Parliament comes to a close, and to thank him for his distinguished service as a parliamentarian, as a prime minister, as leader of the opposition, as a minister and as a Progressive Conservative.

It should also be said that the right hon. member served Canada particularly well as Canada's foreign affairs minister during the Mulroney years, as I, who was his assigned critic for part of that time, can well attest. It has already been mentioned the role that Canada played under his leadership and the leadership of the prime minister at that time in the fight against apartheid and I think this is a Canadian story that we do not tell well enough or often enough.

One hesitates to be too complimentary about the right hon. member because some of his adversaries have said a political goodbye to him before and lived to hear their praise repeated in a different context. The right hon. member has a history of responding to duty and one never knows where or in what way duty may call again.

The NDP has a relationship, probably not remembered with affection by the hon. member, with one of the most difficult moments in his political life. We moved the motion that ultimately brought down the newly elected government in 1979. We did not, however, determine the government's tactics in response to the motion. That is a responsibility still to be sorted out.

However for the record I want the right hon. member to know that I argued in caucus at the time for letting him govern for a time while we saw what he would or could do. Perhaps it was because it was my first Parliament and I was not anxious to go back to the streets, I am not sure what the reason was, but that was my position at the time and I stick to it.

[Translation]

I would also like to commend the right hon. member for setting an example for western Canadians by being truly open to and aware of Quebec's aspirations and the reality of a bilingual Canada. Although we could debate certain constitutional matters at great length, I think the example he set in this regard is and will be part of the legacy of the right hon. member for Calgary Centre.

[English]

I think the right hon. member was also precocious in his attitude toward women, championing the cause of women's equality long before it was always popular to do so.

Finally, I want to commend the right hon. member for his appreciation of the role of Parliament and, in particular, the role of the House of Commons. Remarks have already been made by the leader of the Bloc Québécois about the right hon. member being a gentleman and about his sense of humour. What I want to say of him and what I think is one of the highest compliments that can be paid a member of Parliament is that he is a House of Commons man who took seriously this place, its procedures and its possibilities, no matter what side of the House he was on, and saw the importance of

doing the nation's business in this chamber and not across the street in some other contrived, unelected and unaccountable venue.

We hope he will write a book, for few have more to teach us about the nature of political commitment, through all the ups and downs that political life offers, than the right hon. member for Calgary Centre.

[Translation]

Good luck and thank you very much.

● (1525)

[English]

Mr. John Herron (Fundy—Royal, PC): Mr. Speaker, I am pleased to join in this tribute to a man who, for over 30 years, spanning four decades, has dedicated his life to serving the public interest.

Canada is a complex country. It has been said that if other countries suffer from having too much history, Canada has too much geography. All that geography makes our great country a place in which diverse and sometimes divergent views and interests coexist and in fact flourish.

Throughout his political career, the right hon. member for Calgary Centre strove to understand that diversity and bridge those divides.

The son of a newspaper man from High River, Alberta, it would have been easier for him to be a man of his roots. Instead, he became a man of the world, always reaching out to the other, whoever the other happened to be.

The right hon. member learned to speak both of Canada's official languages. He named the first woman to serve as foreign affairs minister and the first black cabinet minister. He has always been an ardent supporter of human rights. He fought Canada's fight against South African apartheid. He was instrumental in Canada securing an acid rain treaty with the United States, and he welcomed the Vietnamese boat people.

The constitutional accord he negotiated would have, for the first time, recognized aboriginal peoples in our basic law. In each case there was a political risk and a political price to pay.

Not all of these initiatives were in fact successful but together they speak to his unwavering commitment to make this country a place anyone can call home, no matter their history, no matter their background.

He spoke of Canada as a community of communities long before the concept was fashionable. Indeed, our recent history has shown how truly prescient his vision was.

[Translation]

When I was young, I observed the right hon. member, who served our country as party leader, prime minister and then secretary of state for foreign affairs. He played a role, in a number of ways, in my decision to enter politics. His commitment to Canada and his protection of the public interest are an inspiration to us all.

*Tributes**[English]*

Too often political pundits, media commentators describe what we do in this chamber in terms of winners and losers. That is, of course, important to our system. At its core, our system is in fact adversarial. It starts, after all, after an election, but that, dear friends and colleagues, does not tell the whole story.

At its best, politics is about making the big play in the interest of Canada. In an age of careful political leadership and government by opinion poll, the right hon. member for Calgary Centre stands out as a man who in every circumstance tried to make the big play.

Far removed from the back rooms, focus groups and polling questionnaires, he had a vision and he made his case to Canadians in public places, but more often than not in this House of Commons. He is a fierce opponent in question period and a formidable debater. On occasion, Mr. Speaker, you may have recognized that he is capable of being a tad partisan as well, but his motives were never in question. At all times and in all things he was motivated by the desire to make Canada a better place.

I would be remiss if I did not take a moment to acknowledge his wife and partner in this long political journey, Maureen McTeer, and my friend, Catherine. Political life, as we know it, is hard on families: long hours, time away, stress and hectic schedules, but their approach has always been a team approach. His achievements are their achievements as well.

This House of Commons and indeed this country will always be in the right hon. member's debt, both for the things he did and for the things for which he stood. He has taught me a great deal about the country that we serve and I think we all collectively are better parliamentarians for having known him.

Thank you, Joe.

● (1530)

Right Hon. Joe Clark (Calgary Centre, PC): I have to say, Mr. Speaker, that I preferred these parliamentary tributes when they were about someone else but I appreciate deeply the tribute that the House has paid. I thank my fellow Albertan, the Deputy Prime Minister, for her remarks. I want to thank the Leader of the Opposition and, more particularly, his very engaging son, Benjamin.

[Translation]

I would of course, like to also thank the leader of the Bloc Québécois. He is right, we do not see eye to eye when it comes to certain basic issues relating to Canada, but I think that we both, myself as much as he, appreciate each other's sincerity of commitment to our objectives. He is a little less bilingual than I, but these things happen.

[English]

My colleague, my friend and, dare I say, former youth member of the Progressive Conservative Party of Canada, when there was such a thing, has now, I am pleased to see, confessed his collaboration or the collaboration of his party with the Liberals in bringing down my government in the beginning of our life.

I have to express a particular appreciation to my friend and my colleague in the other part of the Progressive Conservative caucus in

the House of Commons, the member for Fundy—Royal. I admire him as a parliamentarian and an individual, and I very much appreciate his words today.

Mr. Speaker, I think this will be one of the least controversial interventions of my career. I want to begin my remarks where I began my career, which is with the men and women who elected me in the four constituencies in two provinces which it has been my privilege to represent here in the House of Commons.

I am immensely grateful to the voters of that spectacular but short-lived riding of Rocky Mountain in Alberta; the riding of Yellowhead, which I had the privilege to serve for so long; and the riding of Kings—Hants, from which the Deputy Prime Minister comes as does her now colleague, the current member for Kings—Hants; and of course my constituency of Calgary Centre.

I want to express my thanks to literally thousands of other individuals in Canada and abroad, in this House and outside, who have helped me in good times or in bad times or in both.

Everyone here knows, and it has been acknowledged, just how much members of Parliament owe to our families. That is always true but I have to say that in no case has it been more true than in the case of Maureen McTeer and of Catherine Clark.

Maureen sought election here herself, in a difficult constituency and time. She would have been a formidable presence in this House of Commons. It may also be appropriate for me to say, and this is perhaps the most controversial thing I will say today, that Maureen, Catherine and I, under fire, have learned something about family values.

The spokesman for the NDP referred to the defeat of my government in 1979. I have had the privilege of several dramatic moments in this House. I will not recite each one of them.

I remember clearly how that defeat came about after a vote on our budget in 1979. On that vote, the Liberal Party wheeled in every member who could draw breath. They literally evacuated the hospitals. Members of Parliament, on whose desks cobwebs had grown, showed up miraculously to vote. The present Prime Minister should have seen it because I learned that night that just because a member of the Liberal Party might be worn out, battered and beaten up, he can still come back to haunt you.

Now, almost everyone who serves here leaves with a larger vision than they brought. The diversity of Canada becomes a personal experience which lifts most of us beyond the natural Canadian boundaries of region and language and local experience.

The real privilege of working here goes beyond service to our constituents or to our country. In an age of invention and uncertainty there is no other profession so consistently subject to change and to surprise. In an era where people are always learning, there is no better school than public life.

Supply

•(1535)

[Translation]

I learned the other official language here, learned it in my fashion. That helped me understand that the distinct society is not a dead phrase in a constitution, but the living reality of most of French-speaking Canada, and a defining feature of our history and our future.

Serving in this Parliament became my passport to communities and realities I would otherwise never have known so well: aboriginal Canadians, Canadian Jews and Canadian Arabs confronting ancient tensions, farmers seeing their way of life threatened, the transforming imagination of our artists and scientists.

But this Parliament is more than a school. It is a place to act. It is the principal place where the Canadian community can act together.

[English]

This House can reflect our country at its worst or at its best. I have been here for both experiences. At our best this House of Commons defines the public interest of Canada. That happened, I believe, when we argued for and against specific constitutional changes in at least two Parliaments; when we argued for and against a free trade agreement; and when we acted together, as others have mentioned, as a Parliament in a practical campaign against apartheid.

In such debates there are bound to be deep disagreements, because that is in the nature of a diverse country that is continent wide with roots and interests reaching literally everywhere. That very diversity makes it imperative that there be a place where broad public interest can be expressed. There are plenty of voices for private, regional or special interests. At our best in this House of Commons, the whole community can find its Canadian voice.

I have been honoured to serve here. Maureen and I look forward to the next chapters in our lives. I hope my colleagues in the House are able to draw as much satisfaction from their public service as I have from mine.

•(1540)

[Translation]

The Speaker: I would like to thank the right hon. member for Calgary Centre for his remarks, as well as the hon. members who rose today to speak about their own retirement or that of other hon. members.

[English]

In case we do not sit the week after next, I want to say what a pleasure it has been to work with hon. members, particularly on a great parliamentary occasion like this one, where we recognize in the House the election, 25 years ago, of one of our colleagues as Prime Minister of Canada. It does not happen that often.

It is a pleasure to be here on an occasion like this. I am certain all hon. members have appreciated it. I want to pass on my thanks to those who put this together and made this possible.

I also want to thank all hon. members for their cooperation throughout this Parliament which has always been forthcoming from the point of view of the Chair. Thank you very much.

GOVERNMENT ORDERS

•(1545)

*[English]***SUPPLY**

ALLOTTED DAY—STANDING COMMITTEE ON PUBLIC ACCOUNTS

The House resumed consideration of the motion.

Mr. John Bryden (Ancaster—Dundas—Flamborough—Aldershot, CPC): Mr. Speaker, it is quite an honour to rise in the House for my final speech just after the tributes to the hon. member for Calgary Centre.

Before I go into a discussion of the subject before the House, I would like to build on a remark of the right hon. member for Calgary Centre. He was saying how this place reflects Canada. My time in the House is much less than that of the right hon. member for Calgary Centre. I have only been here 11 years. However, I can say that it has been a wonderful experience and I have learned something that outsiders perhaps would not really appreciate or appreciate in the same sense as we who serve here, and that is, how very human the House is.

I have found, whether I am on this side or that side, my colleagues to be people who are motivated by sometimes the highest principles and sometimes by the most human principles. We have everything here from debates concerning the grand issues of the nation and the grand issues of the world, to the expression of petty personal and political rivalries.

That latter point is important. What makes this place work—in my opinion after the years I have been here—is the fact that it is so human. It is not just the strengths of people that we see here; it is also our weaknesses. That is terribly important because in a true democracy the human psyche has to be represented in the House. Otherwise we would have an elite.

If Parliament were to select members of Parliament based on their education only, or based on their experience, or on their ability to speak in the House, then we would not have the kind of democracy that this country is so fortunate to have.

It has been genuinely a pleasure here. I am impressed by the fact that, unlike any other democracy I know, the happenings in the House are watched by the nation. We are genuinely a real drama that is followed by Canadians from one end of the land to the other. We have television cameras. We have the scrum after question period. These are all the things that bring parliamentarians before the people.

What is so great and important is that we do not have to be a cabinet minister, and we do not have to be a prime minister to have an effect on the nation. We do not have to be anything more than a member of the House.

This gives me an opportunity to actually mention one of the things that has always bothered me. It is the suggestion that there is some kind of democratic deficit in this Parliament. It is something that the current Prime Minister has commented on or suggested, and also the former leader of the reform party. I remember away back in 1993-94, he was constantly saying that Parliament was broken.

This Parliament is not broken. Any shortcomings that occur here are shortcomings that belong to we who serve here. Anyone, and I like to think I am an example, has an opportunity to speak out in this place, to speak out in caucus, and to promote those items of legislation or those causes that are near and dear to them.

I do not think there is another country in the world in which that type of opportunity is afforded ordinary individuals who become ordinary MPs. I think it is an absolutely marvellous thing.

As always, I always try to take advantage of the time I have in the House. Even though this is my last occasion before the election to speak in this Chamber, I am not going to say goodbye because I am not a person who says goodbye. I like to think that, whether I am here after the next election or not, I will be haunting the corridors of the House in some way or another.

• (1550)

I will use the opportunity of my time here today to promote one of the things that I as a backbencher have been working on for years. That is access to information reform. The reason why it is relevant is the debate we have before us today involves the sponsorship program and the investigation that has taken place over many months, using the public accounts committee and, if I may say so, an investigation in which I took part two years ago.

The bottom line to me in this whole question of transparency and accountability is changing the protocols to make it impossible for this type of situation that we see in the sponsorship program to occur ever again, where it would appear that documents are not in the file, things have gone missing, and we have a senior bureaucrat who declares that one of the reasons why he did not keep the appropriate records was because he was afraid of the Access to Information Act. I fear that in the debate before public accounts, this point, this tangent shall we say, of transparency and accountability, which is the need to reform and elaborate on the Access to Information Act, has so far been lost.

I will remind members that two weeks ago in this chamber, this House voted on private member's Bill C-462, a bill sponsored by myself, which is a comprehensive reform of the Access to Information Act. It is a product of many years of work. It is a product of backbench MPs working together on all sides of the House. There is a lot of expertise in this bill. Because of that and because of the will of the House, it was passed at second reading by a unanimous vote of 198 to zero. That sends a very strong message from this House about where we as backbench MPs, where we as every MP, stand on transparency and accountability. Where we stand is that we now know it must come forward.

Now, here is my problem. I have sponsored the bill, and the bill is before the House. An election is coming and there seems to be a very strong probability, if not a certainty, that I will not be returned. Consequently, I will not be there to promote in the next Parliament my access to information bill, which I believe is absolutely in the interests of this House, this Parliament and the country.

Therefore, what I am saying to the members gathered here in the House is to remember, if I am not here, that access to information reform is a backbench initiative, a torch if you will, that has to be

Supply

taken up by other backbench MPs. I believe the groundwork is covered. I believe the will of Parliament is there. I believe that the leadership on all sides of the House and the leadership in the civil services are behind the legislation, and so I do hope it goes forward, and I will be content. It is not necessary to have one's name attached to a bill. It is not necessary to have one's name attached to any initiative that is positive and in the public interest in the House. The important thing is that it be done.

Let me end on one final note so that people watching can perhaps understand a little more about what motivates us here, what motivates us on all sides of the House when we are at our best. The thing is that we as parliamentarians here, be we ministers, prime ministers or backbench MPs, have an opportunity to change the lives of Canadians and we have the opportunity to change the lives of people who we will never know and never see. I would suggest to you, Mr. Speaker, that this is the highest form of charity, the highest form of good, not simply to help people whom we can see and get the satisfaction in our hearts and souls because we have made their lives better, but the really greatest good is to do something in this House that will help people we will never see, but that makes the lives of Canadians better.

• (1555)

Mr. Derek Lee (Scarborough—Rouge River, Lib.): Mr. Speaker, I hope you will accept the latitude extended to many members today, this day being near the end of what is likely to be the end of our Parliament. I just want to note the hon. member's remarks on this subject, but as he has indicated he may not be back here.

I want to let the record show his contributions to this place, while he has been here on behalf of his constituents, in the area of access to information, public accountability and transparency. He was one of the few individuals in the House who had a background in security intelligence that allowed him to also contribute what I will call value added to this place, not just in that envelope but in many others.

He has in his remarks made reference to his private member's bill. It is the largest private member's bill I have ever seen here and as complex as any. I remember him working on this years ago, not just alone but in collaboration with other members, not just one party but all parties. He is a member who has made contributions here on issues involving members from both sides of the House. He has been able to focus on public interest issues in a value added way. He was able to put the partisanship aside and really focus on what he and others believed were in the best interest of Canadians.

I wanted to make that comment as a form of tribute. I will not take more time, but thanks to the member and thank you, Mr. Speaker, for allowing me to say that.

The Deputy Speaker: If I could suggest, maybe what I will do is recognize other members who may want to make a comment or ask a question and ultimately the final word would go to the hon. member for Ancaster—Dundas—Flamborough—Aldershot.

Hon. Andrew Telegdi (Parliamentary Secretary to the Prime Minister (Aboriginal Affairs), Lib.): Mr. Speaker, I too rise to pay tribute to the member. Certainly, in some small way, I assisted in his quest which received unanimous support in the House. Therefore, I think it bodes well to say it will come back, and there is no question the member's fingerprints are all over it.

Supply

I spoke about the member on other occasions. I called him really a member of this Parliament, a man of the House. I think *Hansard* aptly records his many contributions.

I fondly recall when the member and I served on the citizenship and immigration committee together. Come to think of it, Mr. Speaker, you were the whip at the time. We managed to derail a government bill that we believed was not in the best interest of Canadians. After the House passed it, we proceeded together with another member of the opposition to go to the Senate to argue against its passage.

Therefore, I say, through you, Mr. Speaker, to the member that since 1993 he has left a real mark in the House. He has contributed much above his weight. In a very real sense, and I guess in some cases I believe in the tooth fairy, I do hope that he comes back because I think the member still has a contribution to make.

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, as always I enjoy to be in the House to listen to this member, to share his insight and his knowledge on a substantial amount of issues. We will miss him. We will miss his work ethic and the honourable way in which he discharged himself as a member of Parliament, since he has been in this place.

I simply wanted to rise to pay tribute to a man who I believe has been an excellent member of Parliament. I wish him all the best in his future career.

Hon. Larry Bagnell (Parliamentary Secretary to the Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, I too would like to briefly credit the member. When we have a House of 301, soon to be 308 members, it is sometimes difficult to be seen apart and different from the large group. However, definitely this member is a distinct individual. As the last member said, I too always listened intently to him because he always had a unique perspective. He has certainly served the House and democracy well and of course his constituents.

I would also like to pay tribute to all members who are leaving and who were paid tribute to before.

It may be my last opportunity to congratulate you, Mr. Speaker, on your ability to referee this rowdy raucous rabble in the House fairly over the term. You have been fair to everyone in the House, no matter where they have sat.

• (1600)

Mr. Jason Kenney (Calgary Southeast, CPC): Mr. Speaker, I would like to add my words to those of my hon. colleagues in praising the contributions made by the hon. member for Ancaster—Dundas—Flamborough—Aldershot to this place and the public life of this country over the past several years.

I have always had considerable regard for the talents of the member. I feel he is something close to being a model of what a legislator is supposed to be. Often we forget that. We get so focused on our role as politicians or members of parties that we forget our primary function here is to be legislators.

Even though I have not always agreed with him, he has always struck me as somebody who is diligent, honest and understands the legislative process in a fashion that a vast majority of us do not. He deserves great credit for the very substantive and thoughtful

contributions he has made to public policy in this place over the better part of the last decade.

Mr. John Bryden (Ancaster—Dundas—Flamborough—Aldershot, CPC): Mr. Speaker, I do not have adequate words to respond to the fine things that were just said. Of all the things that one can acquire in life, material things, abstract things, there is no greater thing of value than the respect and the honour of one's colleagues and particularly our colleagues in this place.

I thank those who spoke. I can tell all of them and all the people who are watching that it has been a tremendous privilege to be a parliamentarian. I love this place. I wish that Canadians could somehow feel what I feel in my heart for the 10 years I have spent here. I know they will be unable to feel that, Mr. Speaker, but I will leave the House and I will always know it. I thank all.

The Deputy Speaker: During debate this morning the hon. member for Provencher rose to object to remarks made earlier by the hon. member for Kitchener—Waterloo and I undertook to return to the House. I have now had an opportunity to review the blues and wish to make a brief comment on the exchange.

Let me refer hon. members to page 534 of Marleau and Montpetit concerning the *sub judice* convention:

The *sub judice* convention is first and foremost a voluntary restraint [the emphasis is mine on voluntary restraint] on the part of the House to protect [a]...party to a court action or judicial inquiry, from suffering any prejudicial effect from public discussion of the issue. Secondly, the convention also exists, as Speaker Fraser noted, "to maintain a separation and mutual respect between legislative and judicial branches of government". Thus, the perception and reality of the independence of the judiciary must be jealously guarded.

I believe that both hon. members have made their positions clear and the Chair need take the matter no further.

I do caution members to be judicious in their comments, however passionately they may believe in the differing positions they hold on issues.

Hon. Larry Bagnell (Parliamentary Secretary to the Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, I briefly want to add my tributes to the tributes we had after question period today to the right hon. member who has served a distinguished time in this Parliament and who dedicated a greater part of his career to Canadians. I think his family should be proud of him. His words were very well spoken. As a tribute to him, a lot of members stayed in the House to listen to his final words of wisdom as they go forward into their future roles in the House.

I welcome the opportunity to take part in the debate today. I will begin by providing some background information on the sponsorship program. I will review some of the events that led up to the program's cancellation and I will discuss the measures taken by the government since the tabling of the Auditor General's report.

The sponsorship program was originally created in 1997. In 2000 it was subjected to an internal audit directed by the then deputy minister, Mr. Ranald Quail. Since then the sponsorship program has been a focus of extensive concern and criticism, both from within the government and outside, especially for the period between 1997 and 2000.

The 2000 internal audit found deficiencies in documentation, contracting, internal controls and management practices. An action plan was implemented and corrective measures were put in place, such as new guidelines, better documentation of files and post-mortem reports, to name a few. Both the audit and the action plan were made public on the Internet.

In March 2002, the Auditor General of Canada, Ms. Sheila Fraser, was asked by the then minister of Public Works and Government Services Canada to audit three contracts awarded between 1996 and 1999 to Groupaction. In May 2002, Ms. Fraser released her audit on the three contracts and referred the government's handling of these contracts to the RCMP for further investigation.

When the former minister was appointed on May 26, 2002, his first act was to impose an immediate moratorium on future sponsorship initiatives until he was satisfied that the program criteria was sound.

On July 3, 2002, the former minister lifted the moratorium on the sponsorship program for the balance of the fiscal year. It was also confirmed that the interim program would proceed without the use of external communications agencies to deliver it.

While the program was being reassessed, a detailed review of past sponsorship files was undertaken. Under the senior authority of the financial officer of Public Works and Government Services Canada, a quick response team was assembled comprising financial and procurement specialists within Public Works and Government Services Canada and auditors from Consulting and Audit Canada.

Between May and July 2002, a case by case review of 721 sponsorship files was carried out to determine their completeness and to report on any areas of concern. These files were from several agencies with which Public Works and Government Services Canada had sponsorship contracts.

The quick response team conducted a detailed review of 126 files which were deemed to be of primary interest because they were: of a high dollar value, that is over \$500,000; had received media coverage; and had known deficiencies, such as absence of post-mortem reports.

The QRT file review yielded a great deal of useful information and recommendations, which the QRT presented in their final project report tabled in the House of Commons on October 10, 2002.

• (1605)

Members will note that this file review of the quick response team is in addition to the government-wide audit of advertising, sponsorship and public opinion research that was launched by the Auditor General. Our officials cooperated fully with the work of the Auditor General.

Throughout the review of the 721 files by the quick response team, when irregularities were discovered they were pursued. If there was evidence of wrongdoing, the authorities were called in.

The final review report of the quick response team included five recommendations, which have been acted upon. The first recommendation was that the files requiring the attention of Justice Canada and/or the RCMP be recommended for referral.

Supply

In addition to the three referrals made by the Auditor General, a number of additional cases are currently under investigation by the RCMP.

As the House knows, the RCMP has laid charges as a result of its ongoing investigations.

It should be noted that it is the RCMP that determines which files warrant investigation. I can assure hon. members that members of the RCMP are following the facts wherever they may lead.

The second recommendation was that time verification audits be carried out. Consulting and Audit Canada has pursued time verification audits at several communications agencies which previously did work under the sponsorship program. Through the time verification audits, the government exercised its right to examine these agencies' detailed records. Unfortunately, the records maintained by these contractors were not adequate to support proper investigations of this nature, and most of the audits have been closed or terminated.

The third recommendation was that the government initiate the recovery of funds where warranted. The government has written to five private sector firms requesting they provide evidence that the goods and/or services paid for by the government were delivered, and that no overpayments were made.

To safeguard taxpayer dollars, the sum of \$3.65 million is being withheld to be used if necessary to offset the amounts which were previously paid out but for which appropriate deliverables to the government cannot be ascertained.

The fourth recommendation in the final report by the quick response team stipulated that potential breaches of the Financial Administration Act, and Treasury Board and Public Works and Government Services Canada departmental policies be investigated.

During testimony before the public accounts committee in June 2002, the former deputy minister committed to undertake an administrative review. Two reports were prepared by an independent forensic audit firm. They identified potential issues of non-compliance with the Financial Administration Act, government contracting policies and regulations, and delegated contracting authorities.

A departmental review committee then conducted employee interviews. None of the individuals involved in this review are currently Public Works and Government Services Canada employees. Recommendations were referred to the relevant departments and agencies that have taken appropriate disciplinary action.

The fifth recommendation called for the issue of subcontracting to be reviewed and recommended for referral to Justice Canada to determine if recovery action was appropriate. A number of subcontracting situations are being examined and we are pursuing these with Justice Canada officials.

Supply

In December 2002, the government announced that a redesigned sponsorship program would be put in place for a trial period of one year ending on March 31, 2004. The new program was to be limited to not for profit sporting, cultural and community events with the goal of achieving an equitable distribution of sponsorship funds in all provinces and territories. Communication Canada was responsible for managing the program, without the use of intermediaries.

● (1610)

Of course, all this has now changed. The Prime Minister's decision to cancel the sponsorship program reflects the government's belief that the program was fundamentally flawed. The Prime Minister also announced the disbandment of Communication Canada as of March 31, 2004.

Further, on February 10, 2004, in response to the Auditor General's report, the government announced a comprehensive set of measures to ensure that we get to the bottom of the matter. These measures include: the establishment of an independent commission of inquiry, which is fully mandated under the Inquiries Act; the appointment of a special counsel for financial recovery; the introduction of whistleblower legislation; measures to strengthen audit committees for crown corporations and the possible extension of access to information to crown corporations; the initiation of a review on changes to the governance of crown corporations, on changes to the Financial Administration Act and on the accountabilitys of ministers and public servants; and the early start up of the public accounts committee.

The public accounts committee has been working hard for the last three months. Members from all sides should be applauded for this work. The government has cooperated fully with the work of the committee, including the unprecedented release of all cabinet documents.

If after three months of testimony from numerous witnesses, the committee decides to prepare an interim report, it would seem reasonable to me.

The government already has independent mechanisms in place for getting to the bottom of this. These mechanisms are working and will continue to provide Canadians with the answers they deserve.

The government recognizes the mistakes of the past and has taken measures to ensure that all aspects of the sponsorship program are thoroughly ventilated.

I now want to give my personal views on a couple of items. The member who spoke before me raised the issue of the democratic deficit and suggested there was none. I thoroughly agree with the member.

When I first arrived in Parliament I was very busy trying to keep up with my constituents' demands, but in the House there was all this conversation from the other side of the House related to the democratic deficit and the problems in Parliament.

Members have probably noticed that since the new Prime Minister has come in we have heard very little of this because there have been master changes in the House. Appointments are being reviewed, committees have more freedom and we have more free votes in the House, which the new Prime Minister promised. This was a new

vision that he put forward and he has followed it. People have seen it.

Members just have to read *Hansard* to see the dramatic changes in the House in this respect. In fact, it is almost curious that if we look at Parliament now, the decisions on the country are largely being determined by the government party because the government party is voting freely on everything except the budget and confidence motions. The government is quite often voting on different sides of an issue, depending on members' beliefs and what their constituents direct. If we check the record, we see that opposition parties are more often all voting together. I think that is why this has been such an exciting change for me.

● (1615)

I have certainly taken the opportunity to vote against government initiatives. I want to tell a personal story about the Prime Minister. The first time I voted against the government was on a major initiative under this new government. I was mildly worried because it happened to be a project which I think was dear to the Prime Minister. We were in a private meeting, the time to air one's laundry but also the time when one would expect to be chastised for such an action. The Prime Minister spoke to us in private; he was not trying to convince the public or put on a show. He said to the people who had voted against the motion that it was fine, it was great, that was how the system was supposed to work. I say that for Canadians who are worried about the sincerity of his efforts to improve the democratic deficit.

Of course, people from different parties will say that more needs to be done in different areas and they will pick out specific situations, but I do not think there is anyone in the House who can deny that there has been major progress in some areas. I certainly pay tribute to the Prime Minister for taking that on and moving that file forward in the areas that he has.

I want to talk a bit about controls on government programs, when they go wrong and how we fix them. As everyone knows, there is a huge bureaucracy, hundreds of thousands of employees, and there are 301 of us here to try to make sense of and keep up with the programs. It is a very daunting task.

When I worked in one of the departments over the last decade there were a lot of central controls. The President of the Treasury Board brought up this very important point a few months ago. We have put some of them back in response to the problem with the sponsorship program.

There were a lot of central controls and things were very bureaucratic. If a department, including the one I worked in, wanted to do something, it would go through excessive mechanisms to get something done. Sometimes that is not very efficient. In theory, of course, there are economies of scale and controls on things, but one could see how it would aggravate people. Of course, the person on the street is aggravated to no end by delays because of the mechanisms.

Supply

At that time there was a modernization which put some authority back in the hands of the departments themselves so that they could make decisions from where they stood on local things relating to their department. Obviously too many controls were taken off in some areas and that opened up the situation we have now.

Everyone in the House has heard for a long time that the controls will be put back in place so that cannot happen again. It is a lot harder for individual fiefdoms to happen, but of course problems will always occur. When there is a huge operation of hundreds of thousands of employees and hundreds of politicians and their staff, there are going to be problems, but there are measures of success. What people are looking for is how those problems are dealt with. As we know, there is a huge list of items, some of which I mentioned, that we have put in place to deal with that problem. I think Canadians are happy with the efforts to put new mechanisms in place.

The last thing I want to say is we have to be careful when we deal with problems that we do not go overboard putting in many controls. The reason I raise this is related to another program that had a problem. A number of constituents and organizations have come to me because there is so much bureaucracy and so many controls that the clients who have limited financial resources who really need the service and access to those resources are being hurt. I want to caution everyone that as we come up with solutions for things like this that we do not go overboard so that we cannot do the business and we end up hurting the clients that we are meant to help.

• (1620)

Mr. Ken Epp (Elk Island, CPC): Mr. Speaker, I must say that when the member for Yukon was first elected, I was rather sorry to see him here. Prior to that, the riding had been represented by Louise Hardy, as I recall, from the NDP, a very fine, very gentle person. I was rather surprised that the member was able to displace her in the 2000 election. However, since he has been here, he has participated a lot in the debates in the House. He is usually a thoughtful member. I have appreciated his interventions. Now, let us put the nice things aside.

Having said that, he spoke for 20 minutes and essentially did not address the issue of the motion of the day. The motion of the day basically calls for the investigation that is being done by the public accounts committee to continue and that steps be taken so that would be permitted. Notwithstanding the usual rules of the House that all committees are dissolved the instant an election is called, the committee should continue its work. There is a very good reason for it.

Sure the committee has heard from approximately 50 witnesses, but the call has gone out that anybody with information should make themselves known to the committee and be prepared to come forward to shed light on what actually happened. The burning question for Canadians is, where did the money go and who has it? That is the question.

Another burning question is, where was the political direction for this? That is something which the Prime Minister acknowledged, that there had to have been political direction, but we do not know where it came from. That is another question which has to be answered.

I was watching a replay on CPAC the other night, around 2:00 in the morning. I guess I have some serious problems being awake at that time of the night watching CPAC replays. I noticed along the bottom of the screen there is a little tickertape line. It gives the phone number for the legal counsel of the committee and indicates that people who have any information and would like to come forward can phone that number in confidence and the committee counsel will talk to them to see whether or not they have relevant testimony.

There have been some 80 more witnesses identified by that means and other means. These witnesses have a right to be heard but more important, Canadian citizens have a right to hear them.

I say to the hon. member, hey, I loved the speech, it was wonderful, but it did not address the question. Is the reason that he avoided the question that the Liberals, and he is one of them, simply would like this problem to go away, to be swept under the rug and the truth to be hidden perpetually?

• (1625)

Hon. Larry Bagnell: Mr. Speaker, I appreciate the first part of the member's comments, the tribute. I have to pay tribute to him as well. We have shared many late nights and he is the last person here on evening debates, until four in the morning. I congratulate him for that.

Then the member went on to ask tougher questions. What he suggested was that I did not talk to the motion of the day. I think I was trying to get at that in some of my items at the end of my speech. The reason is that out of thousands of government programs, on one program related to a limited number of individuals, we have had incessant and lengthy debates. We are debating it all day today, and it has been debated in committee for months. I do not think there is any lack of information or debate on that topic.

What I was trying to say is that I hope we do not lose sight of the rest of the governing, the other hundreds of thousands of things that hundreds of thousands of federal government employees are doing to help Canadians. We as politicians should have oversight. As the government, through our regular checking procedures we should make sure that they are working as efficiently, effectively and as productively as possible. The opposition should be spending a lot of time inquiring into a lot of those areas as well.

I have made the point a number of times previously in the House, that since Christmas there have been very few questions by the opposition relating to other things which suggests there is no platform. However with other things that are going on in the government I am sure the opposition does not think everything the government is doing is perfect, that the hundreds of other programs of the Government of Canada are working perfectly, that we are allocating our funds perfectly and that we are collecting the correct amount of funds. I want to make sure that we look at the bigger picture.

As we look at the remedies, there have not been many comments or discussions on the remedies. I do not know if the member has seen it in his riding, but in my riding groups of constituents have come in to my office to discuss how the remedies are harming them. I would think that the member would like to ensure that the remedies were effective but did not hurt the constituents.

Supply

•(1630)

Mrs. Lynne Yelich (Blackstrap, CPC): Mr. Speaker, I am not sure if I heard correctly, but did the parliamentary secretary say that the government was putting legislation forward that crown corporations will be included in the access to information legislation?

Hon. Larry Bagnell: Mr. Speaker, I said we were reviewing that possibility.

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, the premise to my question is that the motion is not clear and I would like to have the member's comments. It says that the Standing Committee on Public Accounts will continue after an election is called and until a new Parliament is started and the new public accounts committee is reconstituted.

I am trying to understand how it is possible for a committee that exists today to continue when some of its members are not running again in the next election and some of its members may not be elected in the next election. I do not understand how we could possibly link the current committee through a contiguous process. It just does not seem to make sense.

Hon. Larry Bagnell: Mr. Speaker, that is a very good question, but because it is the opposition's motion I will leave it to the opposition to answer. In fairness to the opposition members and so that they get most of the question period, I will let them have the time to ask more hard questions.

Mr. Ken Epp: Mr. Speaker, the member, in responding to my previous question, suggested that there were thousands of other little contracts and things going on and we should not focus totally on this program. Surely he is not suggesting to Canadian taxpayers that a \$250 million program is trivial and petty cash.

Hon. Larry Bagnell: Mr. Speaker, I do not think I used the word contracts. I was referring to other programs, some of which are bigger than this program.

The Deputy Speaker: It is my duty pursuant to Standing Order 38 to inform the House that the question to be raised tonight at the time of adjournment is as follows: the hon. member for New Brunswick Southwest, Campobello Island.

Resuming debate, the hon. member for Calgary Southeast.

Mr. Jason Kenney (Calgary Southeast, CPC): Mr. Speaker, it is my pleasure to rise in support of today's Conservative opposition motion. Let me read it once more into the record:

That, in the interest of transparency, the government should ensure that the work that has been done by the Standing Committee on Public Accounts into the sponsorship scandal be continued after the Prime Minister calls a general election and until the Standing Committee on Public Accounts is reconstituted in a new parliament by establishing a commission under the Inquiries Act.

The purpose of this motion is to allow the Prime Minister the opportunity to fulfill his solemn commitment given to Canadians in February of this year after the tabling of the Auditor General's report with respect to chapters 3, 4 and 5 dealing with the sponsorship program and government-wide advertising and public opinion research.

Following the release of this scandalous report, the Prime Minister exclaimed that he was as mad as hell. He said that the people responsible for this were going to pay. He said that anybody who

was found to have known that people were cutting cheques or falsifying invoices did not belong in public life. He went on to say on Feb. 13 of this year:

I do know that clearly there...had to be political direction.

He then said:

Let me assure you that those who are responsible, regardless of who they are, where they work or whatever they may have worked in the past, will face the full consequences of their actions.

He later said:

It is impossible to believe there was no political direction.

The same Prime Minister went on to commit to Canadians that he would leave no stone unturned in getting to the bottom of the ad scam Liberal corruption. He promised that Canadians would have answers before an election was to be called.

Yet, we have been compelled to introduce this motion today precisely because Canadians do not have answers to the meaningful questions, and precisely because the Prime Minister has broken his word. He has violated his trust and, inadvertently perhaps, misled Canadians about his intent to get to the bottom of this before calling an election.

Why do I say that? We have heard the government members today carry on about the exhaustive, supposedly historic, measures taken to examine this historically enormous scandal.

Let us look at those efforts. First of all, references to the RCMP for criminal investigation and the laying of potential charges have barely even begun so far as we know. Indeed, this past week two charges were laid in respect of a report of the Auditor General that was tabled two years ago. It took the RCMP two years to investigate criminal wrongdoing related to three contracts totalling \$2 million.

The RCMP is faced with hundreds of contracts involving as much as \$100 million in fees and commissions paid to Liberal advertising firms principally operating in Montreal. The Auditor General testified there was little or no documentation to verify these contracts. She said in her report to Parliament that documentation was very poor and there was little evidence of analysis to support the expenditure of more than \$250 million. Over \$100 million was paid to communication agencies as production fees and commissions.

I am speaking on this because I have been an active member of the public accounts committee since February. I have sat through some 11 weeks of hearings and testimony, listening to witnesses. I am here to testify that after my best efforts, and I believe those of any member of the committee who is willing to be honest, I must say that we are not substantially closer to the truth of this affair today than we were when the public accounts committee began. That is partly because we have only begun the process of hearing evidence.

•(1635)

At the beginning of the process, members of the committee collaboratively agreed on a list of prospective witnesses who could bring important information to the committee. I have that witness list here.

The witness list originally included some 130 prospective witnesses. To date the committee has heard from little more than 40 of those witnesses. Ninety prospective witnesses have not yet been heard from. I will detail some of those witnesses in a moment.

The committee has requested several important documents that have not yet been received. Witnesses have come to the committee and I believe have deliberately misled the committee in contempt of Parliament and in de facto, if not in de jure, committed perjury, including former ministers of the Crown and former senior public officials.

We hired an expert forensic accounting firm, KPMG, to assist the committee in this important inquiry. KPMG has identified question after question and issue after issue that have not yet been resolved. These are all reasons why we must continue the work of the committee and do it diligently.

Let me give an example of some of the witnesses from whom we have not yet heard. For instance, we have not heard from former chairmen, several of them, of Canada Post, one of the crown corporations implicated in the scandal.

We have not heard from former senior officials at VIA Rail who could confirm or deny the testimony of Marc LeFrançois, the former president.

We have not heard from senior officials from the Royal Canadian Mint with respect to their knowledge of this affair, or people from the Business Development Bank which, of course, was centrally involved in these scandals, including Michel Vennat, the former chairman, or for that matter Jean Carle, former executive assistant to then Prime Minister Chrétien.

We have not heard from Jon Grant, former chairman of Canada Lands, a victim of the witch hunt of the government and an important whistleblower. We have not heard from senior officials from the Port of Montreal, who could testify about the bizarre \$1.5 million grant for a giant screen for the port that seems to have disappeared.

We have not heard from senior people from the RCMP who could add to the inquiry. We have not heard from anyone responsible at Groupaction Marketing, perhaps the central ad scam agency involved in this matter. We certainly have not heard from Jean Brault, president of Groupaction, now under criminal charge for several counts of fraud.

Nor have we heard from Jean Lafleur of Lafleur Communications, who is a central figure, another multi-million dollar donor to the Liberal Party of Canada, a Liberal fundraiser, a Liberal crony, Liberal organizer and beneficiary of the millions that went missing in the ad scam.

We have not heard from anyone from Gosselin Communications stratégiques. We have not heard from anyone at Communications Coffin or Compass Communications. I could go on and on about the people from the ad agencies that have not yet testified before the committee.

We have not heard from former clerks of the Privy Council, like Jocelyne Bourgon or Mel Cappe, who could tell us what the Privy Council knew and when it knew, and what directions they gave.

Supply

Whether for instance, did an official from the Federal-Provincial Relations Office of the PCO call Chuck Guité in 1995 and instruct him to bend the rules, if necessary, in the government's advertising program? We would like to hear them testify to that question.

We have not heard from the former minister of public works, now the member from a riding near Ottawa who was prepared to testify the other day, but was unable to because of Liberal procedural tactics. We have not heard from the current Minister of Finance, who was also a former minister of public works, and himself intervened to get sole sourced contracts for his friends at Earnscliffe Strategy Group.

We have not heard from former presidents of the treasury board, including two current members of this place. We have not heard from the Minister of the Environment, whose constituency staff told a constituent that there was a secret slush fund available that turned out to be the sponsorship program. We have not heard from the President of the Privy Council, whose name has come up on almost a daily basis in relation to the ad scam inquiry.

• (1640)

We have not heard from industry experts like the Advertising Standards Council or the Association of Quebec Advertising Agencies.

We have not heard from Robert Scully of L'Information essentielle, the man involved in the Rocket Richard series that was exposed by the Auditor General. We have not heard from dozens of political staffers like Mario Laguë, Bruce Hartley, Karl Littler, Terrie O'Leary, Warren Kinsella, Jean Carle, Albano Gidaro, Elly Alboim Earnscliffe, and Jacques Hudon.

We have not heard from political organizers for the Liberal Party in Quebec who could testify about the fundraising connections between the ad scam agencies and the Liberal Party of Canada in Quebec.

We have not heard from Vincenzo Gagliano, son of Alfonso Gagliano, who received suspicious government contracts routed through firms like Groupaction and Groupe Everest. We have not heard from political assistants to Mr. Gagliano like Pierre Brodeur. We have not heard from Pierre Tremblay, former chief of staff to minister Gagliano who then became executive director of the sponsorship program after the departure of Chuck Guité.

Most notably, we have not heard from the right hon. Jean Chrétien, former Prime Minister of Canada, who was the man ultimately in charge, and who gave the orders, I believe, to Jean Pelletier to get this thing done. Ultimately, he set up the peculiar relationship between Chuck Guité and his ministers like David Dingwall and Alfonso Gagliano. Jean Chrétien fired the member of the House who was for a brief while public works minister and refused to play the game.

Supply

The committee is not yet one-third of the way through hearing from prospective witnesses and has not heard from the critical witnesses, the people who ultimately could have and would have given the political direction about which the current Prime Minister has spoken. I am talking about witnesses like Jean Chrétien, Jean Carle, and people like Pierre Tremblay from the sponsorship program itself.

KPMG, our forensic auditors, have provided us with many pages of unanswered questions, of contradictory testimony, and of what yet needs to be done by the committee. It did this in a briefing before us only days ago. There are documents that we have requested that we have not yet received. There are documents that we in the opposition have requested that government members have refused to allow us access to, such as notes taken by the clerks of the Privy Council in meetings with the former Prime Minister that pertain to the sponsorship scandal.

These would allow us to know what this Prime Minister and his predecessor knew about the ad scam, and what direction they gave and when they gave it. Liberals will not allow us to see those documents because presumably they have something to hide.

The Liberals voted against an opposition motion to give access to the Gagliano papers, his diaries and agendas, which would have allowed us to verify whether or not Mr. Gagliano misled the committee, and committed perjury when he claimed to have had virtually no working relationship with Chuck Guité and exercised no political direction or oversight in the program.

What we have here is the anatomy of a cover-up of the largest scandal involving public funds and the abuse of public trust in decades according to sober minded political historians like Michael Bliss. This is a scandal that has brought government itself, not just this government, but government itself into disrepute in this country and abroad.

What we have here is a unit of government that was set up in the words of Huguette Tremblay “without any rules” and in the words of the Auditor General was designed “to break all the rules” in order to benefit, and I believe criminally, certain people who had certain privileged access to the governing party.

That is what we are dealing with here. We are not dealing with some run of the mill misadministration that the government will look into. This is about a fundamental issue of trust. This is about theft. The former Prime Minister, Mr. Chrétien, himself said that “millions may have been stolen”.

This is not just the assertion of the opposition. The former Prime Minister, the man most likely to have provided the political direction, said “millions may have been stolen”, but it was justified because, in his perverse view of the world, \$100 million thrown out the window to Liberal friendly ad agencies somehow saved the country.

I believe Canada is stronger. The strength of the federation is greater than millions of dollars of pork handed out to partisan friends of a corrupt administration.

● (1645)

Canadians were outraged in February, as they are today, and the Prime Minister knew it, which is why he said he was mad as hell and he promised to get to the bottom of this before an election. How will we get to the bottom of it? As I said earlier, the RCMP will have barely begun its criminal investigation into the revelations of the Auditor General's February report.

The Prime Minister has said that he has appointed an independent judicial inquiry led by Justice Gomery. Justice Gomery will not even begin hearing witnesses or receiving evidence until September of this year and will not report back until December of 2005. Therefore, no meaningful criminal investigation will be revealed before an election is expected next week. The judicial inquiry will not even begin its hearings. The only show in town, the only window Canadians have on the truth in this matter has been at the public accounts inquiry. It has sat for the past 11 weeks, dealt with perjurious witnesses, witnesses who skated around and avoided answering questions, witnesses who deliberately, I believe, misled us. Yet it is the only show in town.

The Prime Minister said that his judicial inquiry would operate on an expedited basis. Yet it will take that inquiry nearly two years to do its job. After 11 weeks, he has effectively given the order for the guillotine to fall down on the only inquiry that exists at the public accounts committee. How has he done that? For weeks, anybody who has watched those hearings has seen the procedural nonsense of the Liberal members, led by the very face of Liberal arrogance, the member for Notre-Dame-de-Grâce—Lachine who in motion after motion and one spurious point of order after another has sought to hamper the work of the committee.

Then this week we were concerned that the government was about to effectively shut down the committee. We asked the government about this. *Hansard* of Monday, May 10 reveals that the Deputy Prime Minister said the government “wants to get to the bottom of this matter. I call upon the public accounts committee to continue its work”. She said, “On behalf of the government, I would encourage the public accounts committee to continue its work”. She further said, “I would encourage the public accounts committee to get on with its work”. She further said “It has been the government that has been encouraging the committee to get on with its work”.

No fewer than half a dozen times on Monday of this week she said that the committee should get on with its work. Then on Wednesday of this week, her members came into that committee, the Liberal members, and voted to move the committee meetings in camera, in secret, and to hear from no more witnesses this week. Then the government line, including that of the Minister of Public Works and Government Services who had joined us, was that this was just an interim report to inform Canadians, but the committee will continue its work.

This morning my motion was put to have the committee meet from Monday through Friday of next week to continue to hear witnesses and to continue to shed light on this outrageous abuse of public trust. Every Liberal member of the committee voted against my motion effectively and voted not to continue meeting.

Why did the Deputy Prime Minister say, the government encourages the committee to get on with its work?" Why did she say, "On behalf of the government I would encourage the public accounts committee to continue its work", in the present tense. Why did she say that if she did not mean it? Why no more hearings next week? Why meeting in camera this week? Why no judicial inquiry until September? There is only one reason. It is blatantly obvious this is a corrupt Liberal government that does not want the truth to come out before an election.

That is why we have moved this motion that would allow the public accounts committee effectively to continue with its work after the dissolution of Parliament anticipated next week. The motion would have the effect of creating an inquiry. I would suggest that all the current members of public accounts could continue under the aegis of that inquiry. Chaired by our current chairman, we could continue with our witness list and we could continue to do the work that we have set out to do, and the Prime Minister could keep his word that he would get to the bottom of this before going to the polls. I hope my colleagues opposite will support the motion for that reason.

• (1650)

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, the member will know that the issue at hand has focussed around the disposition of \$100 million of the \$250 million sponsorship program. Unfortunately, and I think it is the right word, it has often been said that the money was lost or stolen. I would like to quote the Auditor General when she appeared at the public accounts committee on May 3. She said:

I think I have said, Mr. Chair, on numerous occasions that we have never said that the \$100 million was missing, or stolen, or unaccounted for.

First, does the member agree with the Auditor General's statement? Second, if he does agree, then what does the member believe was the disposition of the \$100 million if it was not lost, stolen or unaccounted for?

• (1655)

Mr. Jason Kenney: Mr. Speaker, I perhaps have more faith in the words of his former leader than that member does because the right hon. In May 2000 Jean Chrétien said, "A few million may have been stolen". It may not have been the Auditor General's word. It was the word of the prime minister who helped to set up this scam who said that millions may have been stolen. In his characteristic sort of Marie-Antoinette l'état c'est moi attitude he said, "So what? Maybe it did some good".

I have never alleged that the Auditor General said money was stolen. Clearly, she has said it is unaccounted for. That would be a synonym for missing; millions upon millions. We now know, with the criminal charges laid this week that relate to this matter, without any doubt, and I believe we can infer reasonably, that there was fraud and theft involved, and the former prime minister confirmed that.

Let me give a couple examples of what have been credible media reports on this.

There was a story in the *Ottawa Sun* from senior sources who talked about the process of dry cleaning. Senior officials from

Supply

Liberal ad scam firms, like Groupaction, would take their company credit card to go shopping at expensive boutique stores in Montreal with the spouses of prominent Ottawa Liberal political figures. They would purchase expensive items on their credit cards for the personal use of these Ottawa figures. Then the costs would all be dry cleaned through the ad scam contracts.

We have heard about \$4,000 bottles of Pétrus wine being purchased by ad scam agencies and served to senior Liberal political figures and the cost of that being dry cleaned through advertising contracts.

We have heard about Crown corporations effectively purchasing luxury boxes at the Montreal hockey arena, but dry cleaning the cost of that through the ad scam agencies. This kind of activity goes on and on.

Yes, I believe, like Jean Chrétien, that millions were stolen. I agree with the Auditor General that we have no evidence about the whereabouts of millions of dollars. Let me just point to one example. This has not received much attention, but I think it is just a shocking example.

In May 2003, the *Globe and Mail* reported that a \$64,000 donation from the company of Liberal fundraiser Alain Renaud was followed by a government sponsorship subcontract that benefited Mr. Renaud brother.

A few months after Alain Renaud made his donation, which, by the way, was the fifth largest donation to the Liberal Party that year, larger than several of the chartered banks, public works issued a \$492,000 contract to Groupe Everest to produce promotional items, such as key chains and watches. Groupe Everest then subcontracted a \$390,000 order to Communication Art Tellier Inc., controlled by Benoit Renaud, brother of Alain Renaud, and Groupe Everest got a \$68,000 commission in the process.

Guess what? The company of Alain Renaud, which made this \$64,000 donation to the Liberal Party, was shortly thereafter bankrupt. It had the same address as his brother Benoit Renaud who got the subcontract for \$400,000.

What do we have here? One microcosm of the kind of unconscionable fraud, undoubtable fraud that occurred that benefited who? The Liberal Party got 64 grand out of this deal. Alain Renaud brother got a \$400,000 contract. Groupe Everest, Liberal ad agency, got a \$69,000 cheque for the trouble of passing the money on.

This is the kind of evidence which I see, as a member of the public accounts committee, is undoubtable circumstantial evidence about fraud and theft. That is precisely why the committee has been shut down. There will be no meaningful answers before going to the polls because the answers would be far too damning.

• (1700)

Mrs. Lynne Yelich (Blackstrap, CPC): Mr. Speaker, I would just like to ask the hon. member what he thought when it appeared the Auditor General was taking some heat for her report and was probably overdramatizing. Has the member any comments about that?

Supply

Mr. Jason Kenney: Mr. Speaker, I am glad my colleague has raised that point. As a member of the committee, I can tell everyone that the very first time the Auditor General appeared before us the Liberal members began by browbeating her, criticizing her methodology, questioning her findings and implying that she was given to hyperbole and overstatement.

We have seen a string of senior Liberals, from Alfonso Gagliano to Liberal appointees at crown corporations to the heads of Liberal ad agencies, attacking the Auditor General and making allegations. One Liberal referred to her, off the record because the person did not have the guts to say it on the record, as a drama queen.

I think there is a good reason why Sheila Fraser is the most popular woman in Canada today. It is because she is one of the very few people in public life who Canadians trust implicitly. They know she is a woman of precision, moderation and thoughtfulness, and they trust that her sober-minded findings are completely verifiable. I commend the Auditor General for having gone before the public accounts committee, last week I believe, to defend herself and the integrity of her office.

When asked by one of my Liberal colleagues whether she thought the opposition had misquoted or mischaracterized her findings and that this had led to unfair attacks on her integrity, she said, "No, not at all. I think the people who have been attacking our office have been doing so because they want to deflect from their own wrongdoing". I am paraphrasing.

I think she deserves great commendation from Canadians, and not the kind of condemnation that she has received from members opposite, including the infamous \$13 million man, the windbag from Winnipeg South, the President of the Treasury Board, who alleged that the whole program may have only had about \$13 million, the whereabouts of which we do not know. He was forced to apologize in humiliation.

It was not the Auditor General who misled Canadians. It was the President of the Treasury Board who ought to have known better in his crude effort to cover up this Liberal scandal.

* * *

[*Translation*]

MESSAGE FROM THE SENATE

The Deputy Speaker: I have the honour to inform the House that a message has been received from the Senate informing this house that the Senate has passed certain bills, to which the concurrence of this House is desired.

* * *

[*English*]

SUPPLY

ALLOTTED DAY—STANDING COMMITTEE ON PUBLIC ACCOUNTS

The House resumed consideration of the motion.

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, I have listened to the debate today and have attended the public accounts committee on a couple of occasions to listen to testimony and to observe the committee in discharging its responsibilities on this important matter. I did that because, having been on the government

operations and estimates committee, I was intimately involved in the George Radwanski case, the former privacy commissioner, who subsequently was found by this House to be in contempt of Parliament. There is no doubt that there were two different approaches as to how to proceed on these matters.

I want to add my contribution to this debate from a perspective of my background and the fact that I am also an elected person and feel very badly whenever there is a problem in terms of the mismanagement, misuse or waste of taxpayer money.

I am a chartered accountant by profession and I spent a number of years with Price Waterhouse in the auditing business. I was also in corporate life for some 23 years and for about 5 or 6 of those years I had responsibility for the internal audit function. I am fairly familiar with the scope of the work that is done within those functions.

I simply want to bring to the attention of the House that even within the chartered accounting profession, some years ago the audit opinion, which auditors give, was changed substantively from when I first wrote my exams and its history of what the audit opinion said. The substance of the change has to do with the fact that the financial statements are the responsibility, the property and the representation of management, and that the auditors do not take responsibility for anything they may not have found, such as fraud, mismanagement, or whatever. The auditors' job is not to detect, but should they detect, they must report in a fashion that would result in corrective action.

However the onus and the responsibility to detect is not the auditors. They are not opining on the statements on anything other than what has come to their attention. It really is the management. With regard to the sponsorship program, I think management is at the centre of the issue. How were the funds managed?

I can also comment on this whole matter from the standpoint that in September 2000 I was appointed the parliamentary secretary to the then public works minister, Alfonso Gagliano, and subsequently, his successor, the member for Glengarry—Prescott—Russell, and I carried on until January 2003 with the current finance minister who was then in that portfolio.

I want to comment on the actions that were taken by the current finance minister because I think members and the public should know that the government did not wait until there was an Auditor General's report to lay out matters. There was an internal audit that came forward in the year 2000. In fact, the internal audit report was published and available on the government website. All the findings of the internal audit, in which they identified management control problems and other aspects that had to be addressed, were addressed.

The current finance minister, who was then the minister of Public Works and Government Services, took charge. First, he froze the program until he could get a handle on the situation. He then came to the House and said that there were three particular items. He made the representation to the House that if there were deficiencies in the management controls surrounding these matters they would be corrected. As a consequence of the internal audit and the work that was done, changes were made starting right back in 2000.

Supply

•(1705)

The then public works minister said that if there were any allegations of wrongdoing they would be referred to the proper authorities for investigation, and indeed there were. I was parliamentary secretary at the time and I think there were seven referrals to the RCMP for investigation. Charges have been laid pursuant to those investigations that started back then when that minister made the representations and the commitment to the House.

He finally said that if there were any overpayments or improper payments for work not done, that we would take every possible step to recover those funds. This is responsible management.

I always tend, as an auditor and as a chartered accountant, to assess management, not only from the standpoint of how it handles matters that are going well, but how it responds when things are not going well. When there are problems, does management take remedial actions? Does it take charge of the situation? Does it put into place the kinds of action plans that are necessary to ensure that we mitigate any damage that is being done, and that it puts into place the controls that are necessary so that it would preclude the possibility from this kind of thing from ever happening again.

That is responsible management and I believe that the assessment of the House, of the public accounts committee and, I am sure, of the judicial inquiry will be that the government took all appropriate and necessary steps to address this in a sound, professional and good management practices way.

Yes, charges have been laid against two individuals. The public and the House are aware of the details as they have been widely published. Does anyone remember Bre-X, Enron and even Nortel? We can all think of the list of companies, corporations, organizations and NGOs where there have been problems.

We are talking about human beings and in some cases people have taken advantage of the opportunities provided within their responsibilities to do wrong. It is going to happen and we understand that.

However if we were to implement a program and put in controls that would give a 100% guarantee that something like what has happened with regard to sponsorship could never happen, the program would be so inefficient government would be spending \$10 to save \$1. It makes no sense. It is like asking people to check everything at the border to ensure that not one handgun crosses that border because we know so many handguns come across.

If we were to introduce programs and measures to do the kind of checking that would be necessary to stop every single handgun from coming into Canada, we would shut down the economies of two countries. Seventy per cent of our export business goes across that border.

If we were going to stop that commerce velocity to achieve another objective, we would find that the cost would be far more. As an auditor, as an accountant, as a parliamentarian and as a human being with some common sense, I would want reasonable measures put in place to properly discharge our responsibilities, understanding that there would be no 100% guarantee. There is never a 100% guarantee.

I just want to remind the House of some of the measures that were in the last report of the Auditor General. First, to establish an independent commission of inquiry. The government has done that.

Second, to appoint a special counsel for financial recovery, and, where it is possible and with all the tools to recover any moneys that were wrongfully disbursed to anyone, to recover those. The government has done that.

Third, to introduce whistleblower legislation by March 31, 2004. The bill has been introduced and it is Bill C-25. I happen to be the chair of the government operations and estimates committee presently hearing witnesses on this bill. It is a very good start.

•(1710)

Further, the government is looking at measures to strengthen the audit committees for crown corporations and the possible extension of the Access to Information Act to crown corporations. That is in process.

There is also the initiation of a review on changes to the governance of crown corporations; the initiation of changes to the FAA, and on the accountabilities of ministers and public servants. Another measure was to allow the public accounts committee to begin its work early, which has been done.

My professional assessment as a CA, my assessment as a member of Parliament who has watched this closely and has been involved intimately in similar matters, is that the government has taken all appropriate steps to mitigate the problem and to ensure that management controls are put in place to deal with it properly, that allocations are going to be properly dealt with and finally, financial recoveries will take place.

[*Translation*]

The Deputy Speaker: It being 5:15 p.m., it is my duty to interrupt the proceedings and put forthwith every question necessary to dispose of the business of supply.

•(1715)

[*English*]

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

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Deputy Speaker: Call in the members.

And the bells having rung:

Private Members' Business

Hon. Mauril Bélanger: Mr. Speaker, the division on the motion is to be deferred.

The Deputy Speaker: Accordingly, the vote on this matter is deferred until Tuesday, May 25 at the end of government orders.

[*Translation*]

The hon. deputy government House leader, on a point of order.

Hon. Mauril Bélanger: Mr. Speaker, if you were to seek it, I believe you may find unanimous consent to call it 5:30 p.m. and to proceed now to private members' business.

The Deputy Speaker: Is there unanimous consent?

Some hon. members: Agreed.

PRIVATE MEMBERS' BUSINESS

[*English*]

INCOME TAX ACT

The House resumed from March 31 consideration of the motion that Bill C-210, An Act to amend the Income Tax Act (amateur sport fees), be read the second time and referred to a committee.

Mr. Ken Epp (Elk Island, CPC): Mr. Speaker, I am pleased to stand in the debate on this bill. It is yet another one of those bills that keeps cropping up in the House with great regularity: we need a tax break on this; we need a tax break on that.

If I am not mistaken, it was only yesterday or two days ago—the days seem to run together here—that we were discussing the necessity to stop charging GST on babies' diapers. There was a very impassioned presentation by the member sponsoring that bill over in the Bloc section, a young mother who on behalf of millions of parents in this country, said it is wrong to charge GST on one of the basic necessities of life.

We have a bill today that says we ought not to be paying income tax on money that is used for our children to participate in sports.

People can tell by looking at me that I am a great athlete. I certainly support sports. It is little known that in my youth, among other things, I entered into a 50 mile bicycle race. I am indeed very interested in physical fitness. It has served me well in all these years to have been physically fit because now that I am not anymore, somehow my heart and the other parts of my body are still coasting on the physical fitness that I developed when I was a young person. My heart is strong and my lungs are strong.

There is no way that anybody could be opposed to the participation of our youth in sports activities.

When I was a youngster we did not have a whole bunch of these organized activities. We did not need \$500 or \$600 worth of hockey equipment to play hockey. As a matter of fact, we played hockey without hockey sticks; we could not afford them, so we used branches from trees. It worked.

Should I say what we used for pucks? We could not afford those little round rubber discs but we got some out in the pasture that worked equally well and in winter when they were frozen, they were

great. We did not have to have shin pads and all of that stuff when catalogues tied around our legs did just as well. They absorbed a lot of energy.

That shows that I am from a different era but still it does indicate that being involved in group sports is something which all of us should support.

With respect to taxation, it is true that our Canadian families are taxed to death, whether we talk about diapers for our babies or about enrolling our children in sports activities like hockey, soccer, baseball and whatever other activities that youngsters engage in. Nowadays that costs a lot of money. We no longer play on the creek or find an empty slough somewhere and scrape the snow off to play there.

There was nothing wrong with that. It was a lot of fun and it served the families of day, but nowadays more and more families are living in cities. That type of a facility just is not available and people use skating rinks. They have to be rented and as a result if youngsters are to be enrolled in hockey, for example, then there is a fee to enter the club, even for a youngster.

Mr. Speaker, I know that you have some passing interest in hockey. I happen to have had some but at a much lower level of course. We always enjoyed it when our son played hockey. Our second son was quite involved in soccer at a certain time but our first son played hockey. We had a lot of fun sitting and watching him play, Gretzky-like. Gretzky of course had not been come along yet, but our son would plan the plays with his friends and we would watch them execute them once they were on the ice. It cost us a little bit of money, but it was money that was well spent and well invested.

● (1720)

Now we have a young fellow in our family who happens to be the son of number one son, so he is our grandson. He is seven years old and he made it onto the Alberta team. I believe that this weekend he is planning on going all the way from Sherwood Park just east of Edmonton, where they live close to us, to Calgary for his first out of town tournament. It is rather exciting. He is a neat little guy. I love the way he skates. He is only seven years old but he dips and doodles just like a pro. He is being coached very well by his dad and by the coaches on his team.

Again there are expenses involved with all the equipment that little youngster needs, all of the registration fees required by the team, and all of the travel costs now that he is in the provincial tournament. I understand that in a couple of weeks his team is going to a neighbouring province. They are going to Regina, Saskatchewan for another tournament. That all costs a lot of money and it has to be paid for with after tax dollars. That is where the crunch is and that is what the bill is about.

While in principle I think it is great to have a bill that reduces the tax burden for families, I would like to broaden it so that it includes everyone. Not everyone plays hockey or soccer. Some people are engaged in activities which are just as costly but which do not involve the purchase of sports equipment.

Private Members' Business

For example, when I was a youngster I took piano lessons. That is another very little known fact around here. I studied with the Toronto Conservatory of Music and finished up to my grade nine. One of my favourite things now when I have meetings in my riding, if they permit me, is to ask them to find me a piano and I will pound out O Canada for them at the beginning of the meeting.

I say this blushing and obviously with no lack of pride, but I actually got a standing ovation a couple of years ago after I played it. People sort of expect others to limp up to the piano, fumble around on the keys and hope they hit some right ones. When I play O Canada, I play it solidly and with a good pace because I do not think that our national anthem should be dragged out. The point of the matter is that when I played it, everybody was surprised and they stood up and clapped for me. That was a good moment. I enjoyed that.

However, those piano lessons cost money. It cost money, even in my day, to get piano lessons. Many families are incurring those expenses. This bill does not address the issue of families and music lessons, or ballet lessons, or swimming lessons, or other things like that. I guess it might include swimming lessons because that has to do with sports activities and sports teams.

It is true that families should have a break on taxation. I would like to see a much more broad based reduction in taxes for families. I would like to see the overall rates reduced. We should greatly increase the basic exemption. That is my view.

We should recognize in our income tax laws that raising children is very costly. There are the costs for the diapers, the sports activities, the music lessons, all the other things that youngsters do, their dancing lessons, their ballet lessons. There are the costs of feeding them, clothing them, buying their medicines, paying their dental bills, buying their glasses, paying their tuition fees when they go to college. Certainly in the elementary and high school years there are fees to be paid, the school usage fees, the gym fees and all of that stuff. It all costs money.

I would like to see a substantial increase in the basic exemption for parents and also an increase in the basic exemption for each dependent child. In that way the parents could choose which activities they wanted to support for their children. They would not be limited to the narrow scope of what the bill provides.

With that, let us just say that Canadian families are taxed to death. Let us do what we can to reduce the tax burden so they have more money in their family budgets to provide for their family needs.

• (1725)

Ms. Alexa McDonough (Halifax, NDP): Mr. Speaker, I am delighted this evening to have the opportunity to address Bill C-210, introduced by my colleague from Sackville—Musquodoboit Valley—Eastern Shore. It is not the first time that he has introduced this particular bill. In fact, he did so two years ago and it died on the Order Paper.

In his usual inimitable way of being very proactive, determined and dogged in pushing forward priorities on behalf of working people and children in our society, he reintroduced the bill, which is

today in its second hour of debate. Very simply, we are dealing with an amendment to the Income Tax Act that would allow the deduction of fees paid by an individual for the participation of a family member in amateur sport or physical activity.

I noted with interest that the previous speaker critiqued the bill by saying this was a tax deduction for physical activity with sports involvement, but why was there no advocacy for lower taxes? It seems to me that typically the Conservative member has totally missed the point of the bill.

The bill is about addressing the reality that we have a major challenge in this country. As parliamentarians we have a major responsibility to be addressing ourselves not just rhetorically and with empty words but in concrete measures to deal with the issue of health promotion and prevention of ill health.

This is not just about families having more dollars in their pockets. This is about recognizing that it makes perfect sense to give people the opportunity, by financially removing the barriers for lower income families, to enroll either as adults or their children in sports activities that are specifically part of a comprehensive health care strategy.

I was very pleased on Tuesday, honoured in fact, to have the federal leader of the New Democratic Party in my Province of Nova Scotia launch the health care platform of the New Democratic Party.

I know the government is pushing off an election for as long as it thinks it can possibly do so. One cannot blame it for that because its focus is entirely on how to clean up its image in view of the scandals. Somehow then, it will make a run for it in an election campaign, where it has somehow persuaded people that it simply came back to life and discovered a lot of things it has been neglecting. In fact, it has been tearing things down for the past 10 or 11 years.

The reality is we are going to have an election. The election campaign is already underway. The writ has not been issued, but Liberal cabinet ministers are flying around the country at public expense announcing electoral goodies and gimmicks. The election is underway and that is why we have launched our health care platform.

I think this serves as one concrete example. It is not exhaustive. It is not going to change the state of health of the entire population. However, if we are serious about promoting good health and healthy fitness activity, then we should ensure that it is not denied to families who are going to have difficulty paying for the registration of, for example, a child participating in gymnastics at the YMCA or YWCA or a child joining a local sports team and so on. It is a very concrete measure.

• (1730)

The question has also been raised, and I welcome the question, about why this deals only with physical activity? Why does it not also deal with a proposed tax deduction for participation in artistic and cultural activities? This would also strengthen the health of our communities and give an opportunity for families to equally have access to that kind of participation for their own enrichment and creative development.

Adjournment Debate

My colleague from Dartmouth introduced a similar private member's bill to achieve that. Of course, the Liberals voted it down, as they would no doubt on this occasion as well if we were having a vote today. This is a vote that will not take place today. I think that is obvious, but would be carried forward.

I regret to say that I see no sign that we have that kind of support from Liberal members for this measure to provide for a tax deduction for those participating in sports activity, any more than they were prepared to provide that kind of recognition for the involvement in artistic and cultural activity. One aspect was to strengthen the body and the health of the individual. The other was to support the mind, body and spirit through artistic and cultural activity.

I know some people are skeptical when they look at a private member's bill like this. They say, "Oh well, what is the point anyway in an opposition member introducing a private member's bill?"

The member for Sackville—Musquodoboit Valley—Eastern Shore has demonstrated on several occasions the value of members introducing a private member's bill, and keeping at it and at it until it finally finds its way into public policy.

Let me mention a parallel private member's bill. It can be seen as one that acts in parallel to the bill that has been introduced here. It deals with the compassionate leave provisions that are actually now in the process of being implemented.

One of the things about being in opposition is that a member has to be prepared to be stubborn, persistent, and constantly out there trying to persuade the public that this is something that can be dealt with. Finally, the government gets it sometimes.

It finally gets it because one of the things that we do as New Democrats is encourage people to ensure they let the government members know when they do support a private member's bill. In the instance of the provision for compassionate leave, this was an absolute passion for the member for Sackville—Musquodoboit Valley—Eastern Shore.

He kept coming back and back to the government, saying it was surely revolting for family members—in the final days and weeks, and we believe it should be months—of loved ones coming to the end of their life, facing terminal illness or in palliative care, not to be at their side because financially it was prohibitive for them to leave employment.

The government finally responded to this pressure, albeit inadequately and not as comprehensively as it should have. It has provided for six weeks of such passionate care. We believe that six months should be the minimum.

We think the bill should be extended so that it is not just the immediate parent or spouse of a dying relative, but the family member in the family unit who is in a position to leave employment and be there providing that care.

Let me return by way of wrap up to the specific tax deduction measure proposed here that would support healthy activity, participation in health promotion activity, physical activity, and involvement in sports to serve as a preventive measure in order to drive down the costs of health care. Those costs would get spent in

the end because of chronic and acute illnesses that could have been avoided in the first place.

I urge all members to think about the plain good sense of this bill. The bill has a concrete application to a big problem that we have in this country. There is a very high and escalating health cost to care for people suffering from illnesses that could have been prevented through such measures.

• (1735)

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

Some hon. members: Question.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

An hon. member: On division.

The Deputy Speaker: I declare the motion lost.

(Motion negated)

The Deputy Speaker: Would there be agreement that we see the clock as 6:30 p.m.?

Some hon. members: Agreed.

ADJOURNMENT PROCEEDINGS

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

[English]

CAMPOBELLO ISLAND

Mr. Greg Thompson (New Brunswick Southwest, CPC): Mr. Speaker, as you well know, this is what we often refer to as the late show. I am glad you put me on notice that the late show would be early. I appreciate your generosity. In fact I guess this could be the last "late show" in the House if things happen as we expect over the next couple of days.

Adjournment Debate

The reason we are here tonight, obviously, is to talk about an issue I raised with the Deputy Prime Minister a week or so ago in the House. It was the issue of island of Campobello. It is an interesting spot. In fact it is the only spot in Canada that we have to access through another country and that other country is the United States of America. We have to travel approximately 60 miles or so to get to another part of Canada. That creates unusual problems for that part of Canada. Campobello Island experiences problems that no other part of Canada experiences, simply because of transporting goods from one part of Canada to another.

The BSE crisis has created unusual problems for Campobello Island. Many products are held up at the border, and many products which contain beef products are held up at the border. In fact many of the shipments of food supplies to that island are held up unnecessarily.

In addition, the homeland security department in the United States of America has put in unusual practices which have to be performed to the letter of the law to allow shipments of goods and services to that island.

I brought this to the attention of the minister on January 29 in letter that outlined in detail the problems being experienced by the citizens of Campobello Island. If members will remember correctly, February 2 was the first day the House came back in session following the Christmas break.

I talked to the minister personally, on the floor of the House of Commons, in regard to Campobello Island. The minister, at the time, understood the problem. She said that she had received my letter and was interested enough to suggest that her officials would drop into my office to work out a solution to the problem.

After questions to the minister, those officials eventually did show up in my office and I outlined my plan for resolving this issue, in absence of a government plan, because the government had no plan. It is kind of a fix it up, patch it up, band-aid solution to some of these problems that interrupt the flow of people, goods and services to the island of Campobello. I believe my plan is workable and the minister's officials believe it is workable. As we speak, Canadian officials are meeting with our Washington counterparts to find a resolution to this, based on some of the ideas I have proposed.

The plan I suggested is simply this. Canadian officials, that is CCRA officials, often referred to as our customs officials, would inspect those shipments of goods going to Campobello Island and seal that truck. The Americans, Tom Ridge and the American Ambassador included, have suggested that the Canadian inspection system is good and that it works. If they believe that, I suggest they allow Canadian officials to inspect the loads and seal them at the border. That inspection seal would be recognized by the Americans and they could allow the transportation of goods unencumbered to the other part of Canada called Campobello.

I believe the process will work, and it will require a level of cooperation by the Americans to ensure that it does. Let us see what happens. Let us give that process a chance.

• (1740)

Hon. Sue Barnes (Parliamentary Secretary to the Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I

would like to assure the hon. member that this government is well aware of the unique situation for residents on Campobello Island whose meat and food supplies must be processed by U.S. Customs when arriving from the Canadian mainland.

As my colleague is aware, since the events of September 11, both countries have introduced increased inspection processes and security measures at our shared border.

The United States Food and Drug Administration has put in place enhanced import requirements and more vigilant inspection of beef products. As a result of its more vigilant inspection process, the permit system that allowed meat products to move in transit through Maine to Campobello Island with minimum delay was suspended.

However, I am pleased to say that through negotiations with the U.S. FDA and in recognition of the very special circumstances involving Canadians living on Campobello Island, the expedited clearance process for meat products has been reinstated by U.S. authorities.

Mr. Greg Thompson: Yes, Mr. Speaker, I am aware of that. As the parliamentary secretary knows, that is sort of a band-aid solution to the problem. We are suggesting a solution that will be long-lasting and that will serve the needs of Campobello so that these interruptions do not occur as frequently as they do.

I am suggesting a recognition that the goods leaving Canada for Campobello Island are in fact Canada to Canada transportation needs, not Canada to the U.S. Somehow we cannot seem to get that through to the Americans. I am saying that our inspection process is the best in the world. Americans recognize that so let them put their money where their mouth is and accept our inspection process and allow those trucks to travel unencumbered to the United States.

The point that I often make with our officials is that if it is good enough for General Motors to General Motors, that is General Motors Canada versus General Motors United States, the same for Ford and Chrysler in terms of parts and shipment of cars, goods and services, it should be good for Canada to Canada.

I believe the solution that I propose is very workable without getting into the details. I am hoping the minister and her officials push that plan with their American counterparts for a long-lasting solution to this very irritating cross-border problem.

• (1745)

Hon. Sue Barnes: Mr. Speaker, the government recognizes that there must be exceptions to the rule and this is why the Government of Canada initiated discussions with the U.S. to find a solution to this unique issue.

Adjournment Debate

The Deputy Prime Minister will continue to pursue this with her U.S. counterpart, Tom Ridge. In the longer term, the hon. member should be aware that the Government of Canada is pursuing solutions to the broader issue of food products entering and transiting the U.S. under the Bioterrorism Act.

[*Translation*]

The Deputy Speaker: 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 5.46 p.m.)

CONTENTS

Thursday, May 13, 2004

ROUTINE PROCEEDINGS

Government Response to Petitions	
Mr. Gallaway.....	3115
Federal Law-Civil Law Harmonization Act	
Ms. Augustine (for the Minister of Justice and Attorney General).....	3115
Bill C-37. Introduction and first reading.....	3115
(Motions deemed adopted, bill read the first time and printed).....	3115
Interparliamentary Delegations	
Mr. Boudria.....	3115
Mr. Caccia.....	3115
Mr. Cullen.....	3115
Mr. Wappel.....	3115
Mr. Wilfert.....	3115
Committees of the House	
Agriculture and Agri-Food	
Mr. Steckle.....	3115
Standing Orders	
Mr. Adams.....	3115
Motion.....	3115
(Motion agreed to).....	3116
Committees of the House	
Procedure and House Affairs	
Mr. Adams.....	3116
Motion for concurrence.....	3116
(Motion agreed to).....	3116
Agriculture and Agri-Food	
Mr. Steckle.....	3116
Petitions	
Marriage	
Mr. Wappel.....	3116
Rights of the Unborn	
Mr. Wappel.....	3116
Natural Health Products	
Mr. Lunney.....	3116
Marriage	
Mr. Lunney.....	3117
Employment Insurance	
Mr. Guimond.....	3117
Immigration	
Ms. Wasylycia-Leis.....	3117
Health Care	
Ms. Wasylycia-Leis.....	3117
Taxation	
Mr. Nystrom.....	3117
National Defence	
Ms. McDonough.....	3117
Questions Passed as Orders for Returns	
Mr. Gallaway.....	3117

GOVERNMENT ORDERS

Supply	
Allotted Day—Standing Committee on Public Accounts	
Mr. MacKay.....	3118
Motion.....	3118
Mrs. Wayne.....	3121
Mr. Casson.....	3121
Mr. Owen (Vancouver Quadra).....	3122
Mr. White (North Vancouver).....	3125
Mr. Penson.....	3126
Mr. Epp.....	3126
Mr. Guimond.....	3126
Mr. Drouin (Beauce).....	3128
Mr. Rocheleau.....	3129
Mr. Drouin (Beauce).....	3131
Mr. Guimond.....	3131
Ms. Wasylycia-Leis.....	3131
Mr. Lastewka.....	3133
Mr. Toews.....	3134
Ms. Davies.....	3134
Mr. Toews.....	3134
Mr. Telegdi.....	3136
Mrs. Yelich.....	3137
Mr. Lastewka.....	3137
Mr. Murphy.....	3138
Mr. Lastewka.....	3140
Mr. Epp.....	3140
Mr. Elley.....	3141
Mrs. Ablonczy.....	3141
Mrs. Wayne.....	3143

STATEMENTS BY MEMBERS

Matagami	
Mr. St-Julien.....	3143
Rights of the Unborn	
Mr. Lunney.....	3144
The Environment	
Mr. Caccia.....	3144
University of Prince Edward Island	
Mr. Murphy.....	3144
Canadian Railway Museum	
Mr. Lanctôt.....	3144
Samuel de Champlain	
Mr. Keddy.....	3144
Margaret Anna Lawson	
Mrs. Barnes (London West).....	3145
Member for Trois-Rivières	
Mr. Rocheleau.....	3145

Canadian Forces	
Mr. Savoy	3145
Member for Nanaimo—Cowichan	
Mr. Elley	3145
Member for Davenport	
Mr. Boudria	3145
Justice	
Mr. Proctor	3146
Member for Rimouski—Neigette-et-la Mitis	
Mrs. Tremblay	3146
Member for Vancouver South—Burnaby	
Ms. Beaumier	3146
Liberal Party of Canada	
Mr. Reynolds	3146
Member for Ottawa—Orléans	
Mr. Bellemare	3147
Government Policies	
Mr. Pallister	3147
Member for Laval Centre	
Ms. Dalfhond-Guiral	3147
Member for Vancouver Kingsway	
Ms. Caplan	3147
Member for York Centre	
Mr. Eggleton	3147

ORAL QUESTION PERIOD

Gasoline Prices	
Mr. Harper	3148
Mr. Goodale	3148
Mr. Harper	3148
Mr. Goodale	3148
Mr. Harper	3148
Mr. Goodale	3148
Mr. Solberg	3148
Mr. Anderson (Victoria)	3148
Mr. Solberg	3148
Mr. Goodale	3149
Mr. Duceppe	3149
Mr. Efford (Bonavista—Trinity—Conception)	3149
Mr. Duceppe	3149
Ms. Robillard	3149
Mr. Gauthier	3149
Ms. Robillard	3149
Mr. Gauthier	3149
Ms. Robillard	3149
Electoral Boundaries	
Mr. Blaikie	3149
Mr. Saada	3150
Mr. Godin	3150
Mr. Saada	3150
Gasoline Prices	
Mr. Rajotte	3150

Mr. Goodale	3150
Mr. Rajotte	3150
Mr. Goodale	3150
Mr. Pallister	3150
Mr. Goodale	3150
Mr. Pallister	3150
Mr. Goodale	3151
Employment Insurance	
Mr. Crête	3151
Ms. Bakopanos	3151
Mr. Crête	3151
Ms. Bakopanos	3151
Shipbuilding	
Mr. Desrochers	3151
Mr. Pratt	3151
Mr. Desrochers	3151
Ms. Robillard	3151
Sponsorship Program	
Mrs. Ablonczy	3152
Ms. McLellan	3152
Mrs. Ablonczy	3152
Ms. McLellan	3152
Mr. Kenney	3152
Mr. Alcock	3152
Mr. Kenney	3152
Mr. Alcock	3152
Taxation	
Mr. Wilfert	3152
Mr. Goodale	3153
Automobile Industry	
Mr. Masse	3153
Ms. Robillard	3153
Gasoline Prices	
Mr. Nystrom	3153
Mr. Goodale	3153
Agriculture	
Mr. Strahl	3153
Mr. Speller	3153
Mr. Strahl	3153
Mr. Speller	3153
Mr. Anderson (Cypress Hills—Grasslands)	3154
Mr. Speller	3154
Mr. Anderson (Cypress Hills—Grasslands)	3154
Mr. Speller	3154
Afghanistan	
Ms. Lalonde	3154
Mr. Pratt	3154
Ms. Lalonde	3154
Mr. Graham (Toronto Centre—Rosedale)	3154
Agriculture	
Mr. Penson	3154
Mr. Speller	3154
Mr. Penson	3155
Mr. Speller	3155

Quebec City Bridge	
Mr. Jobin	3155
Mr. Valeri	3155
Citizenship and Immigration	
Mr. Mills (Red Deer)	3155
Ms. McLellan	3155
Mr. Mills (Red Deer)	3155
Ms. McLellan	3155
Economic Development	
Mr. Ménard	3155
Ms. Robillard	3155
Agriculture	
Mrs. Ur	3156
Mr. Speller	3156
Presence in the Gallery	
The Speaker	3156
Business of the House	
Mr. Reynolds	3156
Mr. Saada	3156
Right Hon. Member for Calgary Centre	
Ms. McLellan	3156
Mr. Harper	3157
Mr. Duceppe	3157
Mr. Blaikie	3158
Mr. Herron	3158
Mr. Clark	3159

GOVERNMENT ORDERS

Supply	
Allotted Day—Standing Committee on Public Accounts	
Motion	3160
Mr. Bryden	3160

Mr. Lee	3161
Mr. Telegdi	3161
Mr. Szabo	3162
Mr. Bagnell	3162
Mr. Kenney	3162
Mr. Bryden	3162
Mr. Bagnell	3162
Mr. Epp	3165
Mrs. Yelich	3166
Mr. Szabo	3166
Mr. Kenney	3166
Mr. Szabo	3169
Mrs. Yelich	3169

Message from the Senate

The Deputy Speaker	3170
--------------------------	------

Supply

Allotted Day—Standing Committee on Public Accounts	
Motion	3170
Mr. Szabo	3170
Division on motion deferred	3172

PRIVATE MEMBERS' BUSINESS

Income Tax Act

Bill C-210. Second reading	3172
Mr. Epp	3172
Ms. McDonough	3173
(Motion negatived)	3174

ADJOURNMENT PROCEEDINGS

Campobello Island	
Mr. Thompson (New Brunswick Southwest)	3174
Mrs. Barnes (London West)	3175

MAIL  **POSTE**

Canada Post Corporation / Société canadienne des postes

Postage paid

Port payé

Lettermail

Poste-lettre

**1782711
Ottawa**

If undelivered, return COVER ONLY to:

Communication Canada - Publishing
Ottawa, Ontario K1A 0S9

En cas de non-livraison,

retourner cette COUVERTURE SEULEMENT à :

Communication Canada - Édition
Ottawa (Ontario) K1A 0S9

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 Communication Canada - Canadian Government Publishing, Ottawa, Ontario K1A 0S9

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 : Communication Canada - Édition, Ottawa (Ontario) K1A 0S9

**On peut obtenir la version française de cette publication en écrivant à : Communication Canada - Édition
Ottawa (Ontario) K1A 0S9**